

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

[✓] **Surveillance**

Name of Management Organisation : ANJA Siais Palm Oil Mill – PT Austindo Nusantara Jaya Agri Siais Subsidiary of PT Austindo Nusantara Jaya Agri

Plantation Name : PT Austindo Nusantara Jaya Agri Siais: Lembah Subur Utara Estate and Lembah Subur Selatan Estate

Location : Village of Pardomuan, Sub District of Angkola Selatan, District of Tapanuli Selatan, Province of Sumatera Utara, Indonesia

Certificate Code : **MUTU-RSPO/046**

Date of Initial Registration : 25 September 2014

Date of Certificate Issue : 25 September 2019      Date of License Issue : 25 September 2022

Date of Certificate Expiry : 24 September 2024      Date of License Expiry : 24 September 2023

| Assessment                       | Assessment Date     | PT Mutuagung Lestari Auditor  | Reviewed by | Approved by |
|----------------------------------|---------------------|---|-------------|-------------|
| ASA-1.2<br>(Remote Audit)        | 27 and 30 July 2021 | Mohamad Amarullah (Lead Auditor),<br>Asystasya Aishah Silalahi, Dwi Haryati, Darwin Simatupang          | Ardiansyah  | Leonada     |
| ASA-1.2 + 1.3<br>(On Site Audit) | 14 to 17 July 2022  | Rizliani Aprianita Hasibuan (Lead Auditor), Bayu Yogatama, Septian Maulana and Sabiah Dhiningtyas Utami |             |             |

| Assessment                       | Approved by MUTUAGUNG LESTARI on: |
|----------------------------------|-----------------------------------|
| ASA-1.2 + 1.3<br>(On Site Audit) | <b>23 September 2022</b>          |

**TABLE OF CONTENT**

**FIGURE**

|   |   |
|---|---|
| Figure 1. Location Map of PT. Austindo Nusantara Jaya Agri Siais    | 1 |
| Figure 2. Operational Map of PT. Austindo Nusantara Jaya Agri Siais | 2 |
| Abbreviations Used  | 3 |

**1.0 SCOPE of the CERTIFICATION ASSESSMENT**

|   |   |
|---|---|
| 1.1 Assessment Standard Used              | 5 |
| 1.2 Organisation Information              | 5 |
| 1.3 Type of Assessment                    | 5 |
| 1.4 Location of Mill and Plantations      | 5 |
| 1.5 Description of Area Statement         | 6 |
| 1.6 Planting Year and Cycle               | 6 |
| 1.7 Description of Mill and Supply Base   | 6 |
| 1.8 Estimate Tonnage of Certified Product | 7 |
| 1.9 Other Certifications                  | 8 |
| 1.10 Time-Bound Plan                      | 8 |

**2.0 ASSESSMENT PROCESS**

|  |    |
|--|----|
| 2.1 Assessment Team  | 11 |
| 2.2 Assessment Methodology, Assessment Process and Locations of Assessment | 12 |
| 2.3 Stakeholder Consultation and Stakeholders Contacted                    | 15 |
| 2.4 Determining Next Assessment  | 15 |

**3.0 ASSESSMENT FINDINGS**

|  |    |
|--|----|
| 3.1 Summary of Assessment Report of the RSPO Certification   | 16 |
| 3.2 Conformity Checklist of Certificate and Logo Use   | 62 |
| 3.3 Summary of RSPO Partial Certification  | 63 |
| 3.4 Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components | 65 |
| 3.5 Summary of Arising Issues from Public and Auditor Verification   | 77 |

**4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY**

|   |    |
|---|----|
| 4.1 Formal Signing of Assessment Findings | 82 |
|---|----|

**APPENDICES**

|   |    |
|---|----|
| 1. List of Stakeholders Contacted in the RSPO Certification Process | 83 |
| 2. Assessment Program   | 85 |

**Figure 1. Location Map of PT Austindo Nusantara Jaya Agri Siais**

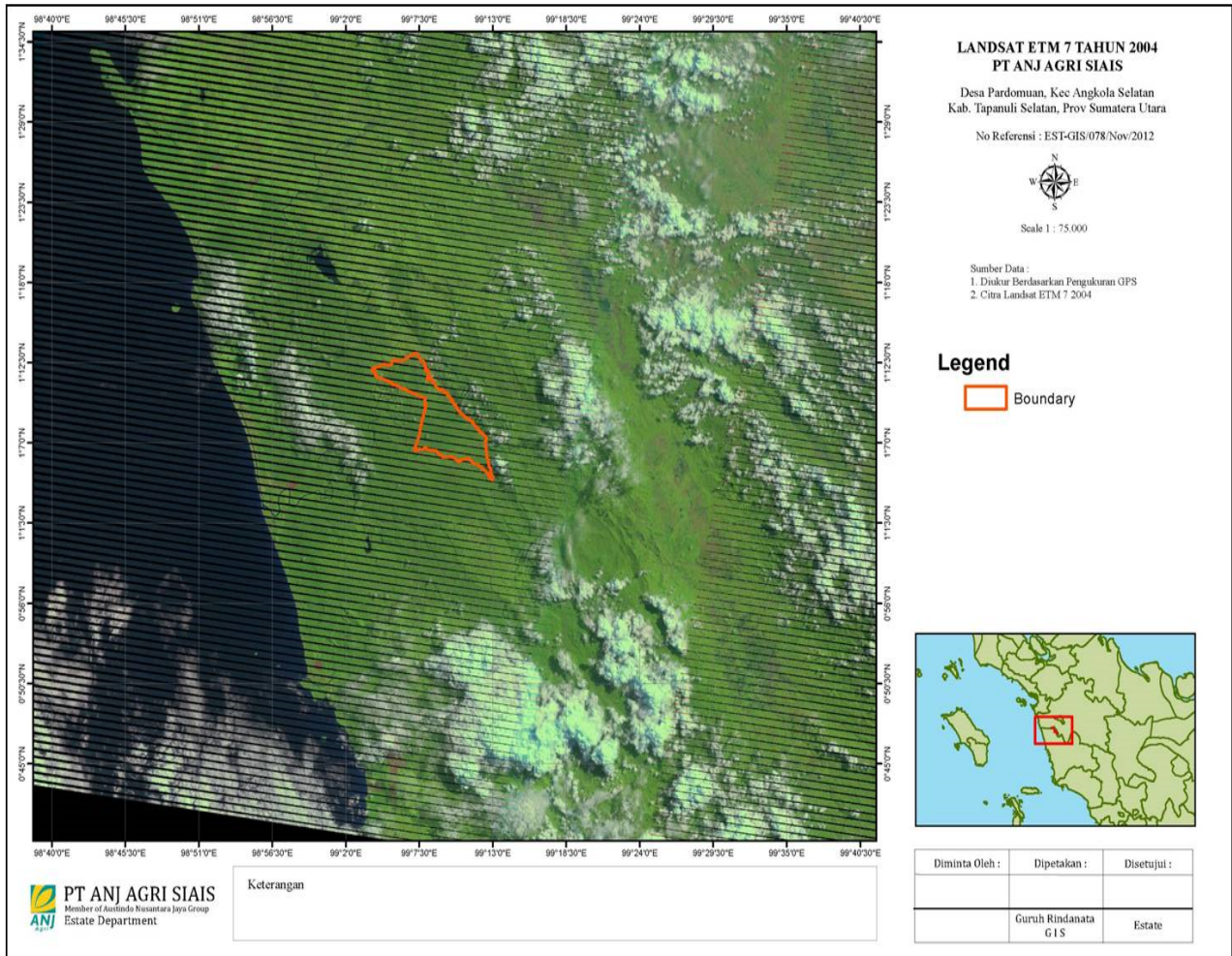
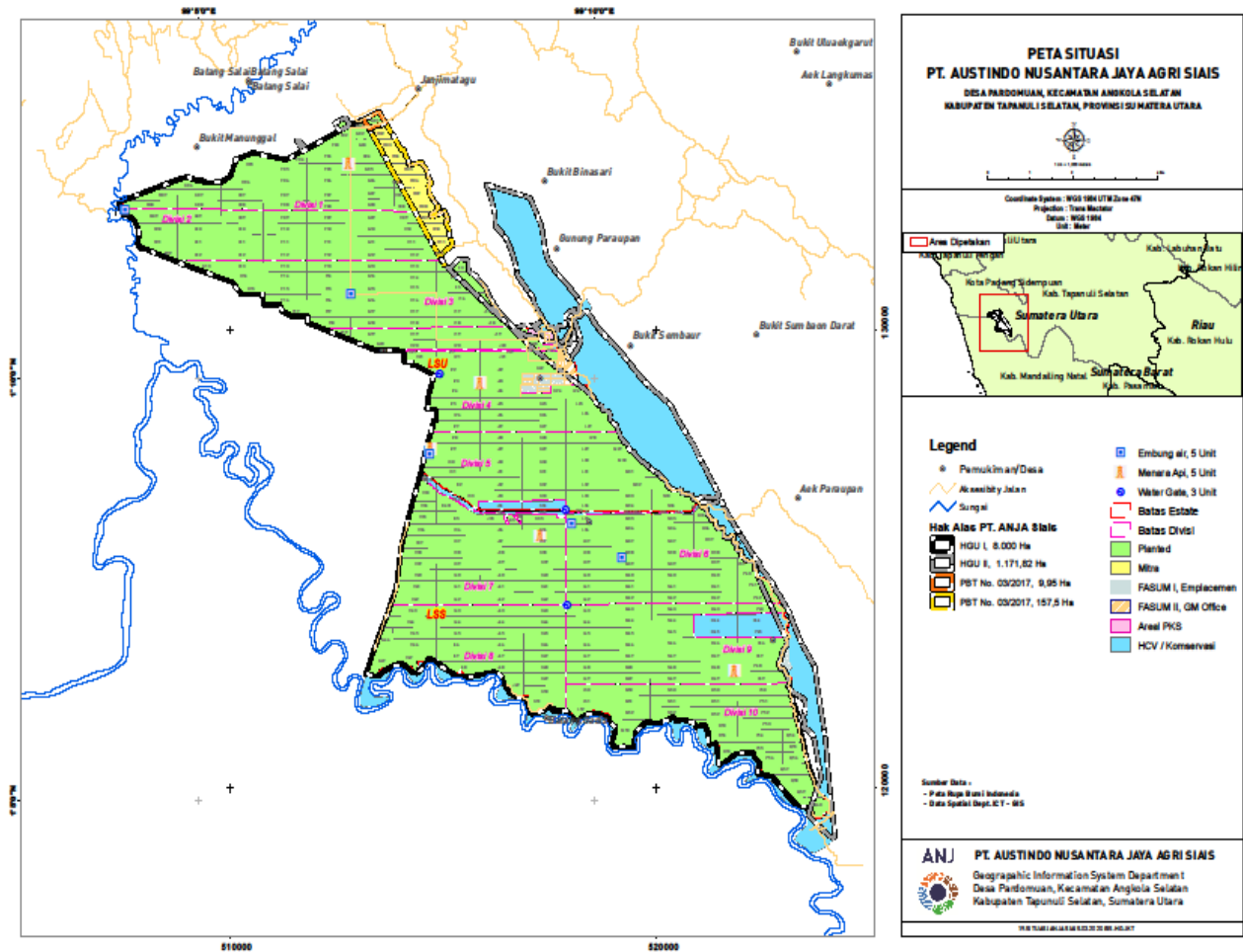


Figure 2. Operational Map of PT Austindo Nusantara Jaya Agri Siais



**Abbreviations Used**

|          |   |   |
|----------|---|---|
| ANDAL    | : | Environmental Impact Assessment   |
| ANJA     | : | Austindo Nusantara Jaya Agri  |
| ASA      | : | Annual Surveillance Assessment  |
| BOD      | : | Biological Oxygen Demand  |
| BNN      | : | <i>Badan Narkotika Nasional</i> (National Narcotics Board)                |
| BPJS     | : | <i>Badan Penyelenggara Jaminan Sosial</i> / Social Security Administrator |
| BPN      | : | <i>Badan Pertanahan Nasional</i> (National Land Agency)                   |
| CB       | : | Certification Body  |
| CD       | : | Corporate Development   |
| CH       | : | Certificate Holder  |
| COVID-19 | : | Coronavirus Disease 2019  |
| CPT      | : | <i>Circle, path dan TPHI</i> Circle, path and FFB collecting place        |
| CSR      | : | Corporate Social Responsibility   |
| CSPK     | : | Certified Sustainable Palm Kernel   |
| CSPO     | : | Certified Sustainable Palm Oil  |
| CPO      | : | Crude Palm Oil  |
| DPRD     | : | <i>Dewan Perwakilan Rakyat Daerah</i> (Regional House of Representatives) |
| EFB      | : | Empty Fruit Bunch   |
| EHS      | : | Environmental Health and Safety   |
| EIA      | : | Environment Impact Assessment   |
| FFB      | : | Fresh Fruit Bunches   |
| FPIC     | : | Free, Prior, Informed, Consent  |
| GHG      | : | Green House Gases   |
| GM       | : | General Manager   |
| GMO      | : | General Manager Office  |
| GPS      | : | Global Positioning System   |
| HCV      | : | High Conservation Value   |
| HGU      | : | <i>Hak Guna Usaha (Land Use Permit)</i>                                   |
| HIRA     | : | Hazard Identification Risk Assessment                                     |
| HIRAC    | : | Hazard Identification Risk Assessment Control                             |
| HIRADC   | : | Hazard Identification Risk Assessment Determining Control                 |
| HR       | : | Human Resource  |
| HRD      | : | Human Resource Development  |
| HRO      | : | Human Resources Officer   |
| IPAL     | : | <i>Instalasi Pengelolaan Air Limbah</i> (Effluent Plant)                  |
| IPM      | : | Integrated Pest Management  |
| IUCN     | : | International Union for Conservation of Nature                            |
| JKK      | : | <i>Jaminan Kecelakaan Kerja</i> / Work Accident Insurance                 |
| JKM      | : | <i>Jaminan Kematian</i> / Insurance Death                                 |
| JHT      | : | <i>Jaminan Hari Tua</i> / Old Age Security                                |
| KER      | : | Kernel Extraction Rate  |
| KTPA     | : | <i>Kelompok Tani Peduli Api</i> (Community Fire Care)                     |
| LSS      | : | Lembah Subur Selatan Estate   |
| LSU      | : | Lembah Subur Utara Estate   |
| LUCA     | : | Land Use Change Analysis  |
| MB       | : | Mass Balance  |
| MCU      | : | Medical Check Up  |
| MDA      | : | <i>Madrasah Diniyah Awaliyah</i> (Islamic Elementary School)              |

|               |   |   |
|---------------|---|---|
| MSDS          | : | Material Safety Data Sheets   |
| NGO           | : | Non-Government Organizations  |
| OER           | : | Oil Extraction Rate   |
| OHS           | : | Occupational Health and Safety  |
| OSS           | : | Online Single Submission  |
| P&C           | : | Principles and Criteria   |
| PHL           | : | <i>Pekerja Harian Lepas / Daily Worker</i>  |
| PIC           | : | Person In Charge  |
| PK            | : | Palm Kernel   |
| PKWT          | : | <i>Perjanjian Kerja Waktu Tertentu / Contract Worker</i>  |
| PKWTT         | : | <i>Perjanjian Kerja Waktu Tidak Tertentu / Permanent Worker</i>   |
| POM           | : | Palm Oil Mill   |
| POLRI         | : | <i>Polisi Republik Indonesia (Indonesian Police)</i>  |
| POME          | : | Palm Oil Mill Effluent  |
| PPE           | : | Personal Protective Equipment   |
| PPLH          | : | <i>Pusat Penelitian Lingkungan Hidup (Environmental Research Center)</i>  |
| PT ANJA Siais | : | PT Austindo Nusantara Jaya Agri Siais   |
| RaCP          | : | Remediation and Compensation Plan   |
| RKL           | : | <i>Rencana kelola lingkungan (Environment Management Plan)</i>  |
| RPL           | : | <i>Rencana pemantauan lingkungan (Environment Monitoring Plan)</i>  |
| RSPO          | : | Roundtable on Sustainable Palm Oil  |
| RTE           | : | Rare, Threatened and Endangered   |
| SEIA          | : | Social and Environmental Impact Assessment  |
| SERBUNDO      | : | <i>Serikat Buruh Perkebunan Indonesia</i>   |
| SIA           | : | Social Impact Assessment  |
| SCCS          | : | Supply Chain Certification System   |
| SOP           | : | Standard Operating Procedure  |
| TNI           | : | <i>Tentara Republik Indonesia (Indonesian Army)</i>   |
| TPA           | : | <i>Tempat Pembuangan Akhir (Landfill)</i>   |
| TPS 3R        | : | <i>Tempat Pembuangan Sampah dengan Reduce, Reuse, Recycle (Waste Disposal Place by Reduce, Reuse, Recycle Method)</i> |
| TPST          | : | <i>Tempat Pembuangan Sampah Terpadu (Integrated landfill)</i>   |
| UKL-UPL       | : | <i>Upaya Pengelolaan Lingkungan dan Upaya Pemantauan Lingkungan (Environment management and Monitoring Plan)</i>      |
| WI            | : | Work Instruction  |
| WLTK          | : | <i>Wajib Lapo Tenaga Kerja / Employment Report</i>  |
| WTP           | : | Water Treatment Plant   |
| WWTP          | : | Wastewater Treatment Plant  |



|            |   |  |  |
|------------|---|--|--|
| <b>1.0</b> | <b>SCOPE of the CERTIFICATION ASSESSMENT</b>                              |  |  |
| <b>1.1</b> | <b>Assessment Standard Used</b>   | <ul style="list-style-type: none"> <li>• <i>Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020.</i></li> <li>• <i>RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.</i></li> </ul> |  |
| <b>1.2</b> | <b>Organisation Information</b>   |  |  |
| 1.2.1      | Organisation name listed in the certificate                               | PT Austindo Nusantara Jaya Agri  |  |
| 1.2.2      | Contact person  | Antoperis Tarigan  |  |
| 1.2.3      | Organisation address and site address                                     | <u>RSPO registered company:</u><br>Sinar Mas Land Plaza 7 <sup>th</sup> Floor.<br>Jl. Pangeran Diponegoro, No. 18. Medan, Sumatera Utara, Indonesia, 20152<br><br><u>Liaison Office:</u><br>Menara BTPN Lantai 40   Jalan Dr. Ide Anak Agung Gde Agung Kav 5.5 – 5.6 Kawasan Mega Kuningan, Jakarta 12950  |  |
| 1.2.4      | Telephone   | (62 61) 453 7480   |  |
| 1.2.5      | Fax   | (62 61) 453 8366   |  |
| 1.2.6      | E-mail  | antoperis.tarigan@anj-group.com  |  |
| 1.2.7      | Web page address  | www.anj-group.com  |  |
| 1.2.8      | Management Representative who completed the application for certification | Sukrisdianto (General Manager)   |  |
| 1.2.9      | Registered as RSPO member   | 1-0032-07-000-00 on 27 February 2007   |  |
| <b>1.3</b> | <b>Type of Assessment</b>   |  |  |
| 1.3.1      | Scope of Assessment and Number of Management Unit                         | Palm Oil Mill and supply base: ANJA Siais POM, Lembah Subur Utara Estate and Lembah Subur Selatan Estate.  |  |
| 1.3.2      | Type of certificate   | Single   |  |
| <b>1.4</b> | <b>Locations of Mill and Plantation</b>                                   |  |  |
| 1.4.1      | Location of Mill  |  |  |
|            | <b>Name of Mill</b>   | <b>Location</b>  | <b>Coordinate</b>                      |
|            |   |  | <b>Latitude</b> <b>Longitude</b>       |
|            | ANJA Siais POM  | Village of Pardomuan, Sub District of Angkola Selatan, District of Tapanuli Selatan, Province of Sumatera Utara, Indonesia   | N<br>01° 10' 29"      E<br>99° 09' 23" |
| 1.4.2      | Location of Certification Scope of Supply Base                            |  |  |
|            | <b>Name of Supply Base</b>  | <b>Location</b>  | <b>Coordinate</b>                      |
|            |   |  | <b>Latitude</b> <b>Longitude</b>       |
|            | Lembah Subur Utara Estate   | Village of Pardomuan, Sub District of Angkola Selatan, District of Tapanuli  | N<br>01° 11' 45"      E<br>99° 06' 52" |

|  |  |                                  |                                    |                             |
|--|--|----------------------------------|------------------------------------|-----------------------------|
|  | Selatan, Province of Sumatera Utara, Indonesia   |                                  |                                    |                             |
| Binasari Cooperative (81 Smallholder)          | Village of Pardomuan, Sub District of Angkola Selatan, District of Tapanuli Selatan, Province of Sumatera Utara, Indonesia | N<br>01° 11' 45"                 | E<br>99° 06' 52"                   |                             |
| Lembah Subur Selatan Estate                    | Village of Pardomuan, Sub District of Angkola Selatan, District of Tapanuli Selatan, Province of Sumatera Utara, Indonesia | N<br>01° 07' 22"                 | E<br>99° 06' 41"                   |                             |
| <b>1.5 Description of Area Statement</b>       |  |                                  |                                    |                             |
| 1.5.1  | Tenure   |                                  |                                    |                             |
|  | • State  |                                  | 9,171.82 ha                        |                             |
|  | • Community  |                                  | 157.50 ha                          |                             |
| 1.5.2  | <b>Area Statement</b>  |                                  |                                    |                             |
|  |  | <b>LSU (Ha)</b>                  | <b>LSS (Ha)</b>                    |                             |
|  |  |                                  | <b>Binasari Cooperative (Ha)</b>   |                             |
|  |  |                                  | <b>Total</b>                       |                             |
|  | • Total area   | 4,851.98                         | 4,319.84                           |                             |
|  | • Mature area  | 3,938.75                         | 3,803.19                           |                             |
|  | • Emplacement, infrastructure, etc   | 56.27                            | 8.5                                |                             |
|  | • POM  | 14.87                            | -                                  |                             |
|  | • HCV  | 842.09                           | 508.15                             |                             |
|  | <i>Extension Scope Bina Sari Cooperative</i>   |                                  |                                    |                             |
| <b>1.6 Planting Year and Cycles</b>            |  |                                  |                                    |                             |
| 1.6.1  | Age profile of planting year   |                                  |                                    |                             |
|  | <b>Planting Year</b>   | <b>Hectarage (ha)</b>            |                                    |                             |
|  |  | <b>Lembah Subur Utara Estate</b> | <b>Lembah Subur Selatan Estate</b> | <b>Binasari Cooperative</b> |
|  |  |                                  |                                    | <b>Total</b>                |
|  | 2005   | 515.42                           |                                    | -                           |
|  | 2006   | 3,132.91                         |                                    | 157.50                      |
|  | 2007   | 290.42                           | 1,074.54                           | -                           |
|  | 2008   | -                                | 1,574.82                           | -                           |
|  | 2009   | -                                | 1,153.83                           | -                           |
|  | <b>TOTAL</b>   | <b>3,938.75</b>                  | <b>3,803.19</b>                    | <b>157.50</b>               |
| 1.6.2  | New Planting area after January 2010   |                                  | - Ha                               |                             |
| 1.6.3  | Planting Cycle   |                                  | 1 <sup>st</sup> Cycle              |                             |
| <b>1.7 Description of Mill and Supply Base</b> |  |                                  |                                    |                             |
| 1.7.1  | Description of Mill  |                                  |                                    |                             |



|            | Name of Mill                                      | Capacity<br>(tonnes/ hour) | FFB Processed<br>(tonnes/year) | CPO  |  | Palm Kernel          |                   |
|------------|---|----------------------------|--------------------------------|--|--|----------------------|-------------------|
|            |   |                            |                                | Out put<br>(tonnes)  | Extraction<br>(%)                        | Out put<br>(tonnes)  | Extraction<br>(%) |
|            | ANJA Siais  | 60                         | 519,573.09                     | 104,682.11   | 20.15                                    | 23,863.85            | 4.59              |
|            | *Source Production Data on July 2020 – May 2022   |                            |                                |  |  |                      |                   |
| 1.7.2      | Description of Certification Scope of Supply Base |                            |                                |  |  |                      |                   |
|            | Name of Estate                                    | Total Area<br>(ha)         | Production Area<br>(ha)        | FFB<br>(tonnes/year)   | Yield<br>(tonnes/<br>ha/year)            | Supplied to Mill     |                   |
|            |   |                            |                                |  |  | FFB<br>(tonnes/year) | %                 |
|            | Lembah Subur Utara                                | 4,851.98                   | 3,938.75                       | 173,637.88   | 23.00                                    | 173,637.88           | 100               |
|            | Lembah Subur Selatan                              | 4,319.84                   | 3,803.19                       | 172,522.24   | 23.67                                    | 172,522.24           | 100               |
|            | <b>TOTAL</b>                                      | <b>9,171.82</b>            | <b>7,741.94</b>                | <b>346,160.12</b>  | <b>23.33</b>                             | <b>346,160.12</b>    | <b>100</b>        |
|            | *Source Production Data on July 2020 – May 2022   |                            |                                |  |  |                      |                   |
| 1.7.3      | FFB description from other source                 |                            |                                |  |  |                      |                   |
|            | Name of sources/Organisation                      | Type of Organisation       | number of smallholders         | Production Area (ha)   | Supplied to Mill                         |                      |                   |
|            |   |                            |                                |  | FFB<br>(tonnes/year)                     |                      |                   |
|            | PT ANJ (uncertified)                              | PT ANJ                     | -                              | 9.74   | 714.28                                   |                      |                   |
|            | Koperasi Petani Binasari (Plasma) – Non Certified | Smallholder scheme         | 81                             | 157.50   | 7,444.62                                 |                      |                   |
|            | UD Boru Namora                                    | Independent smallholders   | -                              | -  | 80,040.09                                |                      |                   |
|            | UD Riri   | Independent smallholders   | -                              | -  | 4,643.96                                 |                      |                   |
|            | Kelompok Tani Janjimatogu                         | Independent smallholders   | -                              | -  | 80,570.02                                |                      |                   |
|            | <b>TOTAL</b>                                      |                            |                                |  |  | <b>173,412.97</b>    |                   |
|            | *Source Production Data on July 2020 – May 2022   |                            |                                |  |  |                      |                   |
| 1.7.4      | Product categories                                |                            |                                | FFB, CPO, PK   |  |                      |                   |
| <b>1.8</b> | <b>Tonnage of Product</b>                         |                            |                                |  |  |                      |                   |
| 1.8.1      | Past Annual Claim Certified Product               |                            |                                | Last Year Projected Certified Volume (Ton) (24 Month)                | Actual Production (July 2020 – May 2022) |                      |                   |
|            | FFB Processed                                     |                            |                                | 395,000  | 346,160.15                               |                      |                   |
|            | CPO Production                                    |                            |                                | 83845  | 71333.42                                 |                      |                   |
|            | Palm Kernel (PK) Production                       |                            |                                | 19225  | 16325.25                                 |                      |                   |
|            | <i>Opening stock PK on June 277.04 MT</i>         |                            |                                |  |  |                      |                   |
| 1.8.2      | Product selling                                   |                            |                                |  |  |                      |                   |
|            | Type of selling product                           |                            |                                | Actual selling product for last year<br>(July 2020 to May 2022) (MT) |  |                      |                   |
|            | CSPO sold as RSPO certified product               |                            |                                | 45087.77   |  |                      |                   |
|            | CSPK sold as RSPO certified product               |                            |                                | 12249.10   |  |                      |                   |
|            | CSPO sold under other scheme                      |                            |                                | -  |  |                      |                   |
|            | CSPK sold under other scheme                      |                            |                                | -  |  |                      |                   |
|            | CSPO sold as conventional                         |                            |                                | 20412.01   |  |                      |                   |
|            | CSPK sold as conventional                         |                            |                                | 3884.33  |  |                      |                   |

|             |   |                                |                                    |   |   |                         |                       |                            |
|-------------|---|--------------------------------|------------------------------------|---|---|-------------------------|-----------------------|----------------------------|
| 1.8.3       | Estimate of Certified FFB Claim   |                                |                                    |   |   |                         |                       |                            |
|             | <b>Name of Estates</b>  | <b>Total Area (ha)</b>         | <b>Production Area (ha)</b>        | <b>FFB (tonnes/year)</b>  | <b>Yield (tonnes/ha/year)</b>                                 |                         |                       |                            |
|             | Lembah Subur Utara  | 4,851.98                       | 3,938.75                           | 94,000  | 23.87   |                         |                       |                            |
|             | Lembah Subur Selatan  | 4,319.84                       | 3,803.19                           | 92,000  | 24.19   |                         |                       |                            |
|             | Binasari Cooperative (81 Smallholders)                                  | 157.50                         | 157.50                             | 4,000   | 25.40   |                         |                       |                            |
|             | <b>TOTAL</b>  | <b>9,329.32</b>                | <b>7,899.44</b>                    | <b>190,000</b>  | <b>24.05</b>  |                         |                       |                            |
|             | <i>*Projected FFB production for 12 months of certificate</i>           |                                |                                    |   |   |                         |                       |                            |
| 1.8.4       | Estimate of Certified Palm Product Claim                                |                                |                                    |   |   |                         |                       |                            |
|             | <b>Name of Mill</b>   | <b>Capacity (tonnes/ hour)</b> | <b>FFB Processed (tonnes/year)</b> | <b>CPO</b>  |   | <b>Palm Kernel</b>      |                       | <b>Supply Chain Module</b> |
|             |   |                                |                                    | <b>Out put (tonnes)</b>   | <b>Extraction (%)</b>   | <b>Out put (tonnes)</b> | <b>Extraction (%)</b> |                            |
|             | ANJA Siais  | 60                             | 190,000                            | 39,900  | 21  | 9,500                   | 5.00                  | MB                         |
|             | <i>*Projected CSPO and CSPK production for 12 months of certificate</i> |                                |                                    |   |   |                         |                       |                            |
| <b>1.9</b>  | <b>Other Certifications</b>   |                                |                                    |   |   |                         |                       |                            |
|             | ISO 9001:2008   |                                |                                    | -   |   |                         |                       |                            |
|             | ISO 14001: 2015   |                                |                                    | Certificate Registration No. 08 04 K 14070 valid until 2023-11-11 issued by TUV Nord                  |   |                         |                       |                            |
|             | ISO 45001 : 2018  |                                |                                    | Certificate Registration No. 03 14 K 17056 valid until 2023-11-10 issued by TUV Nord                  |   |                         |                       |                            |
|             | ISCC  |                                |                                    | -   |   |                         |                       |                            |
|             | ISPO  |                                |                                    | Certificate MUTU-ISPO/037 issued by Mutuagung Lestari valid from 4 September 2020 to 4 September 2025 |   |                         |                       |                            |
| <b>1.10</b> | <b>Time Bound Plan</b>  |                                |                                    |   |   |                         |                       |                            |
| 1.10.1      | <b>Time Bound Plan for Other Management Units</b>                       |                                |                                    |   |   |                         |                       |                            |
|             | <b>Management Unit</b>  | <b>Time Bound Plan</b>         | <b>Estate (Supply Base)</b>        | <b>Time Bound Plan</b>  | <b>Location</b>   | <b>Status</b>           |                       |                            |
|             | ANJA Siais<br>(PT ANJA Siais)   | 2014                           | Lembah Subur Utara                 | 2014  | Tapanuli Selatan District, Sumatera Utara Province, Indonesia | Certified               |                       |                            |
|             |   |                                | Lembah Subur Tengah                | 2014  |   |                         |                       |                            |
|             |   |                                | Lembah Subur Selatan               | 2014  |   |                         |                       |                            |
|             |   |                                | Lembah Subur Utara                 | 2023<br>(9.95 Ha)   |   |                         |                       |                            |
|             |   |                                | Binasari Cooperative               | 2022  |   |                         |                       |                            |
|             | Jangkang<br>(PT Sahabat Mewah Makmur)                                   | 2009                           | Jangkang                           | 2009  | Belitung Timur District, Bangka Belitung Province, Indonesia  | Certified               |                       |                            |
|             |   |                                | Balok                              | 2009  |   |                         |                       |                            |
|             |   |                                | Ladang Jaya                        | 2009  |   |                         |                       |                            |
|             |   |                                | Sari Bunga                         | 2009  |   |                         |                       |                            |
|             |   |                                | Air Ruak                           | 2009  |   |                         |                       |                            |

|   |      |                                   |      |   |             |
|---|------|-----------------------------------|------|---|-------------|
|   |      | Mitra Lestari Cooperative         | 2019 |   | Certified   |
|   |      | Mitra Anugerah Cooperative        | 2019 |   | Certified   |
|   |      | Sambar Jaya Makmur Cooperative    | 2019 |   | Certified   |
|   |      | Lindong Raya Cooperative          | 2027 |   | -           |
|   |      | Berhimpun Sejahtera Cooperative   | 2027 |   | -           |
|   |      | Tiong Sejahtera Cooperative       | 2027 |   | -           |
|   |      | Gunung Nyerudong Cooperative      | 2027 |   | -           |
|   |      | Bumdes Tebing Tinggi Cooperative  | 2027 |   | -           |
| Binanga (PT ANJ Agri)   | 2012 | Estate Wilayah Timur              | 2012 | Padang Lawas Utara District, Sumatera Utara Province, Indonesia | Certified   |
|   |      | Estate Wilayah Tengah             | 2012 |   |             |
|   |      | Estate Wilayah Barat              | 2012 |   |             |
|   |      | ANJA estate                       | 2023 |   | Uncertified |
| KAL POM (PT.Kayung Agro Lestari)  | 2019 | Sungai Gemilang Teduh 1 (SGT-1)   | 2019 | Ketapang District, Kalimantan Barat Province, Indonesia         | Certified   |
|   |      | Sungai Gemilang Teduh 2 (SGT-2)   | 2019 |   |             |
|   |      | Gunung Sejahtera Tumbuh 2 (GST-2) | 2019 |   |             |
|   |      | Gunung Sejahtera Tumbuh 1 (GST-1) | 2019 |   |             |
|   |      | PT Galempa Sejahtera Bersama      | 2023 | Empat Lawang Distict, Sumatera Selatan Province, Indonesia      | -           |
| PMP POM (PT PPM)  | 2021 | PT Putera Manunggal Perkasa       | 2021 | Sorong Selatan District, Papua Barat Province, Indonesia        | Certified   |
|   |      | PT.Permata Putera Mandiri         | 2021 |   | Certified   |
| <p>TBP is updated June, 16 2022 signed by Vice President. The company has also submitted the TBP to the RSPO in May 2022 for units planned to be certified by June 2023.</p> <p>Document of revision of certification time-bound statement of PT ANJA and its subsidiaries on June 16 2022, with justification i.e:</p> <ul style="list-style-type: none"> <li>- RSPO certification of PT GSB, which was originally targeted to be obtained in 2020, has been changed to 2023 because the land compensation process has not been completed so planting and factory construction were also delayed. PT GSB's palm oil mill is planned to be built in 2023. RSPO certification will take place after the mill is operational.</li> <li>- In 2014 ANJA SIAIS has obtained the first RSPO certification, however there is an area of PT ANJA SIAIS that has not yet entered the scope of certification which is known based on the results of the re-cadastral identification in 2017 covering an area of 9.95 Ha. The company has taken care of licensing the area and is still in the process of the relevant agencies so that preparation for certification is hampered. This causes the certification plan to be implemented in 2023</li> <li>- In 2012 PT ANJA has obtained the first RSPO certificate, however there is an area of PT ANJA SIAIS that has not been included in the scope of certification which is known based on the results of re-cadastral identification in 2017 covering an area of 53.25 Ha. The company has taken care of licensing the area and is still in the process of the relevant agencies so that preparation for certification is hampered. This causes the certification plan to be implemented in 2023</li> </ul> |      |                                   |      |   |             |

|        |  |
|--------|--|
| 1.10.2 | <b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b> |
|        | Associated smallholder has been include in certification scope.                    |
|        |  |

|                                   |   |
|-----------------------------------|---|
| <b>2.0</b>                        | <b>ASSESSMENT PROCESS</b>   |
| <b>2.1</b>                        | <b>Assessment Team</b>  |
| <b>ASA-1.2 Remote Audit</b>       | <ol style="list-style-type: none"> <li><b>Mohamad Amarullah (Lead Auditor).</b> Indonesian Citizen. Master of Wood Science and Technology from UPM Malaysia and Bachelor of Forestry, majoring in Forest Product Technology from IPB University. Has experiences as an Agronomist and Research Assistant in Indonesia and Malaysia from 2008 to 2014. Has been attended several trainings such as Lead Auditor of ISPO, RSPO, ISO 17021, ISO 17065, ISO 9001, ISO 19011, ISO 14001, ISO 45001, HCV, SCCS, SA 8000, Life Cycle Analysis, etc. Has been conducted several ISPO, RSPO and MSPO audit scheme as an Auditor and Lead Auditor since 2014 in all aspects. Fluent in Malay and English. During this assessment has verified Best Management Practices and Transparency aspect.</li> <li><b>Dwi Haryati (Auditor).</b> Bachelor of Agriculture Department of Agriculture. She has experienced on Palm Oil Plantation as Sustainability staff. Training have been followed include: Training Auditor ISPO, Quality Management ISO 9001-2008, ISO 14001 Environmental Management, ISO 17021 &amp; 17065, HCV, General Health Safety Expert, Health Safety Management System, GHG Workshop by the ISPO Commission, IHT Palm Oil Mill Processing, Awareness RSPO, IHT Best Practice in Peat Management, Mapping Potential and Conflict Resolution in Production Forest, and Social Accountability SA 8000 Training. RSPO audit experience since March 2015 and ISPO since May 2014. During this audit, she environment, conservation, and GHG aspect.</li> <li><b>Asystasya Aishah Silalahi (Auditor).</b> Indonesia Citizen, Bachelor of Economy, Major of Agribusiness, Faculty of Economic and Management. She has one year experience in consultancy. She has followed training such as ISPO Auditor Training, Lead Auditor ISO 9001:2015, OHS General Expert, RSPO lead auditor training course, SCCS, and several in house training related to environmental, BMP, SA 8000. Has been involved in several audit activities since 2016 related to sustainable palm oil certification covering waste management aspect, Social Aspect, Health and Safety Aspect, and Worker Welfare. During this audit, she verified legal, land dispute, and SCCS aspect.</li> <li><b>Darwin Simatupang (Auditor Trainee).</b> Indonesian citizen. Bachelor of Agriculture, majoring in Soil Science and Land Resource from IPB University. Has one year experience as agronomist in palm oil plantation company. Training has been attended including Indonesian Sustainable Palm Oil (ISPO), Lead Auditor of ISO 9001: 2015, Awareness ISO 17021: 2015, Awareness ISO 17065: 2012, Awareness ISO 14001: 2015, Awareness ISO 45001: 2018, Awareness ISO 19011: 2018. During this assessment has verified Worker Welfare and Occupational Health and Safety supervised by Lead Auditor.</li> </ol> |
| <b>ASA-1.2 + 1.3 Onsite Audit</b> | <ol style="list-style-type: none"> <li><b>Rizliani Aprianita Hasibuan (Lead Auditor).</b> Indonesian Citizen. Bachelor and Magister of Agribusiness, Faculty of Agriculture. She had followed training such as RSPO Lead Auditor Training, SA 8000, Lead Auditor ISO 9001:2008, ISO 14001:2004, ISPO Auditor training and followed several IHT related to environment, BMP etc. She has been involved in several audit activities related to sustainable palm oil certification since 2015 covering social aspect, health and safety aspect, worker welfare and waste management aspect. During the assessment she assigned to verified Legal, TBP, Social, and Transparency.</li> <li><b>Bayu Yogatama (Auditor).</b> Bachelor of Forestry, Department of Forest Resources Conservation and Ecotourism, Bogor Agricultural University. Has attended the ISO 9001: 2015 Quality Auditor / Lead Auditor Course Quality Management System (QMS) course and ISO 19011: 2011 Guidelines for Auditing Management System, ISPO Lead Training, RSPO Lead Training, Green Industry Lead Training, SA 8000, IHT RSPO NPP, IHT RSPO RaCP, IHT ISO 17021, and IHT ISO 17065. Having experience working in plywood field as Inspector in foreign private company. Currently working for an independent certification body. During this assessment, he verified the Environmental, GHG, SCCS and Waste management aspects.</li> <li><b>Septian Maulana (Auditor).</b> Indonesian Citizen, Bachelor of Economic, Pamulang University. Have experience as sustainability staff on oil palm plantation. Training have been followed including Occupational Health and Safety Expert Candidate certification by Ministry of Manpower and Transmigration of Indonesia; Awareness Integrated Management Systems (ISO 9001:2015, ISO 14001:2015, ISO 45001:2018); Basic Fire Fighting; Basic First Aid; Understanding the regulations and technical aspects of environmental management; Training of Immobilization after a venomous snake bite; Awareness ISO 19011:2011; Awareness ISO 17065:2012; Awareness ISO 17021:2015; ISO 14001:2015; and ISO 45001:2018; ISO 9001:2015 Lead Auditor, ISPO Lead Auditor, and RSPO Lead Auditor. In this audit activity was verified Best Management Practices Aspect, Long-term Management Plan and OHS.</li> <li><b>Sabiah Dhiningtyas Utami (Auditor Trainee).</b> Indonesian Citizen. Bachelor of Agriculture, Department of</li> </ol>   |

|                                   |  |
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|                                   | Agrotechnology, Padjadjaran University. Has attended training on <i>Awareness ISO 9001:2015, Awareness ISO 19011:2018, Awareness ISO 14001:2015, Awareness ISO 45001:2018, Awareness ISO 17021:2015, Awareness ISO 17065:2012 dan Awareness RSPO</i> . She has participated in several simulations of audit activities related to the certification system for sustainable palm oil plantations with labor and social aspects. During this audit, she was assigned to verify labor and transparency under supervision by the Lead Auditor.   |
| <b>2.2</b>                        | <b>Assessment Methodology, Assessment Process and Locations of Assessment</b>  |
| <b>2.2.1</b>                      | <b>Figure of person days to implement assessment</b>   |
| <b>ASA-1.2 Remote Audit</b>       | Number of auditors: 3 auditor and 1 auditor trainee<br>Number of days for <b>ASA-1.2</b> by remote audit: 2 days<br>Number of working days for <b>ASA-1.2</b> at site: 6 Working days  |
| <b>ASA-1.2 + 1.3 Onsite Audit</b> | Number of auditors: 3 auditor and 1 auditor trainee<br>Number of days for <b>ASA-1.2 + 1.3</b> by onsite audit: 4 days<br>Number of working days for <b>ASA-1.2 + 1.3</b> at site: 12 Working days   |
| <b>2.2.2</b>                      | <b>Assessment Process</b>  |
| <b>ASA-1.2 Remote Audit</b>       | The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT ANJA Siais to the requirements of <b>Principles and Criteria for the Production of Sustainable Palm Oil 2018, endorsed by the RSPO Board of Governors and adopted at the 15<sup>th</sup> Annual General Assembly by RSPO Member on 15 November 2018 and RSPO Certification System for Principles and Criteria, 14 June 2017.</b><br><br>The audit has conducted remotely.<br><br>The assessment program please find Appendix 2.  |
| <b>ASA-1.2 + 1.3 Onsite Audit</b> | The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Bina Sains Cemerlang. to the requirements of <b>Principles and Criteria for the Production of Sustainable Palm Oil 2018, endorsed by the RSPO Board of Governors and adopted at the 15<sup>th</sup> Annual General Assembly by RSPO Member on 15 November 2018 and RSPO Certification System for Principles and Criteria, 14 June 2017.</b><br><br>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i> , aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.<br><br>Bina Sari Cooperative has been certified under management of Lembah Subur Utara Estate.<br><br>Some opportunities for improvement of the results ASA-1.2 and ASA-1.3 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase ASA-1.4.<br><br>Improvement of findings from ASA-1.2 (remote audit) findings were observed by auditors at this ASA-1.2 and ASA-1.3 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1.2 and ASA-1.3.<br><br>The opening meeting was held on 14 June 2022. As for the participants who attended the opening meeting included the General Manager, Estate and Mill Managers, Support Team from Jakarta and other staff. Closing meeting was held on 17 June 2022 attended by the same participants as the opening meeting. The management of PT ANJ Agri Siais accept all the onsite ASA-1.2 and ASA-1.3 audit results.<br><br>The assessment program please find Appendix 2 |



|                             |  |
|-----------------------------|--|
| 2.2.3                       | <b>Locations of Assessment</b>   |
| <b>ASA-1.2 Remote Audit</b> | <p>The sampling location consider the issue arise from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p> <p><b>ANJA Siais POM</b></p> <ul style="list-style-type: none"> <li>• <b>Security Post.</b> Virtual observation regarding of FFB's receive and verification process and OHS implementation.</li> <li>• <b>Weighbridge (1 Worker).</b> Virtual observations regarding FFB's weighing process and OHS implementation.</li> <li>• <b>Grading Station.</b> Virtual observation regarding technical sortation process and OHS implementation.</li> <li>• <b>Loading Ramp Station.</b> Virtual observation towards technical and OHS implementation.</li> <li>• <b>Sterilizer Station.</b> Virtual observation towards technical and OHS implementation.</li> <li>• <b>Press Station.</b> Virtual observation towards technical and OHS implementation.</li> <li>• <b>Clarification Station.</b> Virtual observation towards technical and OHS implementation.</li> <li>• <b>Kernel Station.</b> Virtual observation towards technical and OHS implementation.</li> <li>• <b>Boiler Station.</b> Virtual observation towards technical and OHS implementation.</li> <li>• <b>Engine Room.</b> Virtual observation towards technical and OHS implementation.</li> <li>• <b>Laboratory.</b> Virtual observation towards technical, handling of Hazardous and Toxic Substances, and OHS implementation.</li> <li>• <b>Workshop Mill.</b> Virtual observation towards welding and OHS implementation.</li> <li>• <b>Effluent Plant (IPAL).</b> Observation for waste management</li> <li>• <b>Water Treatment Plant.</b> Observation for water usage monitoring</li> </ul> <p><b>Lembah Subur Utara Estate (LSU)</b></p> <ul style="list-style-type: none"> <li>• <b>Harvesting &amp; FFB transport at Block H16 Division 3.</b> Virtual observation regarding harvesting activities and FFB transport as well as OHS implementation.</li> <li>• <b>Water management at Block G12/13 Division 3.</b> Virtual Observation regarding water management, such as monitoring water level.</li> <li>• <b>Road Maintenance at Block N33 Division 5.</b> Observation to road and bridge maintenance manual by 2 workers.</li> <li>• <b>Football field.</b> Virtual observation towards simulation of firefighting.</li> <li>• <b>Warehouse.</b> Virtual observation towards working tool management as well as PPE for pesticide operator.</li> <li>• <b>Cleaning house and PPE/tools storage of spraying workers. Division 4.</b> Observation related to management of agrochemical material and waste, cleaning and emergency response facilities, and PPE storage.</li> <li>• <b>HCV Area Division V.</b> Observation of HCV management</li> </ul> <p><b>Lembah Subur Selatan Estate (LSS)</b></p> <ul style="list-style-type: none"> <li>• <b>Pesticide application at Block J49 Division 8.</b> Virtual observation regarding pesticide application, such as technique of dilution pesticide, handling of Hazardous and Toxic Substances, and OHS implementation.</li> <li>• <b>Chemical Warehouse.</b> Virtual observation of pesticide applicator washing facilities, as well as pesticide mixing facilities</li> <li>• <b>Subsidence Pole at Block I39 Division 7.</b> Virtual observation to verify monitoring of subsidence pole.</li> <li>• <b>Piezometer at Block J36 Division 7.</b> Virtual observation to verify measurement of Piezometer and document storage of monitoring measurement's result. The last activity of Piezometer measurement was carried out on July 17, 2021 with the result of recording the water table at 55 cm.</li> <li>• <b>Cleaning house and PPE/tools storage of spraying workers. Division 9.</b> Observation related to management of agrochemical material and waste, cleaning and emergency response facilities, and PPE storage.</li> <li>• <b>HCV Area Division IX block P44 &amp; P55.</b> Observation of HCV management.</li> </ul> |
| <b>ASA-1.2 + 1.3 Onsite</b> | <p>The sampling location consider the issue arise from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p>   |

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| <b>Audit</b> | <p><b>ANJA Siais POM</b></p> <ul style="list-style-type: none"> <li>• <b>Grading Station.</b> Observation and interview related to technical work according to procedures, OHS, employment, environment, and social aspects.</li> <li>• <b>Loading Ramp Station.</b> Observations related to occupational safety and health as well as established work procedures.</li> <li>• <b>Sterilizer Station.</b> Observations related to occupational safety and health as well as established work procedures.</li> <li>• <b>Clarification Station.</b> Observations related to occupational safety and health as well as established work procedures.</li> <li>• <b>Kernel Station.</b> Observations related to occupational safety and health as well as established work procedures.</li> <li>• <b>Boiler Station.</b> Observation and interview related to technical work according to procedures, OHS, employment, environment, and social aspects.</li> <li>• <b>Engine Room.</b> Observation and interview related to technical work according to procedures, OHS, employment, environment, and social aspects.</li> <li>• <b>Laboratory.</b> Observation and interview towards technical, handling of hazardous and toxic substances, and OHS implementation.</li> <li>• <b>Hydrant Simulation.</b> Observation related emergency preparedness.</li> <li>• <b>Security post.</b> Interview with 1 security related to work procedure, emergency response, worker welfare, OHS implementation in mill, and supply chain aspect.</li> <li>• <b>Weighbridge station.</b> Interview with 2 workers related to supply chain aspect and worker welfare.</li> <li>• <b>CPO dispatch station.</b> Interview with 1 worker related to work procedure, worker welfare, OHS implementation in mill, and supply chain aspect.</li> <li>• <b>Grading Station.</b> Observations and interviews related work procedure, safety aspect, worker welfare etc</li> <li>• <b>WWTP.</b> Observation for waste management</li> <li>• <b>Water Treatment Plant.</b> Observation for water usage monitoring</li> <li>• <b>Workshop Mill.</b> Virtual observation towards welding and OHS implementation.</li> <li>• <b>Hazardous Waste Storage.</b> Observation for hazardous waste management</li> </ul> <p><b>Lembah Subur Utara Estate (LSU)</b></p> <ul style="list-style-type: none"> <li>• <b>Clinic.</b> Observation and interview related facility chemical management, OHS, employment and environmental aspects.</li> <li>• <b>Daycare.</b> Observation and interview with worker related OHS, employment, environment, and social aspects.</li> <li>• <b>Central Housing Complex.</b> Observation to emplacement facilities such as assembling points, fire extinguisher, sanitation system, housing quality, playground, and mosque.</li> <li>• <b>Temporary Garbage Dump (3R).</b> Observation and interview related to technical work according to procedures, domestic waste management, OHS, employment and environmental aspects.</li> <li>• <b>Warehouse.</b> Observations related to the storage of chemicals, fertilizers, PPE, OHS, and environmental aspects.</li> <li>• <b>Firefighter Warehouse.</b> Field observations and interview related to the completeness of fire fighting equipment, as well as checking the condition of the pump engine.</li> <li>• <b>Composting Application Activity Division 4.</b> Field observations and interviews related to aspects of BMP, employment and OSH.</li> <li>• <b>Weeding Manual Activity Division 2.</b> Field observations and interviews related to aspects of BMP, employment and OSH.</li> <li>• <b>Stop Bund dan Piezometer Division 2.</b> Field observations related to peatland management.</li> <li>• <b>Owl Cage Division 4.</b> Field observations regarding the implementation of integrated pest control.</li> <li>• <b>Boundaries BPN ANJ 151-154.</b> Field observations to see the suitability of the coordinates, position and condition of the stake.</li> <li>• <b>HCV area block K33/34.</b> Observation related to management of environmental aspect and boundaries to planted area.</li> <li>• <b>Cleaning house and PPE/tools storage of spraying workers.</b> Observation related to management of agrochemical material and waste, cleaning and emergency response facilities, and PPE storage.</li> </ul> |
|--------------|--|

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|                                   | <p><b>Lembah Subur Selatan Estate (LSS)</b></p> <ul style="list-style-type: none"> <li>• <b>HCV, Block OP 14-15.</b> Observation related to management of environmental aspect.</li> <li>• <b>HGU Pole Number ANJ 124, Block 54-55.</b> Observations to see the suitability of the coordinates, position and condition of the stake.</li> <li>• <b>HGU Pole Number ANJ 125, Block 52-53.</b> Observations to see the suitability of the coordinates, position and condition of the stake.</li> <li>• <b>HGU Pole Number ANJ 1-2, Block D5.</b> Observations to see the suitability of the coordinates, position and condition of the stake.</li> <li>• <b>HCV area block J34.</b> Observation related to management of environmental aspect and boundaries to planted area.</li> <li>• <b>Employee Housing Complex.</b> Observation to emplacement facilities such as assembling points, fire extinguisher, sanitation system, housing quality, playground, and mosque.</li> <li>• <b>Central/General Warehouse.</b> Observation related to emergency procedure and material handling.</li> <li>• <b>Chemical Warehouse.</b> Observation and Interview with workers related to personnel understanding over the applicable SOP, implementation of OHS, training from company and worker welfare.</li> <li>• <b>Fertilizer Warehouse.</b> Observation and Interview with workers related to personnel understanding over the applicable SOP, implementation of OHS, training from company and worker welfare.</li> <li>• <b>Daycare.</b> Observation and interview with worker related OHS, employment, environment, and social aspects.</li> <li>• <b>Woodies Manual Upkeep Activity.</b> Field observations and interviews related to aspects of BMP, employment and OSH.</li> <li>• <b>Harvesting Activity.</b> Field observations and interviews related to aspects of BMP, employment and OSH.</li> <li>• <b>Mounding Palm Tree Area.</b> Field observation related palm tree condition.</li> </ul> |
| <b>2.3</b>                        | <b>Stakeholder Consultation and Stakeholders Contacted</b>  |
| <b>2.3.1</b>                      | <b>Summary of stakeholder consultation process.</b>   |
| <b>ASA-1.2 Remote Audit</b>       | The audit has conducted remotely  |
| <b>ASA-1.2 + 1.3 Onsite Audit</b> | <p>Summary of stakeholder consultation process<br/>           Consultation of stakeholders for PT ANJ Agri Siais was held by:</p> <ul style="list-style-type: none"> <li>• Public notification on website Mutuagung Lestari</li> <li>• Public consultation by email with NGOs such as WALHI, WWF, AMAN, and Sawit Watch on June 6<sup>th</sup>, 2022.</li> <li>• Public consultation by phone with government institution on June 14<sup>th</sup>, 2022.</li> <li>• Public consultation by phone with communities including previous land owner on 14-15 June 2022</li> <li>• Public consultation by direct interview with internal stakeholders and contractor on June 14<sup>th</sup> – 15<sup>th</sup>, 2022.</li> </ul> <p>Numbers of input from stakeholders were clarified by PT ANJ Agri Siais</p>   |
| <b>2.3.2</b>                      | <b>Stakeholder contacted</b>  |
|                                   | Please find appendix 1  |
| <b>2.4</b>                        | <b>Determining Next Assessment</b>  |
|                                   | The next visit <b>ASA-1.4</b> will be conducted eight (8) months to twelve (12) month   |

**3.0 ASSESSMENT FINDINGS**

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

MUTUAGUNG LESTARI has conducted an assessment of ANJA Siais POM – PT Austindo Nusantara Jaya Agri operation consisting of one (1) mill and two (2) oil palm estates.

During the assessment, there were two (2) nonconformity were assigned against Critical Compliance Indicators; one (1) nonconformity were assigned against Non-critical Compliance Indicators; and six (6) opportunities for improvement were identified.

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

MUTUAGUNG LESTARI found that ANJA Siais POM – PT Austindo Nusantara Jaya Agri complied with the requirements of **Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.**

Therefore, MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is Continued

| Ref Std.   | VERIFICATION RESULT of MUTU-Certification  |
|--|--|
| <b>PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY</b> |  |
| <b>1.1</b>   | <b>The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>   |
| <b>1.1.1</b>   | <p>The company has a list of accessible documents contained in Internal Memo No. 260/GM/ANJAS/IM/XI-2020 dated November 30, 2020. The Internal Memo explains that there are 3 types of documents in the list of public documents, including:</p> <ul style="list-style-type: none"> <li>• General type of document, meaning that the document can be seen by employees or anyone in the company's internal</li> <li>• Types of documents that are Approval, meaning that the document can be seen through the approval of the management</li> <li>• This type of document is confidential, meaning that the document can only be seen by the General Manager or certain departments.</li> </ul> <p>As for examples of documents that can be provided with approval such as Business Permits, CSR Reports, SIA Reports, OHS documents, HCV Reports, Management Reports, and others. For external parties, they can request company documents by making an official letter addressed to the External Affairs section. Unit of Certification also have website (<a href="https://anj-group.com/en/our-profile">https://anj-group.com/en/our-profile</a>) and some information is publicly available such as policy, organization structure and sustainability report.</p> |
| <b>1.1.2</b>   | <p>The unit of certification can show evidence that information has been received in an appropriate form and language related to stakeholder involvement, unit of certification rights and obligations that are conveyed to all relevant stakeholders, including:</p> <ul style="list-style-type: none"> <li>• Report on Investment Activities (estate) for the first quarter of 2022 with receipt number 1471394 dated April 11, 2022.</li> </ul>   |

- Report on Investment Activities (mill) for the first quarter of 2022 with receipt number 1471399 dated April 11, 2022
- Land use report for year 2021 has been submitted to National Land Agency on 13 May 2022
- OHS reports that are carried out quarterly to the relevant agencies, for example the Quarter IV OHS Report 2021 have been submitted to the North Sumatra Provincial Manpower Agency on January 2022.
- Evidence of sending the Plantation Business Development Report for the second semester of 2021 to the Plantation Agency on April 2022.

**1.1.3**

The procedures for communicating and delivering information to stakeholders are presented in document No. SOP-Leg-02 (Rev. 04) dated 01 September 2015, the requested information is recorded in Form No. FRM-SOP Leg 02-02. Furthermore, document handling and management procedures regarding this matter are presented in document no. SOP-SCD-01 (Rev. 01/03) dated November 10, 2014. Records of requests for information are checked and updated by the Relation Manager on a monthly basis. Response time must be less than 3 months and managed by External Relations Officer.

The company has shown documents for recording responses or information services to requests for information from stakeholders contained in the books of incoming and outgoing letters. Based on the results of verification of incoming mail documents, it is known that all incoming letters have been responded to by the company, for example:

- Letter No. 07/Pan-Pel/NNB-III/12/2021 dated December 16, 2021 related to the youth seminar invitation and has been responded to and has been responded to on December 7, 2021
- Letter of request for assistance dated February 14, 2022 and has been responded to March 9, 2022.

**1.1.4**

The procedures for communicating and delivering information to stakeholders are presented in document No. SOP-Leg-02 (Rev. 04) dated 01 September 2015, the requested information is recorded in Form No. FRM-SOP Leg 02-02. Furthermore, document handling and management procedures regarding this matter are presented in document no. SOP-SCD-01 (Rev. 01/03) dated November 10, 2014. Records of requests for information are checked and updated by the Relation Manager on a monthly basis. Response time must be less than 3 months and managed by External Relations Officer.

Based on the results of interviews with local contractors, village representatives, and government agencies, it is known that the stakeholders already know the mechanism for requesting and providing information as well as communicating and submitting complaints to the company, namely verbally through direct meetings or telephone and can also be through letters.

**1.1.5**

The unit of certification has provided an updated list of stakeholders in 2022 for PT ANJ AGRI SIAIS which consists of legal entities, worker organization, supplier, contractor, villages, and others (including NGO). The document contains a list of names, types of relevant stakeholders, and stakeholder contacts.

Based on the stakeholder list document, it is known that these contacts can be contacted through interviews with representatives of internal and external stakeholders, for example, interviews with the National Land Agency of Tapanuli Selatan Regency. The results of the interview can be seen in section 3.5 Summary of Arising Issues from Public and Auditor Verification.

|  |                       |  |
|--|-----------------------|--|
|  | <b>Status: Comply</b> |  |
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**1.2**  
**The unit of certification commits to ethical conduct in all business operations and transactions.**

**1.2.1**

The unit of certification has policies related to the code of conduct for business conduct, prevention and eradication of money laundering, eradication of corruption and prevention and eradication of corruption as stated in the "ANJ Group Code of Business Conduct" issued on January 1<sup>st</sup>, 2014. The policy has been submitted to parties, whether workers, contractors, or the community, for example, socialization at the ANJAS mill unit on September 30<sup>th</sup>, 2021, which was attended by 61 workers. The socialization was also carried out to stakeholders on December 29<sup>th</sup>, 2021, which was attended by 29 representatives from the South Tapanuli Regency government, *TNI/POLRI*, South Angkola Sub-district, NGOs, Farmer Groups, Suppliers, Contractors, Community Leaders, Traditional Leaders, etc.



Based on the results of interviews with representatives of workers and parties such as contractors and community leaders, it is known that the code of ethics policy has been submitted periodically. The code of ethics policy can also be accessed freely through the unit of certification's website. Thus, it can be concluded that the unit of certification has and declared a code of business ethics that is honest and free of corruption which has been socialized to the public.

**1.2.2**

The unit of certification has a mechanism to monitor compliance and the implementation of ethical business policies and practices through compliance checks and evaluations. For example, the unit of certification conducts regular internal audits to ensure operational units comply with policies and SOPs. The scope of the internal audit is the compliance of each unit in the plantation and mill to all aspects contained in the RSPO P&C such as aspects of employment, environment, BMP and other aspects. The latest internal audit was conducted on February 21<sup>st</sup> – 25<sup>th</sup>, 2022. Based on the RSPO Internal Audit Report for ANJAS POM, LSU Estate and LSS Estate units, there are 7 non-conformities and have been met.

Based on interviews with workers in factories and plantations, information was obtained that they knew about the unit of certification's policies to respect human rights and commitment to ethical behavior in all work operations. In addition, interviews with contractors revealed that the policy had been socialized, for example on December 29<sup>th</sup>, 2021.

**Status: Comply**

**PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS**

**2.1**

**There is compliance with all applicable local, national, and ratified international laws and regulations.**

**2.1.1**

The unit of certification has list of regulations of 2022 that includes local regulations and national regulation updated annually. List of laws/regulations listed has covers several aspects such as land permit and legality, manpower, occupational health and safety, best management practices and environment. Some examples of regulations compliance that have been done such as:

**2.1.1**

**HGU PT ANJA Siais (9,171.82 Ha)**

The company has had land title as follows:

- Land title (HGU) certificate No. 1 year 2004 for area 8,000 Ha located in Pardomuan Village on behalf PT Ondop Perkasa Makmur. Valid until 27 October 2039.
- Land title (HGU) certificate No. 223 year 2016 for area 1.83 Ha located in Pardomuan Village on behalf PT Austindo Nusantara Jaya Agri Siais. Valid until 2 September 2051.
- Land title (HGU) certificate No. 224 year 2016 for area 5.42 Ha located in Pardomuan Village on behalf PT Austindo Nusantara Jaya Agri Siais. Valid until 2 September 2051.
- Land title (HGU) certificate No. 225 year 2016 for area 11.30 Ha located in Pardomuan Village on behalf PT Austindo Nusantara Jaya Agri Siais. Valid until 2 September 2051.
- Land title (HGU) certificate No. 226 year 2016 for area 13.19 Ha located in Pardomuan Village on behalf PT Austindo Nusantara Jaya Agri Siais. Valid until 2 September 2051.
- Land title (HGU) certificate No. 227 year 2016 for area 11.69 Ha located in Pardomuan Village on behalf PT Austindo Nusantara Jaya Agri Siais. Valid until 2 September 2051.
- Land title (HGU) certificate No. 228 year 2016 for area 4.02 Ha located in Pardomuan Village on behalf PT Austindo Nusantara Jaya Agri Siais. Valid until 2 September 2051.
- Land title (HGU) certificate No. 229 year 2016 for area 267.38 Ha located in Pardomuan Village on behalf PT Austindo Nusantara Jaya Agri Siais. Valid until 2 September 2051.
- Land title (HGU) certificate No. 230 year 2016 for area 583.92 Ha located in Pardomuan Village on behalf PT Austindo Nusantara Jaya Agri Siais. Valid until 2 September 2051.
- Land title (HGU) certificate No. 231 year 2016 for area 273.07 Ha located in Pardomuan Village on behalf PT Austindo Nusantara Jaya Agri Siais. Valid until 2 September 2051.

**Total of land titled area: 9,171.82 Ha**



**Binasari Cooperative Legality**

The legality of the Binasari Cooperative in the form of a Sporadic document in the form of a Statement of Physical Control of Land by the Chairperson of the Binasari Farmers Cooperative dated February 14, 2022, which states that:

- In the framework of the application for the issuance of a HGU certificate on behalf of the cooperative, the Cooperative states that the area for which the HGU is being applied for is 157.50 Ha which is being applied for physically and is fully controlled, managed and owned by the cooperative.
- As long as it is controlled/managed by the cooperative, there are no problems and disputes from other parties and there is no change/reduction in the area, both regarding the control of the land and the boundary markings of the land parcels and are properly and correctly maintained in accordance with the Land Field Map No. 03/2017 March 10, 2017
- The statement letter was signed by Head of Pardomuan Village

**2.1.2**

Based on the Regulatory Compliance Evaluation Procedure (No. Doc: SOP Leg-01, Edition 01, Rev. 03) effective March 30, 2015, it is known that the person responsible for examining and evaluating regulatory compliance is the External Relations Officer in each unit conducted every one year. The company maintains a list of regulations for compliance with laws in each plantation and mill unit consisting of regulations on a regional, national and international scale where in the list of regulations there are aspects related to company operations such as:

- Aspects of Occupational Safety and Health (OHS)
- Aspects of Plantation (Related to Plantation Business)
- Manpower Aspects
- Environmental Aspects

Unit of certification conducts regular internal audits to ensure operational units comply with policies and SOPs,, including regulation. The scope of the internal audit is the compliance of each unit in the plantation and mill to all aspects contained in the RSPO P&C such as aspects of employment, environment, BMP and other aspects. The latest internal audit was conducted on February 21<sup>st</sup> – 25<sup>th</sup>, 2022.

**2.1.3**

The company has a HGU boundary marker maintenance mechanism which is listed in the BPN Stakes Maintenance Work Instruction document No. IK-SOP Leg 001-001 revision 01 dated April 1, 2016. The document explains that maintenance of BPN stakes is carried out every month and checks on maintenance are carried out every 6 months.

The company shows the monitoring document for the HGU stakes contained in the Minutes of Maintenance for the HGU Stakes on 17-19 December 2021. Based on the monitoring results, it is known that all the stakes are in good condition. The results of field observations to the boundary marker areas of PT ANJ and the Binasari Cooperative, it is known that all the stakes found and in good condition.

**OFI**

Ensuring the numbering of the HGU stakes, the coordinates on the monitoring records of the HGU stakes and ensuring that the boundaries of the own estate with plasma are clearly visible in the field.

**Description of OFI**

- The results of field observations revealed that some stakes still use the old HGU stakes code, namely OPM. Meanwhile, from the list of benchmarks issued from BPN, the OPM benchmark code is the initial benchmark and the new benchmark uses the ANJ code
- Based on the results of the monitoring of the stakes, it is known that the coordinates in the document are different from the coordinates of the stakes during field observations and the coordinates issued by the National Land Agency. However, the coordinates of the stakes during field observations were in accordance with the coordinates of the stakes issued by BPN.

During field observations, it was found that the own estate with plasma was in the same block (on maps and other documents plasma blocks are marked with block codes R1-R11). The boundary between the own estate and plasma areas is marked

with HGU stakes, small ditches and red paint marks on the trees. However, the markings of the small ditch and the red paint marks on the trees are starting to become less clear. From interviews with harvest workers in the area, it was found that harvest workers knew and were able to demonstrate the boundaries between own estate and plasma. The harvest and other activities between own estate and plasma are carried out on different days. From the results of the interview, it was also stated that if the harvest schedule has entered the plasma plantation, it is also accompanied by supervision from the plasma cooperative.

**Status: Comply**

**2.2**

**All contractors providing operational services and supplying labour, and Fresh Fruit Bunch (FFB) suppliers, comply with legal requirements.**

**2.2.1**

The unit of certification already has a list of contractors contained in the PT ANJ Agri Siais Contractor List for 2022 with details of 5 service contractors engaged in providing services for pick-up loose fruit helpers (harvest helpers), 3R TPS workers, security guards, manual weeding, trench maintenance, take care of the bridge. The following are several contractors whose cooperation contracts are still valid until the audit is carried out, namely:

- PT Alam Lestari Angkola Selatan
- Serba Usaha Makmur Jaya Cooperative
- PT Gashabat Sukses Mandiri
- PT Zebua Boru Bere
- PT G4S Security Service

**2.2.2**

In monitoring the use of contractors for plantation and mill activities, the unit of certification has properly documented the list of contractors, the number of workers they have, contact persons, work agreements, and ensured other matters related to compliance with laws and regulations in Indonesia.

In managing contractors, the certification unit has a copy of the cooperation agreement in each unit. For example:

- Work Agreement Letter No. 0102/EST/ANJAS/2022 which is a cooperation agreement between PT ANJ Agri Siais and the Serba Usaha Makmur Jaya Cooperative on January 31<sup>st</sup>, 2022. Work agreement for the transportation of FFB and compost.
- Temporary Employment Agreement No. 44/SCM/ANJAS-RO/V/2022 which is a cooperation agreement between PT ANJ Agri Siais and the Serba Usaha Makmur Jaya Cooperative on May 22<sup>nd</sup>, 2022. Work agreement for mechanical mounding work, manual wicket weeding and pick-up loose fruit helpers (harvest helpers).

The work agreement document explains the conditions that must be met by contractors, such as registering their workers in the Social Security for Workers (*BPJS*), applying the minimum wage, not using child labor and providing PPE for contractor workers.

In addition, the unit of certification also shows the Internal Memo Number 042/GM/ANJAS/IM/II/2022 regarding Employment Provisions for Outsourced Companies/Contractors dated February 10<sup>th</sup>, 2022, the document explains several requirements, including: All outsourcing companies/contractors are required to comply with legality in accordance with applicable laws and regulations. One of the regulations that apply to meet the welfare of workers is the regulation on the minimum wage that applies in South Tapanuli Regency in 2022. It is known that the minimum wage that applies is IDR 2,903,042/month or IDR 116,122/day.

Based on review of the work agreement document between pick-up loose fruit helpers (harvest helpers) and PT ALAS and/or PT ZBB on December 31<sup>st</sup>, 2021, it was explained that the wages received for every 1 kg of loose fruit is IDR 125 and to achieve the daily minimum wage it takes 928 kg of loose fruit.

There is not yet sufficient evidence that a third party has been able to prove that the harvest helper has received wages based on the applicable minimum wage provisions. **Nonconformities Number 2022.01 with minor category.**

**2.2.3**

There are clauses regarding compliance with applicable legal requirements in contractor agreements, as shown in the example:

- Work agreement number 0102/EST/ANJAS/2022 dated January 31<sup>st</sup>, 2022, with the Serba Usaha Makmur Jaya Cooperative.
- Temporary work agreement number 44/SCM/ANJAS-RO/V/2022 dated May 22<sup>nd</sup>, 2022, with the Serba Usaha Makmur Jaya Cooperative.

The work agreement document explains the conditions that must be met by contractors such as paying taxes, registering their workers in the Social Security for Workers (*BPJS*), applying the minimum wage, not using child labor and providing PPE for contractor workers.

**Status: Nonconformities Number 2022.01 with minor category**

**2.3**

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

**2.3.1, 2.3.2**

The company has a list of FFB suppliers contained in the external FFB Supplier Data document that informs the farmer code, area code, farmer's name, land area, year of planting, supplier, coordinate point, type of land ownership certificate, land area and others. Types of land ownership certificates for farmers such as Statement Letter of Land and deed of sale and purchase. As an example:

| No. | Name of Farmer | Type of land legality    | Name of FFB supplier       | Village      | Location           |
|-----|----------------|--------------------------|----------------------------|--------------|--------------------|
| 1.  | Tanjung Polisi | deed of sale & purchase  | Koperasi Tani Janji Matogu | Batang Selai | X:507751; Y:131730 |
| 2.  | Gom Hutabarat  | Statement Letter of Land | Boru Namora                | Malombu      | X:505590; Y:142291 |
| 3.  | Ishak Siregar  | Statement Letter of Land | Koperasi Tani Janji Matogu | Malombu      | X:507376; Y:141068 |

The company has provided geolocation information and land tenure information to supply farmers at ANJ POM. Based on information from management, it is known that there are still many farmers who are not willing to provide information related to land legality evidence because they do not want / are afraid to provide land legality information to the company. The company held a stakeholder meeting on December 29, 2021 which involved stakeholders including government agencies to provide socialization regarding the importance of proof of land ownership for the certification process (especially the mandatory certification). Related to this, companies need to ensure information on land ownership of FFB supplying farmers (OFI)

**Status: Comply**

**PRINCIPLE #3 OPTIMISE PRODUCTIVITY, EFFICIENCY, POSITIVE IMPACTS AND RESILIENCE**
**3.1**

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

**3.1.1**

The company shows the 5-Years Financial Projection 2022 – 2026 document that informs the company's financial plans for the next 5 years. The document informs production projections (FFB, CPO and PK), price projections as well as costs and revenues, briefly presented as follows:

| Description                 | 2022    | 2023    | 2024    | 2025    | 2026    |
|-----------------------------|---------|---------|---------|---------|---------|
| <i>FFB Production (Ton)</i> |         |         |         |         |         |
| <i>FFB Ex Estate</i>        | 208,438 | 218,515 | 216,189 | 213,089 | 213,864 |
| <i>FFB External</i>         | 82,320  | 101,485 | 103,811 | 106,911 | 106,136 |
| <i>FFB Processing</i>       | 290,758 | 320,000 | 320,000 | 320,000 | 320,000 |
| <i>OER (%)</i>              | 22.30   | 22.50   | 22.50   | 22.50   | 22.50   |
| <i>KER (%)</i>              | 4.80    | 4.80    | 4.80    | 4.80    | 4.80    |

**3.1.2**

The results of the study of the area statement document informed the distribution of planting years between 2005 – 2009. In addition, the results of interviews with management and the review of the 5-Years Financial Projection 2022 – 2026 document informed that there is no replanting plan for the next 5 years.

**3.1.3**

The company showed Management Review Report Period 2021 that presented in document No. Rek-Siais-SCD-011 (Rev. 01) dated 21 June 2021, which attended by 16 top management. The minutes informs that there were 8 topics being discussed, i.e.: internal audit review, communication with external parties, management system performance, follow up and progress from previous management review, company policy, compliance towards laws and regulations, operational change and development and recommendation for future.

**Status: Comply**

**3.2**

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

**3.2.1**

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

- The company no longer uses pesticides with the active ingredient paraquat.
- The company has implemented biological pest control in this case by using host plants and barn owls to reduce the use of pesticides, especially insecticides and rodenticides

**3.2.2**

Based on review towards RSPO Metric Template of PT ANJA Siais, all information has been inline with actual condition such as:

| <b>Information</b>                |           |
|-----------------------------------|-----------|
| Production area (ha)              | 7,742     |
| HCV (ha)                          | 1,350     |
| CSPO production annual data (ton) | 53,970.38 |
| CSPO sold (ton)                   | 38,248.10 |
| Mill workers                      | 90        |
| Estate workers                    | 879       |

**Status: Comply**

**3.3**

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

**3.3.1**

The company has procedures for all activities in Mill and Estate, such as:

- Procedure No. SOP-AGR-03 issue 01 dated August 1, 2013 regarding Land Clearing with Zero Burning.
- Procedure No. SOP-AGR-05 edition 01 dated August 1, 2013 regarding soil and water conservation.
- Procedure No. SOP-AGR-07 dated 01 August 2013 regarding oil palm nurseries
- Procedure No. SOP-AGR-09 (Rev. 04) dated 01 April 2016 regarding planting on mineral lands.
- Procedure No. SOP-AGR-04 dated 01 August 2013 regarding planting on peatlands.
- Procedure No. SOP-AGR-06 dated 01 August 2013 regarding marginal land management.
- procedure no. SOP-AGR-08 dated August 1, 2013 regarding planting nuts.
- Procedure No. SOP-AGR-11 dated August 1, 2013 regarding fertilizers and fertilization.
- Procedure No. SOP-AGR-12 dated August 1, 2013 regarding TBM and LCC fertilization.
- Procedure No. SOP-AGR-13 dated August 1, 2013 regarding principal payments.
- Procedure No. SOP-AGR-14 dated August 1, 2013 regarding the census and identification of principals.
- Procedure No. SOP-AGR-17 dated 01 August 2013 regarding weed control.
- Procedure No. SOP-AGR-20 dated 01 April 2016 regarding integrated pest control.
- Procedure No. SOP-AGR-21 dated August 1, 2013 regarding controlling mice with owls.
- Procedure No. SOP-AGR-24 dated 01 August 2013 regarding controlling rats with Rat Bait.

- Procedure No. SOP-AGR-26 dated August 1, 2013 regarding soil analysis.
- Procedure No. SOP-AGR-27 dated August 1, 2013 regarding termite control.
- Work Instruction No. IK-SOP-AGR-011-01 dated March 1, 2016 regarding compost.
- Work Instruction No. IK-SOP-AGR-011-07 dated 01 March 2016 regarding the application of compost.
- SOP for Pesticides and their Management No. SOP-AGR-18 (1st Edition Revision 0) effective August 1, 2013.
- Document No. ST 01/ ENG-STR June 2011 regarding FFB Reception Station.
- Document No. ST 02/ ENG-STR June 2011 regarding Sterilizer Station.
- Document No. ST 03/ ENG-STR June 2011 regarding Threshing Station.
- Document No. ST 04/ ENG-STR June 2011 regarding Pressing Stations.
- Document No. ST 05/ ENG-STR June 2011 regarding Depericarper Station.
- Document No. ST 06/ ENG-STR June 2011 regarding Kernel Station.
- Document No. ST 07/ ENG-STR June 2011 regarding Clarification Station Part 1.
- Document No. ST 08/ ENG-STR June 2011 regarding Boiler Station.
- Document No. ST 09/ ENG-STR June 2011 regarding Power Stations.
- Document No. ST 10/ ENG-STR June 2011 regarding Water Treatment.
- Document No. ST 11/ ENG-STR June 2011 regarding Boiler Water Management.
- Document No. ST 12/ ENG-STR June 2011 regarding Waste Treatment.
- Document No. ST 13/ ENG-STR June 2011 regarding Grading.
- Document No. ST 14/ ENG-STR June 2011 regarding Palm Oil Shipments.
- Document No. ST 15/ ENG-STR June 2011 regarding Factory Inventory System.
- Document No. ST 16/ ENG-STR June 2011 regarding CPO Stock Sounding Procedure.
- Document No. ST 17/ ENG-STR June 2011 regarding Palm Kernel Stock Procedure.
- Document No. ST 18/ ENG-STR June 2011 regarding Factory Security System.
- Document No. ST 19/ ENG-STR June 2011 concerning Washing of Oil Storage Tanks.

The results of interviews with Mill workers, for example, St. Boiler and Engine Room as well as Estate workers for example harvesting activities, it is known that workers already have an understanding and can briefly explain work procedures in their respective work areas.

**3.3.2**

The certification unit has a procedure for management review that ensures the consistency of procedures implementation, the companies routinely conduct internal audit activities both agronomic and processing. One of them is contained in the document Standard Operating Procedure Internal Audit System Management No. SOP-SCD-03 dated 27 November 2017. In addition, the work carried out by the contractor is also checked, one of which is when submitting the payment stage.

**3.3.3**

The company shows records of monitoring and follow-up, for example:

- Internal Remote Audit Report RSPO PT ANJ Agri Siais audit date 21 – 25 February 2022, based on the report found 7 non-conformities and have been fulfilled.
- Internal Remote Audit Report ISPO PT ANJ Agri Siais audit date 21 – 25 February 2022, based on the report found 5 discrepancies and have been fulfilled.
- Internal Audit Report No. 13/GIA-REG/ANJAS/VI/2021 related to harvest review and implementation of ePMS system.

**Status: Comply**

**3.4**

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

**3.4.1**

The company has several documents related to social and environmental impact assessments which are carried out independently and in a participatory manner, involving affected stakeholders.

**Environmental Impact Assessment (EIA)**

Certificate Holder possess two Environmental Impact Assessment (EIA) document covering different area consist of AMDAL on 2003 (covered 8000 ha estate areas and 45-60 mt FFB per hour mill capacity) and UKL-UPL (covered 1,639.05 Ha areas) on 2009. Both the EIA documents explained all activities for preconstruction, construction, operation, and post operation covered the palm oil mill, Lembah Subur Utara Estate, and Lembah Subur Selatan Estate. Document review shown last progress for this new EIA development are still on technical meeting stage (on March 2021). Regarding this team auditors enhance company to monitored progress of this new EIA document development.

PT ANJ Agri Siais already has environmental management plan that outlined on RKL/RPL document. Based on document review found that implementation for environment management were done based on current management plan for examples regarding surface water quality, ambient air, biogas plant activities and etc. In 2015, company has developed a new composting plant, regarding to this PT ANJ Agri Siais possess another EIA (UKL-UPL for composting plant in 2015). Last update on 2018 found that company has develop new EIA document (regarding organization name changes and biogas plant).

**Social Impact Assessment (SIA)**

There is no changes for SIA since last assessment. PT ANJ Agri Siais has established Social Impact Assessment on 2013 by involving the participation of local communities and stakeholders. Records of meetings in the preparation of SIA documents are well documented. SIA has covered all the potential social impacts caused by company operations. Aspects of study in the document include infrastructure, social economy, social culture, local wisdom, workers facilities, and environmental society health and company operations. In SIA assessment, also has covered scheme smallholder's activities (majority of Binasari community). Evidence for local community participation on social impact assessment were available i.e focus group discussion on 16 December 2012 for local community of Paraupan napa, Binasari, Janji Matogu, Pardomuan, and etc

**3.4.2 & 3.4.3**

Company have plan which includes monitoring protocol outlined in the RKL-RPL document and implemented to monitor the effectiveness of the management activities to mitigate negative impacts and enhance positive impacts. Results of monitoring are listed on regular environmental monitoring and management report, and monitoring results for examples second semester of 2021 report shown environmental management related to waste water, surface water quality, land fires, peat subsidence still comply with regulation and monitoring plan.

The company has held public discussions with internal and external parties from the company which are published in Internal and External Corporate Social Impact Review Public Discussion 2021 document. In this event, the company held a focus group discussion related to the SIA Review conducted with internal and external parties of the company at the GMO Meeting Room of PT. ANJ Siais on 10 to 14 April 2021. The public discussion discussed many aspects such as infrastructure, human resource training and education, community environmental health, social assistance, religious activities, land issues, community institutions, job opportunities, business opportunities, and increased income, OHS system, industrial relations, career paths, salaries and welfare benefits, etc.

|  |                       |  |
|--|-----------------------|--|
|  | <b>Status: Comply</b> |  |
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**3.5  
A system for managing human resources is in place.**

**3.5.1**

The unit of certification shows the procedures for recruitment, promotion, retirement and termination of employees, as follows:

- SOP Recruitment No. SOP-HRCM-002 which was approved by ANJ Group's AELT on November 1<sup>st</sup>, 2019.
- SOP Guidelines for Recruitment/Appointment and Transfer/Promotion/Demotion of Employees No. 013/HR&GA/CP/07-2007 which was approved by the President Director on July 31<sup>st</sup>, 2007.
- Company Regulations for the period 2021 – 2023 which are legalized by the Head of the Manpower Office of the Province of North Sumatra. The document explains all regulations related to employment aspects, such as hiring and hiring workers, probationary periods, transfers, promotions, demotions, pensions, termination of employment and others.



In the procedure, it is explained that the minimum age for workers is 18 years, recruitment information is carried out openly, recruitment is free of charge, there is no retention of workers' personal documents, and the mechanism for employee recruitment through the administrative selection stage, written test/field practice, interviews and medical examination results. Likewise, employee promotions are assessed through the stages of performance evaluation based on competence, ability, attendance, etc. In addition, pensions and layoffs for employees are carried out based on the applicable labor laws and regulations.

SOPs and company regulations have been socialized to all workers in each factory and plantation unit, for example socialization at the factory unit on September 30<sup>th</sup>, 2021. This is in line with the results of interviews with workers, who stated that they understand the labor procedures applicable in the unit of certification, such as there is no recruitment process that burdens workers with recruitment fees or with the withholding of identity documents of prospective workers. The recruitment process has been carried out based on applicable procedures, workers send job applications and will then be selected based on the administrative selection stage, interviews, etc. Then the resource person added that the promotion/appointment of contract employees to permanent employees was assessed through performance evaluation. Then, if there are layoffs for employees, for example absent from work, the certification unit will provide a warning letter periodically before the end of their working period.

**3.5.2**

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

- Worker acceptance documents for 2021, starting from job application letters to work agreement letters. For example, the recruitment of workers with initials AJ who submits a job application letter on October 4<sup>th</sup>, 2021. The worker attaches the necessary administrative requirements such as a curriculum vitae, diploma, identity card (e-KTP), family card, photo of identity and a letter of explanation from previous job. After going through the stages of administrative selection, interview, psychological test and medical examination, the worker was accepted as a composting worker with work agreement Number 070/ANJA/HR&GA/PKWTT/12/2021 signed on December 31<sup>st</sup>, 2021.
- Work agreement Number 001/ANJA/HR&GA/PKWTT/1/2022 as harvest workers accepted to work as of February 9<sup>th</sup>, 2022. The agreement states that the worker is given a probationary period of 3 (three) months from the start of the work agreement. The unit of certification also shows supporting evidence documents that the unit of certification has provided 1 (one) copy of the work agreement document to the employee. This is shown in the form of a receipt for the submission of a copy of the work agreement. Based on the results of interviews with workers, the unit of certification has provided a copy of the work agreement document at the beginning of the recruitment of workers. In addition, workers have also understood the contents of the work agreement.
- Promotional document in the form of an employee promotion decree with the initials RH Number 01/HR&GA/ANJAS/Prom/XI/2021 issued on November 1<sup>st</sup>, 2021. The employee was promoted from the position of Acting Foreman 1 to the position of Foreman 1. The employee has received a performance evaluation on September 2021 period with assessment criteria based on work, effort and attitude.
- A worker's layoff document with the initials AHP. The worker was absent for 2 days in a row and has reached the stage of the 3rd warning letter so that the unit of certification terminates the employment relationship on June 8<sup>th</sup>, 2022. The unit of certification also shows documents for calculating and paying layoffs that have been adjusted to the provisions of the applicable labor laws (PP No. 35 of 2021).

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

|  |                       |  |
|--|-----------------------|--|
|  | <b>Status: Comply</b> |  |
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**3.6 An occupational health and safety (H&S) plan is documented, effectively communicated and implemented.**

**3.6.1**

The company shows the Hazard Identification, Assessment and Risk Control documents for all Mill and Estate activities that have been reviewed by EHS, the document explains including: Name of Job, Type of Activity (Routine, Non-Routine and Emergency), Hazard Identification, Hazard Category, Risk, Analysis Initial Risk, Evaluation, Risk Control, Risk To The

Company, Risk Level, Opportunity, Opportunity Level, Final Risk Assessment.

The results of interviews with workers such as harvest workers and boiler operators, it was found that the workers had an understanding and could briefly explain the potential hazards in their respective work areas.

In addition, during the audit activity, several facts were found including:

- The results of the IBPPR/ANJAS/MILL/03 document review dated September 4, 2021, it is known that for activities in the Sorting area and Boiler Area, one of the risk controls is using the required PPE including Helmets, Safety Shoes and Safety Glasses.
- The results of the IBPPR/ANJAS/ESTATE/01 document review dated September 4, 2021, it is known that for harvesting activities one of the risk controls is to use the required PPE including Helmets and Work Shoes.
- The results of the IBPPR/ANJAS/CWT/10 document review dated September 4, 2021, it is known that one of the risk controls for generator operational activities includes using PPE correctly and appropriately.
- The results of the review of the PPE Needs Matrix document made by the EHS Coordinator are explained, including:
  - PPE for harvesting activities including boots and helmets.
  - The required PPE for Genset operation activities include Boots, Helmets and Ear Muf / Ear Plugs.
- The results of field visits at Estate and Mill found the following facts:
  - It was found that 6 workers in the sorting area worked using rubber boots.
  - Found 2 boiler repair contractor workers using boots in the boiler area.
  - Found 2 contractor workers entering the Mill area using boots.
  - It was found that 3 harvest workers used short rubber boots at work.
  - At the location of the generator house, no helmet PPE was found, the results of interviews with workers and management obtained information that the helmet was carried by a colleague who repaired the generator about 2 days before the field visit was carried out.

Based on the explanation above, it is concluded that the company has not been able to show evidence that all the results of the OHS risk identification have been carried out so that this is a **Non-compliance with NCR No. 2022.02**.

### 3.6.2

The company shows programs related to OHS, for example the ANJA-SIAIS 2022 Polyclinic Management Program made by the Resident Doctor, including the following:

- Medical waste monitoring 12 times (Every month)
- Medical Device Calibration March 2022
- Health services target 21,600 people
- *Posyandu* target 1,200 people
- Counseling and provision of basic immunization targets 600 people
- Nutrition counseling and giving vitamin A plan 2 times
- Implementation of School Child Immunization Month is planned for 2 times
- Family planning counseling target 100 people
- TPA monitoring plan 12 times
- Regular health checks for employees planned for June 2022
- Health Check-up for new employees/starting target of 60 people
- Special inspection plan for June 2022
- Inspection of environmental hygiene and sanitation and health education plan 4 times.
- Medical training/seminar plan 2 times
- Etc

In addition, the company shows that K3 monitoring includes periodic inspection of emergency response facilities and infrastructure (APAR, hydrant, first aid), inspection and testing of K3 equipment and machinery, as well as the realization of health checks. The company shows records of general health checks to all workers (Estate and Mill) conducted in October 2021 by company clinic officers. Health checks include weight, height, and nutritional status. Based on the results of the

document review, it is known that the results of the examination are all negative for PAK, in good physical condition, and ready to carry out activities with several recommendations including: Maintain a Healthy Lifestyle, Increase Consumption of Nutritious Food and Always Use PPE when working.

The results of the interview with management were conveyed that special health checks for high-risk workers have not been carried out because special health checks are carried out by bringing in vendors from outside and there is a risk of Covid-19 transmission. In the 2022 ANJA-SIAIS Polyclinic Plan Management Program document determined by the Resident Doctor and approved by the General Manager, it is known that a special Health examination plan will be carried out in conjunction with a periodic Health examination in July 2022.

Thus, it can be concluded that the company has carried out monitoring of the effectiveness of the OHS plan to handle OHS risks in people.

|              |   |
|--------------|---|
| <b>3.6.1</b> | <b>Status: Non-compliance NCR No. 2022.02 with Major Category</b> |
|--------------|---|

**3.7 All staff, workers, Scheme Smallholders, outgrowers, and contract workers are appropriately trained.**

**3.7.1**

The unit of certification has identified training programs related to aspects of the RSPO P&C for all staff, workers, plasma smallholders and local stakeholders in 2022. Training programs for all staff and workers of PT ANJ Agri Siais' plantation and mill units include:

- Estate units: Fruit quality training, FFB harvest and transport, spraying, fertilization, Leaf Sampling Unit (LSU), Integrated Pest Management (IPM), BBC census, etc.
- Factory units: External FFB grading training, skills training for power house stations, sterilizer stations, boiler stations and kernel stations, etc.
- The socialization aimed at PT ANJ Agri Siais workers, for example, socialization of PPE, OHS, good and safe working methods, and other socializations.

The unit of certification has also identified training programs for all farmer groups, contractor workers and surrounding communities in 2022, including the following:

- KARHUTLA training for *KTPA*
- Management training for the management of the Binasari Farmer Group
- Socialization of BMP to farmer groups
- Traceability socialization to outside FFB suppliers

**3.7.2**

The unit of certification shows the minutes of the realization of the training program in 2021, for example:

- Inorganic fertilizer application training held on March 5<sup>th</sup>, 2021 and attended by 12 fertilizer workers.
- Training on harvesting and transporting FFB which was held on January 8<sup>th</sup>, 2021 and attended by 141 harvest workers.
- Training on preventive maintenance of agricultural vehicles and tools which was held on October 11<sup>th</sup>, 2021 and was attended by 37 contractor workers.
- Partnership plantation management training which was held on October 29<sup>th</sup>, 2021 and was attended by 37 smallholder workers.
- Fire fighting and Incident Command System (ICS) training which was held on June 2<sup>nd</sup>, 2022 and was attended by 20 people consisting of the fire fighting team and representatives of the Fire Care Farmers Group (*KTPA*).

Based on the results of interviews with workers, plasma farmers, contractors and village community representatives, it is known that every year the unit of certification organizes training and socialization programs to all parties around the unit of certification.

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

**3.7.3**

The company showed recordings of training related to supply chain to personnel in charge of supply chain activities on May 28, 2022 to 7 participants consisting of production crew, weighbridge operator, factory administration coordinator, and security.

The results of interviews with weighbridge operator, obtained information that workers have been given training related to supply chain traceability.

**Status: Comply**

**3.8**

**Supply Chain Requirements for Mills**

**3.8.1, 3.8.2**

ANJA Siais POM received FFB from certified estate ((Lembah Subur Selatan Estate and Lembah Subur Utara Estate)) and from uncertified source (Koperasi Petani Binasari, Kelompok Tani Janji Matogu, UD Boru Namora dan UD Riri). Hence, ANJA Siais POM implements Mass Balance Module.

**3.8.3**

Mill has an estimated total tonnage of certified CPO and PK for the next 12 months which can be seen in the table below:

| Product | Last Year Projected Certified Volume (Ton) (24 Month) | Actual Production (July 2020 – May 2022) |
|---------|---|--|
| FFB MB  | 395,000   | 346,160.15                               |
| CSP0 MB | 83,845  | 71,333.42                                |
| CSPK MB | 19,225  | 16,325.25                                |

**3.8.4**

The Mill has registered as RSPO member under ANJ Group number 1-0032-07-000-00, and also registered in RSPO Palm Trace as PT Austindo Nusantara Jaya Agri Siais with License ID CB110158, and Member ID RSPO\_PO1000001992. The reporting requirements has been conducted by the Mill through RSPO Palm Trace.

**3.8.5**

The company has Mass Balance Management SOP No. SOP-SCD-02 edition 2 takes effect November 2, 2021. The procedure has identified the people who are responsible for the requirements in the supply chain. The procedures established and covering all elements of the supply chain model requirements such as the announcement in RSPO Palmtrace not later than 3 months after despatch, receiving and recording that identify the traceability of RSPO certified and uncertified source and products, key persons such as weight bridge clerk, Administration Head, mill manager etc. ANJA SIAIS POM using one models of SCCS (MB)

In the SOP has been describes the key personnel involves and responsible, for example:

- Field Assistant responsibility is to calculate, record and create FFB delivery note to mill.
- Weighbridge clerk responsibility is to weighing all FFB transport and record in SAP.
- Mill clerk responsibility is to manage all FFB received and dispatch data. He/she also responsible to input mass balance data.
- Sustainability officer responsibility is to monitor mass balance data
- Mill manager responsibility is to monitoring CPO/PK production, make CPO/PK projection, etc.

Based on interview with supply chain PICs, they have understood the mechanism of supply chain in MB module.

OFI

Ensure implementation of supply chain procedures (regarding separation of certified and uncertified own estate).

**3.8.6**

The company has procedure for Internal Audit System Management (No: SOP-SCD-03 Rev 03 dated 27 November 2017). Internal audit will be conducted every year before external audit visit. Company has conduct internal audit for RSPO including

supply chain indicator on 21 – 25 February 2022. There is no nonconformity about supply chain.

### 3.8.7

The Mill has maintain the record of goods in such as in FFB Delivery Note and Mass Balance data, that identify amount and sources of FFB certified and uncertified received, as well as the certified products (CSPO and CSPK), shown as follows:

| Month (2020)   | FFB (MT)         |                  | Total             |
|----------------|------------------|------------------|-------------------|
|                | Certified        | Non Certified    |                   |
| July 2020      | 18,451.05        | 9,365.36         | 27,816.41         |
| August 2020    | 18,320.33        | 8,034.83         | 26,355.16         |
| September 2020 | 13,626.14        | 6,910.26         | 20,536.40         |
| October 2020   | 14,883.55        | 6,821.45         | 21,705.00         |
| November 2020  | 12,250.36        | 6,531.38         | 18,781.73         |
| December 2020  | 14,334.28        | 6,634.70         | 20,968.98         |
| <b>Total</b>   | <b>91,865.70</b> | <b>44,297.97</b> | <b>136,163.68</b> |

| Months (2021) | FFB Received (MT) |                  | Total             |
|---------------|-------------------|------------------|-------------------|
|               | Certified         | Non-certified    |                   |
| January       | 8,148.63          | 6,740.97         | 14,889.60         |
| February      | 13,505.18         | 8,071.50         | 21,576.68         |
| March         | 17,739.56         | 10,958.69        | 28,698.25         |
| April         | 18,618.27         | 9,670.67         | 28,288.94         |
| May           | 13,298.14         | 6,616.43         | 19,914.57         |
| June          | 21,578.39         | 4,408.57         | 25,986.96         |
| July          | 22,481.24         | 1,949.60         | 24,430.84         |
| August        | 19,541.81         | 2,873.42         | 22,415.23         |
| September     | 17,519.80         | 5,495.28         | 23,015.07         |
| October       | 14,544.05         | 6,329.33         | 20,873.38         |
| November      | 11,892.00         | 7,878.08         | 19,770.08         |
| December      | 9,081.55          | 7,031.80         | 16,113.35         |
| <b>TOTAL</b>  | <b>187,948.62</b> | <b>78,024.34</b> | <b>265,972.95</b> |

| Months (2022) | FFB Received (MT) |                  | Total             |
|---------------|-------------------|------------------|-------------------|
|               | Certified         | Non-certified    |                   |
| January       | 11,690.89         | 9,109.79         | 20,800.68         |
| February      | 11,091.01         | 8,481.66         | 19,572.67         |
| March         | 14,364.69         | 11,595.48        | 25,960.16         |
| April         | 13,428.41         | 12,028.46        | 25,456.86         |
| May           | 15,770.82         | 9,875.26         | 25,646.08         |
| <b>TOTAL</b>  | <b>66,345.82</b>  | <b>51,090.65</b> | <b>117,436.45</b> |

### 3.8.8

The CSPO and CSPK from the Mill were sold has met the requirements of certified product information. Supporting documents shown were contract agreement, delivery order, delivery ticket, report of loading, weighing minutes, weighing card, and delivery order. Those documents cover information's of delivery date, description of product and supply chain model, product quantity, identification number, certificate number, sender's name and address of the seller. Company showed the example for selling document such as:

- Weighbridge slip dated April, 10 2022 and Delivery Order No. 04/UB/IV/2022 informed about quantity of product, supply chain model, RSPO certificate number, and others information.

- Shipping announcement No. TR-e82b05fc-16a3 informed about seller and buyer name, quantity of product, supply chain model, shipping date.
- Sales Contract No. 023/ANJAS/PK/III/22 informed about seller, buyer name, supply chain model, quantity, etc.

**3.8.9**

The company has a list of contractors that handle CPO and PK, including CV Mujur Trans, UD Maju Bersama and CV Usaha Bersama. For example:

- Agreement No. 004/CPO/SC/ANJAS/2021 and No. 1209/SC/ANJAS/2021 dated December 26, 2021 between PT ANJ Agri SIAIS and CV Mujur Trans. The Agreement is valid until December 31, 2023.
- Agreement No. 006/PK/SC/ANJAS/2021 and No. 1207/SC/ANJAS/2021 dated December 26, 2021 between PT ANJ Agri SIAIS and CV Mujur Trans. The Agreement is valid until December 31, 2023.

To ensure the contractors complies with the RSPO Supply Chain, The company has Internal Memo No. 002/2020, there were clauses that set obligations of the contractor to comply with the supply chain rules. The internal memo has been socialized to the contractor on September 26, 2020.

**3.8.10; 3.8.11**

There is no new contractor for processing or physical handling of RSPO certified product. The Mill has the records of details of the contractors (including contractor that handling RSPO certified product physically) that covers the contractor's company profile, address, contact person and phone number.

**3.8.12**

According to the procedure of system documentation (SOP-SCD-01) that approved by head of sustainability since 10 November 2014, known that retention time for all document related to certification is 5 years. Based on document review known that the mill still kept the document according to the procedure.

The Mill balancing the certified products and dispatch on a monthly basis. The summary of data 23 months previous the audit can be seen on the table below:

**CPO**

| Period (2020) | CPO Production (MT) |                 | Total            | CPO Dispatch (MT) |                  | Total            |
|---------------|---------------------|-----------------|------------------|-------------------|------------------|------------------|
|               | Cert                | Non Cert        |                  | RSPO              | Conventional     |                  |
| Opening stock | 544.05              |                 |                  |                   |                  |                  |
| July          | 3,933.47            | 1,830.88        | 5,764.35         | 4,305.16          | 2,262.11         | 6,567.27         |
| Augt          | 3,914.60            | 1,575.08        | 5,489.69         | -                 | 5,684.42         | 5,684.42         |
| Sep           | 2,984.23            | 1,353.80        | 4,338.03         | -                 | 1,250.00         | 1,250.00         |
| Oct           | 3,017.23            | 1,332.77        | 4,350.01         | 2,999.92          | 4,417.55         | 7,417.47         |
| Nov           | 2,341.53            | 1,274.04        | 3,615.58         | -                 | 2,482.45         | 2,482.45         |
| Dec           | 2,791.12            | 1,291.86        | 4,082.98         | -                 | 3,000.00         | 3,000.00         |
| <b>Total</b>  | <b>19,526.23</b>    | <b>8,658.43</b> | <b>28,184.69</b> | <b>7,305.08</b>   | <b>19,096.53</b> | <b>26,401.61</b> |

| Period (2021) | CPO Production (MT) |          | Total    | CPO Dispatch (MT) |              | Total    |
|---------------|---------------------|----------|----------|-------------------|--------------|----------|
|               | Cert                | Non Cert |          | RSPO              | Conventional |          |
| Opening stock | 1,783.08            | -        | 1,783.08 |                   |              |          |
| January       | 1,638.68            | 1,317.28 | 2,955.96 | -                 | 4,000.00     | 4,000.00 |
| February      | 2,678.89            | 1,577.81 | 4,256.69 | 2,500.00          | 1,375.04     | 3,875.04 |
| March         | 3,587.73            | 2,139.76 | 5,727.49 | 2,500.00          | 3,924.96     | 6,424.96 |
| April         | 3,594.47            | 1,884.24 | 5,478.72 | -                 | 4,021.90     | 4,021.90 |
| May           | 2,480.77            | 1,291.70 | 3,772.47 | 2,500.00          | 1,315.00     | 3,815.00 |
| June          | 4,576.55            | 863.06   | 5,439.61 | 4,500.00          | 1,701.56     | 6,201.56 |
| July          | 4,374.80            | 381.97   | 4,756.77 | -                 | 2,500.00     | 2,500.00 |
| August        | 4,274.04            | 567.45   | 4,841.49 | 1,000.00          | 3,030.30     | 4,030.30 |
| September     | 3,879.70            | 1,083.91 | 4,963.61 | 4,003.04          | 1,794.31     | 5,797.35 |



|              |                  |                  |                  |                  |                  |                  |
|--------------|------------------|------------------|------------------|------------------|------------------|------------------|
| October      | 3,083.22         | 1,239.98         | 4,323.20         | 1,000.09         | 3,677.89         | 4,677.98         |
| November     | 2,641.89         | 1,542.73         | 4,184.62         | 3,751.39         | 1,459.13         | 5,210.52         |
| December     | 1,894.86         | 1,374.89         | 3,269.75         | 1,500.00         | 789.48           | 2,289.48         |
| <b>Total</b> | <b>40,488.68</b> | <b>15,264.78</b> | <b>55,753.46</b> | <b>23,254.52</b> | <b>29,589.57</b> | <b>52,844.09</b> |

| Period (2022) | CPO Production (MT) |                 | Total            | CPO Dispatch (MT) |                 | Total            |
|---------------|---------------------|-----------------|------------------|-------------------|-----------------|------------------|
|               | Cert                | Non Cert        |                  | RSPO              | Conventional    |                  |
| Opening stock | 2,909.37            | -               | 2,909.37         |                   |                 |                  |
| January       | 2,279.38            | 1,776.95        | 4,056.33         | 1,510.98          | 1,073.42        | 2,584.40         |
| February      | 2,286.67            | 1,657.21        | 3,943.88         | 3,508.98          | 906.62          | 4,415.60         |
| March         | 2,777.84            | 2,263.09        | 5,040.93         | 3,500.00          | 1,500.00        | 5,000.00         |
| April         | 2,688.15            | 2,345.02        | 5,033.16         | 6,008.21          | 1,418.11        | 7,426.32         |
| May           | 3,069.55            | 1,927.25        | 4,996.80         | -                 | 720.49          | 720.49           |
| <b>Total</b>  | <b>16,010.96</b>    | <b>9,969.52</b> | <b>25,980.47</b> | <b>14,528.17</b>  | <b>5,618.64</b> | <b>20,146.81</b> |

**PK**

| Period (2020) | PK Production (MT) |                 | Total           | PK Dispatch (MT) |                 | Total           |
|---------------|--------------------|-----------------|-----------------|------------------|-----------------|-----------------|
|               | Cert               | Non Cert        |                 | RSPO             | Conventional    |                 |
| Opening stock | 277.04             |                 | 277.04          |                  |                 |                 |
| July          | 718.37             | 419.11          | 1,137.48        | 949.42           | 253.31          | 1,202.73        |
| Augt          | 859.05             | 362.34          | 1,221.39        | -                | 1,246.69        | 1,246.69        |
| Sep           | 644.98             | 311.57          | 956.55          | 499.70           | 300.00          | 799.70          |
| Oct           | 731.21             | 308.34          | 1,039.55        | 799.46           | 400.00          | 1,199.46        |
| Nov           | 625.78             | 295.60          | 921.38          | -                | 767.33          | 767.33          |
| Dec           | 754.48             | 300.09          | 1,054.57        | 800.00           | 382.67          | 1,182.67        |
| <b>Total</b>  | <b>4,610.91</b>    | <b>1,997.05</b> | <b>6,607.96</b> | <b>3,048.58</b>  | <b>3,350.00</b> | <b>6,398.58</b> |

| Period (2021) | PK Production (MT) |                 | Total            | PK Dispatch (MT) |                 | Total            |
|---------------|--------------------|-----------------|------------------|------------------|-----------------|------------------|
|               | Cert               | Non Cert        |                  | RSPO             | Conventional    |                  |
| Opening stock | 209.38             |                 | 209.38           |                  |                 |                  |
| January       | 406.42             | 305.21          | 711.63           | 399.89           | 300.00          | 699.89           |
| February      | 634.22             | 364.48          | 998.70           | 399.89           | 732.99          | 1,132.88         |
| March         | 829.91             | 493.84          | 1,323.75         | 400.24           | 717.01          | 1,117.25         |
| April         | 720.19             | 431.91          | 1,152.10         | 949.69           | 400.52          | 1,350.21         |
| May           | 602.69             | 298.94          | 901.62           | 299.87           | 532.91          | 832.78           |
| June          | 954.39             | 196.95          | 1,151.34         | 399.65           | 586.77          | 986.42           |
| July          | 962.98             | 87.32           | 1,050.30         | 300.00           | 629.80          | 929.80           |
| August        | 896.80             | 129.11          | 1,025.91         | 499.75           | 450.00          | 949.75           |
| September     | 827.01             | 248.41          | 1,075.42         | 850.19           | 400.00          | 1,250.19         |
| October       | 650.69             | 284.82          | 935.51           | 600.06           | 200.00          | 800.06           |
| November      | 554.55             | 354.66          | 909.20           | 650.36           | 505.59          | 1,155.95         |
| December      | 384.82             | 315.75          | 700.57           | 350.93           | 159.91          | 510.84           |
| <b>Total</b>  | <b>8,634.05</b>    | <b>3,511.40</b> | <b>12,145.43</b> | <b>6,100.52</b>  | <b>5,615.50</b> | <b>11,716.02</b> |

| Period (2022) | PK Production (MT) |                 | Total           | PK Dispatch (MT) |                 | Total           |
|---------------|--------------------|-----------------|-----------------|------------------|-----------------|-----------------|
|               | Cert               | Non Cert        |                 | RSPO             | Conventional    |                 |
| stok          | 429.41             |                 | 429.41          |                  |                 |                 |
| January       | 561.79             | 410.91          | 972.69          | 300.00           | 410.00          | 710.00          |
| February      | 540.14             | 382.80          | 922.94          | 650.00           | 150.00          | 800.00          |
| March         | 701.09             | 523.86          | 1,224.95        | 700.00           | 800.00          | 1,500.00        |
| April         | 745.87             | 544.05          | 1,289.92        | 1,150.00         | 455.53          | 1,605.53        |
| May           | 740.78             | 445.57          | 1,186.36        | 300.00           | 918.94          | 1,218.94        |
| <b>Total</b>  | <b>3,719.08</b>    | <b>2,307.19</b> | <b>6,026.27</b> | <b>3,100.00</b>  | <b>2,734.47</b> | <b>5,834.47</b> |

**3.8.13**

Extraction rates from CPO and PK production are based on actual production data. Over the past 23 months, the extraction rate for CPO was 20.15 % and PK was 4.59 %.

**3.8.14**

Estimates for extraction rates are based on actual production of CPO and PK from the previous month. Apart from production, it is also affected by the age of the oil palm plantations. The estimation of OER is 21 % and KER is 45%.

**3.8.15**

ANJA Siais POM received FFB from certified estate ((Lembah Subur Selatan Estate and Lembah Subur Utara Estate)) and from uncertified source (Koperasi Petani Binasari, Kelompok Tani Janji Matogu, UD Boru Namora dan UD Riri). Hence, ANJA Siais POM implements Mass Balance Module

**3.8.16**

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

- Member Name: PT Austindo Nusantara Jaya Agri Siais
- Membership No: 1-0032-07-000-00
- Member ID: RSPO\_PO1000001992
- License ID: CB110158

Whole transaction of CSPO/CSPK has been declared in RSPO IT Platform.

For license period (25/11/2020 - May 2022), it was known that ANJ SIAIS POM has reported sales transactions (announcements) through the RSPO IT Platform, as follows:

- CSPO (MB) volume sold: 37,782.69 MT: 20 transactions were reported, for example: Transaction ID TR-c72a7c90-0032 on April 29, 2022 and TR-9b7cc79b-9175 on April, 3 2022 to the buyer PT. Synergy Oil Nusantara.
- CSPK (MB) volume sold: 9,701.32 MT: 38 transactions were reported, for example: Transaction TR-001947c1-4930 on April 27, 2022 etc to the buyer PT. Ivo Mas Tunggal

As for shipping announcement carried out not more than 3 months after dispatch. For example: Shipping Announcement with Transaction ID TR-e82b05fc-16a3 with creation date on May 17, 2022 and actual dispatch on April, 23 2022.

**3.8.17**

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

|  |                       |  |
|--|-----------------------|--|
|  | <b>Status: Comply</b> |  |
|--|-----------------------|--|

**PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS**

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

**4.1.1**

The unit of certification has demonstrated a Policy of Respect for Human Rights which has been in effect since August 4<sup>th</sup>, 2016 and was approved by the President Director. In both policies it is stated that the unit of certification is committed to respecting and protecting human rights within the unit of certification's territory. You can see the minutes of the socialization document and the list of participants for workers dated January 27<sup>th</sup>, 2022, which was attended by 55 workers. Socialization has also been carried out to stakeholders on December 29<sup>th</sup>, 2021, which was attended by 29 representatives from the South Tapanuli Regency government, *TNI/POLRI*, South Angkola Sub-district, NGOs, Farmers' Groups, Suppliers, Contractors, Community Leaders, Traditional Leaders, etc.

Based on interviews with representatives of labor unions, contractors, and village community leaders, it was found that there were no incidents of human rights violations in the certification unit, no employees were intimidated and/or subjected to violent treatment by the certification unit. The human rights policy also explains that the unit of certification does not tolerate retaliation against someone who discloses violations or allegations with good intentions.

**4.1.2**

The unit of certification has no record related to the use of force/mercenaries/paramilitaries in resolving existing conflicts between the certification unit and relevant stakeholders (workers, contractors, plasma farmers, surrounding communities or others).

Based on the results of interviews with workers, representatives of labor unions, gender committees, contractors, local community leaders and the Manpower and Transmigration Office of South Tapanuli Regency, it is known that there was no intimidation by the certification unit to workers or stakeholders. Then, the informant also added information that the certification unit did not use paramilitaries or mercenaries in the operational area of the certification unit. If there are problems, they will be resolved by deliberation without using violence. The resolution of conflicts/problems using this deliberation has been quite effective.

|  |                       |  |
|--|-----------------------|--|
|  | <b>Status: Comply</b> |  |
|--|-----------------------|--|

**4.2**  
**There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.**

**4.2.1; 4.2.2; 4.2.3**

The certification unit has a mutually agreed system that is open to all parties as stated in the Internal Memo Number 77/GM/rs/10-2012 dated October 11<sup>th</sup>, 2012, which was approved by the General Manager. The procedure explains the person in charge of receiving and resolving complaints (external and internal officials including HRD), response period, confidentiality of the reporter and the reporter, so that further complaint handling can be carried out at the tripartite level (mediation and settlement by the government). Procedures are available in Indonesian and if there is a complaint for which a resolution is not found together, the complainants can bring the compliance to the RSPO Complaints System.

The procedure has been socialized to all parties, for example to workers and local stakeholders. For example, socialization to stakeholders on December 29<sup>th</sup>, 2021, which was attended by 29 representatives from the South Tapanuli Regency government, *TNI/POLRI*, South Angkola Sub-district, NGOs, Farmers' Groups, Suppliers, Contractors, Community Leaders, Traditional Leaders, etc.

Based on the results of interviews with representatives of labor unions, information was obtained that the Union held regular meetings with workers, one of the agendas of which was to accommodate issues and complaints which would later be addressed to the certification unit. Workers who cannot read/write can submit complaints through the union or superior verbally. Then, from interviews with local stakeholders, information was obtained that the certification unit has appointed staff who function as companions & communicators for stakeholders, so that people who cannot read/write can submit information or complaints to the communicator.

Based on the review of the Communication and Information Provision Logbook document from stakeholders, it is known that there have been no complaints submitted by stakeholders to the unit of certification during the past year. However, there are complaints from internal parties that are well documented and their responses. Complaints submitted and recorded are complaints related to industrial relations, damaged housing conditions for workers, etc. Here are some examples of worker complaints and responses from companies:

- A worker with the initials FB who filed a complaint regarding the misfortune money on January 12<sup>th</sup>, 2022. The unit of certification has responded that the compensation for the accident can be issued on January 15<sup>th</sup>, 2022 because it is waiting for the withdrawal of funds from the cooperative management. The complaint has been declared completed on January 15<sup>th</sup>, 2022 because it has been processed and the misfortune money has been handed over to the worker.
- A worker with the initials AJ who submitted a complaint regarding the registration of parents and siblings into the BPJS Health program on June 3<sup>rd</sup>, 2022. The unit of certification has responded that parents can be registered into the BPJS Health Program if the parents are still in 1 family card and the workers are willing to sign a statement letter additional

BPJS deductions. The complaint has been declared completed on June 4<sup>th</sup>, 2022 because it has been processed and is waiting for card activation for 1 month after payment is made.

All complaints from workers have been completely resolved by the certification unit by showing proof of completion in the form of documentation and direct responses to complaints received from external or internal parties. This is supported by the results of interviews with workers who stated that the certification unit always records all complaints submitted by workers and within a reasonable period of time these complaints have been properly resolved. From the description, it is known that the certification unit has informed the progress of handling complaints and the results have been communicated to the parties.

**4.2.4**

The unit of certification demonstrates the ANJ Group's Code of Business Conduct which has been in effect since January 1<sup>st</sup>, 2014. In Chapter V of the policy, it is stated that, if a solution to a problem has not been found, the complainant can report the problem to the Board of Directors. Furthermore, if it has not been resolved, the Board of Directors may consult with the Board of Commissioners and the reporter may involve a third party/mediator.

Based on interviews with internal and external stakeholders, it is known that the progress of the complaint will be submitted to the complainant, if it is not resolved it may involve a third party/mediator or other independent legal institution.

**Status: Comply**

**4.3**

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

**4.3.1**

The company has carried out the identification of local development needs and priorities for the affected communities around the company through Stakeholder Meeting activities. The stakeholder meeting was held on December 29, 2021, which aims to find out the aspirations of stakeholders, determine the CD/CSR program, and others. Stakeholders who attended this meeting included the surrounding community, village heads, community leaders, FFB agents, the Plantation Agency, South Tapanuli DPRD and others.

The company has contributed to community development through the Management Plan Community Involvement and Development program. The implementation of the CID Management Plan program in 2021 includes the following activities:

- Land clearing assistance for SMAN 2 Garonggang on June 3, 2021
- Free medical assistance at ANJ clinic in 2021
- Oil palm counseling in Binasari Village on April 20, 2021
- Socialization of farmer empowerment program on January 28, 2021
- Handling the flood disaster for the people of Labasiak on 19-20 December 2021
- Delivery of basic necessities to the Disaster Resilient group and affected residents on December 23, 2021
- Contribution of TPA construction assistance on March 5, 2021
- Program of church construction on April 25, 2021
- Provision of staple food for the residents of Jambur Torop Hamlet on December 20, 2021
- Assistance in repairing the Lorong 1 Janji Matogu bridge on May 5, 2021
- Repairing the road for the residents of Gua Asom on June 26, 2021

The results of interviews with representatives of Labalasiak and Janji Matogu Villages, obtained information that the company has realized a development program for the community and has been based on the results of consultations with the surrounding community.

**Status: Comply**

**4.4**

**Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their FPIC.**

**4.4.1**

**Land Permit**

Unit Certification has plantation permit as follows:

- Plantation permit for agronomies activity (IUP-B) based on Decree of Tapanuli Selatan Head District No:

525.26/1527/K/2003 dated 8 September 2003. According to the permit, hectare coverage is 8,000 Ha.

- Plantation permit for processing activity (IUP-P) based on permit from Head of Tapanuli Selatan District No: 14/IZIN/2010 dated 22 July 2010. According to the permit, capacity that allowed is  $\pm$  60 tonnes FFB/hour.
- Plantation permit for agronomies activity (IUP-B) based on permit from Head of Tapanuli Selatan District No: 15.A/IZIN/2010 dated 28 July 2010. According to the permit, hectare coverage is 1,639.06 Ha.

**Total of plantation permit: 9,639.06 plantation area and mill capacity  $\pm$  60 tonnes FFB/hour.**

#### **HGU PT ANJA Siais (9,171.82 Ha)**

The company has had land title as follows:

- Land title (HGU) certificate No. 1 year 2004 for area 8,000 Ha located in Pardomuan Village on behalf PT Ondop Perkasa Makmur. Valid until 27 October 2039.
- Land title (HGU) certificate No. 223 year 2016 for area 1.83 Ha located in Pardomuan Village on behalf PT Austindo Nusantara Jaya Agri Siais. Valid until 2 September 2051.
- Land title (HGU) certificate No. 224 year 2016 for area 5.42 Ha located in Pardomuan Village on behalf PT Austindo Nusantara Jaya Agri Siais. Valid until 2 September 2051.
- Land title (HGU) certificate No. 225 year 2016 for area 11.30 Ha located in Pardomuan Village on behalf PT Austindo Nusantara Jaya Agri Siais. Valid until 2 September 2051.
- Land title (HGU) certificate No. 226 year 2016 for area 13.19 Ha located in Pardomuan Village on behalf PT Austindo Nusantara Jaya Agri Siais. Valid until 2 September 2051.
- Land title (HGU) certificate No. 227 year 2016 for area 11.69 Ha located in Pardomuan Village on behalf PT Austindo Nusantara Jaya Agri Siais. Valid until 2 September 2051.
- Land title (HGU) certificate No. 228 year 2016 for area 4.02 Ha located in Pardomuan Village on behalf PT Austindo Nusantara Jaya Agri Siais. Valid until 2 September 2051.
- Land title (HGU) certificate No. 229 year 2016 for area 267.38 Ha located in Pardomuan Village on behalf PT Austindo Nusantara Jaya Agri Siais. Valid until 2 September 2051.
- Land title (HGU) certificate No. 230 year 2016 for area 583.92 Ha located in Pardomuan Village on behalf PT Austindo Nusantara Jaya Agri Siais. Valid until 2 September 2051.
- Land title (HGU) certificate No. 231 year 2016 for area 273.07 Ha located in Pardomuan Village on behalf PT Austindo Nusantara Jaya Agri Siais. Valid until 2 September 2051.

**Total of land titled area: 9,171.82 Ha**

#### **Binasari Cooperative Legality**

The legality of the Binasari Cooperative in the form of a Sporadic document in the form of a Statement of Physical Control of Land by the Chairperson of the Binasari Farmers Cooperative dated February 14, 2022, which states that:

- In the framework of the application for the issuance of a HGU certificate on behalf of the cooperative, the Cooperative states that the area for which the HGU is being applied for is 157.50 Ha which is being applied for physically and is fully controlled, managed and owned by the cooperative.
- As long as it is controlled/managed by the cooperative, there are no problems and disputes from other parties and there is no change/reduction in the area, both regarding the control of the land and the boundary markings of the land parcels and are properly and correctly maintained in accordance with the Land Field Map No. 03/2017 March 10, 2017
- The statement letter was signed by Head of Pardomuan Village

Deed of establishment No. 46 dated November 14, 2011 and Deed of amendment No. 15 dated December 10, 2019. The basis for managing the Partnership Plantation is based on the Cooperation Agreement No. 0707/PLS/ANJAS/2018 and No. 07/KTBS/07/2018 dated 12 July 2018 between PT ANJ Agri Siais and the Binasari Farmer cooperative which is valid until 30 June 2036.

#### **4.4.2 – 4.4.6**

PT ANJ Agri Siais was originally named PT Ondop Perkasa Makmur and has undergone a name change (become PT ANJ Agri Siais) in accordance with notarial deed no. 04 of 2010 dated March 2, 2010 with the approval of Law Ministry of Indonesia no. AHU-15127.AH.01.02.Year 2010 dated March 24, 2010.

The company has carried out land acquisition for the entire permit area it has. The last compensation process was carried out in 2006. Until the surveillance-1.3 audit activity, it was found that there was no new land acquisition/expansion. Based on interviews with representatives of the National Land Agency of South Tapanuli Regency, it was also known that there was no new land acquisition in the HGU area.

The company shows the document recapitulation of land acquisition carried out up to 2006 in the document "Recapitulation of Land Compensation Application for HGU Certificate in the Expansion Area of PT Ondop Perkasa Makmur". Based on this document, it is known that compensation has been made to 37 owners of a land area of 163.68 hectares.

Based on the results of the Minutes of the Land Examination Committee B, North Sumatra Province dated January 7, 2009 No. 01/PPT/B/2009 Jo Minutes of Field Inspection Results dated January 28, 2016 No. 02/BA/PHTBH/HGU/I/2016 it is stated that the land requested is State land which has community cultivation which has been compensated by PT Ondop Perkasa Makmur (now PT Austindo Nusantara Jaya Agri Siais). The land requested is entirely located in an area of other use and is not in the area of the Indicative Map of Postponing the Granting of a new Permit.

Based on public consultation with village representatives and National Land Agency known that there was no customary right in or near the concession area of PT ANJA Siais. All land acquisition between local people and company representatives conducted as mutual agreement and with Bahasa that understood by all parties involved. From the results of interviews with representatives of National Land Agency of South Tapanuli Regency, it is known that there is no expansion area of PT ANJ

**Status: Comply**

**4.5**

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

**4.5.1 – 4.5.8**

There are no new plantings at unit certification.

The company already has Land Use Title and sporadic documents for plasma as described in indicator 4.4.1.

PT ANJ Agri Siais was originally named PT Ondop Perkasa Makmur and has undergone a name change (become PT ANJ Agri Siais) in accordance with notarial deed no. 04 of 2010 dated March 2, 2010 with the approval of Law Ministry of Indonesia no. AHU-15127.AH.01.02.Year 2010 dated March 24, 2010.

The company has carried out land acquisition for the entire permit area it has. The last compensation process was carried out in 2006. Until the surveillance-1.3 audit activity, it was found that there was no new land acquisition/expansion. Based on interviews with representatives of the National Land Agency of South Tapanuli Regency, it was also known that there was no new land acquisition in the HGU area.

The company shows the document recapitulation of land acquisition carried out up to 2006 in the document "Recapitulation of Land Compensation Application for HGU Certificate in the Expansion Area of PT Ondop Perkasa Makmur". Based on this document, it is known that compensation has been made to 37 owners of a land area of 163.68 hectares.

Based on the results of the Minutes of the Land Examination Committee B, North Sumatra Province dated January 7, 2009 No. 01/PPT/B/2009 Jo Minutes of Field Inspection Results dated January 28, 2016 No. 02/BA/PHTBH/HGU/I/2016 it is stated that the land requested is State land which has community cultivation which has been compensated by PT Ondop Perkasa Makmur (now PT Austindo Nusantara Jaya Agri Siais). The land requested is entirely located in an area of other use and is not in the area of the Indicative Map of Postponing the Granting of a new Permit.

Based on public consultation with village representatives and National Land Agency known that there was no customary right in or near the concession area of PT ANJA Siais. All land acquisition between local people and company representatives conducted as mutual agreement and with Bahasa that understood by all parties involved. From the results of interviews with representatives of National Land Agency of South Tapanuli Regency, it is known that there is no expansion area of PT ANJ

**Status: Comply**



**4.6**

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

**4.6.1-4.6.2**

The company has had land acquisition procedure that approved by top management of Austindo Nusantara Jaya Agri Group since 1 June 2009. This procedure explained that the process of land identification is involved the community and the village government. Until surveillance 1.3, known that the company did not have any land acquisition / land expansion. The results of public consultations with the surrounding communities are known that there is no customary land in the operational area of PT ANJ Agri Siais and all operational area has compensated from local communities based on mutual agreement.

**4.6.3; 4.6.4**

PT ANJ Agri Siais was originally named PT Ondop Perkasa Makmur and has undergone a name change (become PT ANJ Agri Siais) in accordance with notarial deed no. 04 of 2010 dated March 2, 2010 with the approval of Law Ministry of Indonesia no. AHU-15127.AH.01.02.Year 2010 dated March 24, 2010.

The company has carried out land acquisition for the entire permit area it has. The last compensation process was carried out in 2006. Until the surveillance-1.3 audit activity, it was found that there was no new land acquisition/expansion. Based on interviews with representatives of the National Land Agency of South Tapanuli Regency, it was also known that there was no new land acquisition in the HGU area.

The company shows the document recapitulation of land acquisition carried out up to 2006 in the document "Recapitulation of Land Compensation Application for HGU Certificate in the Expansion Area of PT Ondop Perkasa Makmur". Based on this document, it is known that compensation has been made to 37 owners of a land area of 163.68 hectares. Based on the results of the Minutes of the Land Examination Committee B, North Sumatra Province dated January 7, 2009 No. 01/PPT/B/2009 Jo Minutes of Field Inspection Results dated January 28, 2016 No. 02/BA/PHTBH/HGU/II/2016 it is stated that the land requested is State land which has community cultivation which has been compensated by PT Ondop Perkasa Makmur (now PT Austindo Nusantara Jaya Agri Siais).

Based on the results of interviews with representatives of nearby villages, it is known that the company provides equal opportunities for men and women to have land rights for plantations. Based on public consultation with village representatives and National Land Agency known that there was no customary right in or near the concession area of PT ANJA Siais. All land acquisition between local people and company representatives conducted as mutual agreement and with Bahasa that understood by all parties involved. From the results of interviews with representatives of National Land Agency of South Tapanuli Regency, it is known that there is no expansion area of PT ANJ.

**Status: Comply**

**4.7**

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

**4.7.1; 4.7.2**

The procedure for calculating and distributing fair compensation is described in the Procedure for land acquisition and planting (021/HR&GA/CP/Land Acquisition/06-09) dated 1 June 2009 passed by the President Director and the Director of Corporate Services. This procedure explained that the process of land identification is involved the community and the village government. Until surveillance 1.3, known that the company did not have any land acquisition / land expansion. The results of public consultations with the surrounding communities are known that there is no customary land in the operational area of PT ANJ Agri Siais and all operational area has compensated from local communities based on mutual agreement.

Based on the results of the Minutes of the Land Examination Committee B, North Sumatra Province dated January 7, 2009 No. 01/PPT/B/2009 Jo Minutes of Field Inspection Results dated January 28, 2016 No. 02/BA/PHTBH/HGU/II/2016 it is stated that the land requested is State land which has community cultivation which has been compensated by PT Ondop Perkasa Makmur (now PT Austindo Nusantara Jaya Agri Siais).



**4.7.3**

The company has several policies, as well as SIA management and monitoring plan, that has some purposes to improve livelihoods quality of surrounding communities, such as acceptance of local workers and contractors if needed, economic development program, and any other CSR programs. Based on interview with surrounding communities known that company has provided village with economic development program and any other CSR programs.

**Status: Comply**

**4.8**

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

**4.8.1-4.8.4**

Based on the results of interviews with management, interviews with representatives of surrounding villages and the National Agency of South Tapanuli Regency, as well as field observations to the operational area, it was found that there were no land disputes in the certification unit.

**Status: Comply**

**PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION**

**5.1**

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

**5.1.1, 5.1.2, 5.1.3, 5.1.4, 5.1.8**

The company has a procedure for calculating the K index in the Work Instructions for Determining FFB Prices for Partner and Independent Smallholders. IK-COM-01-00 dated June 14, 2021. The work instruction explains the procedure for calculating FFB prices for independent smallholders. The company also shows an example of calculating the K index and pricing for the month of June 2021.

Payment has been made in accordance with the determination of the price made. Based on interviews with the company, changes in FFB prices for third-party farmers were conveyed via WhatsApp Group chat. In addition, based on interviews with FFB suppliers, it was found that the FFB payments were in accordance with the specified price.

ANJA Siais Mill also received FFB from local farmer/trader. Agreement of FFB procurement shows through Work Agreement FFB Suppliers with the validity of the contract for 2 years since the agreement was made, for example as follows:

- Agreement No. 0204/COM/ANJAS/2020 dated 5 February 2020 with UD RIRI.
- Agreement No. 0203/COM/ANJAS/2018 dated 5 February 2020 with UD Boru Namora.
- Agreement No. 0202/COM/ANJAS/2020 dated 5 February 2020 with KT Janji Matogu.

**5.1.5**

The company shows a cooperation agreement between PT Austindo Nusantara Jaya Agri Siais and the Binasari Farmers Cooperative with agreement number 0707/PLS/ANJAS/2018 and No. 07/KTBS/07/2018 which was issued on 12 July 2018. This cooperation agreement was signed by representatives of PT ANJA Siais, representatives of the Binasari Farmers Cooperative, witnessed by the Head of South Angkola Sub-district, Pardomuan Village Head, and acknowledged by the Regional Trade and Cooperatives Office South Tapanuli Selatan Regency and Regional Agriculture Office of Tapanuli Selatan Regency.

**5.1.6**

FFB pricing for third party suppliers is based on the price set by the company and has been known by the supplier. The company shows proof of FFB payment, for example:

- Payment of FFB on April 8, 2021 through Bank Mandiri to the Binasari Cooperative for 228,587 kg of FFB.
- Payment of FFB on April 8, 2021 through Bank Mandiri to UD Riri for 7,904 kg of FFB

**5.1.7**

Company has conduct calibration for weighing equipment by third independent party and showed the documentation in form of decree letter from "Dinas Perdagangan dan Koperasi UKM Daerah Kabupaten Tapanuli Selatan" No. 510.3/135-TU/THE/MET-TS/2020 for testing the Electronic Weigh Bridge with capacity 50 ton. The calibration conducted on 3 December

2020. This letter is valid until 3 December 2021.

**5.1.9**

The procedure for submitting external complaints is contained in the SOP document for External Stakeholder Complaints Management dated November 1, 2020. Complaints received and recorded in the complaint form will be followed up to the next process with a maximum of 3 working days from the time the complaint is received. The response process to complaints is carried out a maximum of 14 working days from the time the complaint is received and recorded in the Complaint Form. In the mediation process of complaint resolution, the company welcomes the relevant stakeholders as mediators if necessary.

**Status: Company**

**5.2**

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

**5.2.1, 5.2.2, 5.2.3 & 5.2.5**

The company has held the stakeholder meeting on December 29, 2021 which was attended by Farmer Groups, Suppliers, Contractors, Heads of the Environment, the surrounding community, and members of regional government. At the event, socialization was carried out related to the company's vision and mission, good management practices for oil palm, improvisation of agronomic practices, the company's commitment to gender equality, community empowerment and engagement programs (Community Involvement and Development) and conservation programs.

Currently the smallholder that already include in certification scope only Binasari Cooperative.

**5.2.4**

The certification unit has a full-run managed for scheme smallholders from operational activities to harvesting. The scheme smallholders only get the result of the production of FFB from the plantation. Pesticide handling activities include applications are conducted by certification unit workers who have regarded pesticide training on a regular basis.

**Status: Comply**

**PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS**

**6.1**

**Any form of discrimination is prohibited.**

**6.1.1; 6.1.2; 6.1.3.**

The unit of certification has a non-discrimination and equal opportunity policy which is indicated in the Respect for Human Rights Policy document which has been in effect since August 4<sup>th</sup>, 2016 and was approved by the President Director. The policy states that the unit of certification opens equal opportunities for workers and prospective workers by not discriminating on the basis of ethnicity, religion, race, class, gender and age. The policy has been socialized in each plantation and factory unit to workers, for example, socialization in the factory unit on September 30<sup>th</sup>, 2021, which was attended by 61 workers. The policy has also been socialized to all stakeholders on December 29<sup>th</sup>, 2021 which was attended by 29 representatives from the South Tapanuli Regency government, *TNI/POLRI*, South Angkola Sub-district, NGOs, Farmer Groups, Suppliers, Contractors, Community Leaders, Traditional Leaders, etc.

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

- Composition of workers consisting of various ethnic groups, religions, genders, and origins of workers.
- Recruitment of workers based on the results of selection, performance appraisal, ability and expertise of workers.
- The placement and training of workers is carried out according to their skills/type of work, such as prospective harvest workers being placed as harvest workers and receiving regular harvest training.
- Female workers are entitled to the same reproductive leave, wages, and opportunities for promotion as male workers of the same type of work.

The unit of certification shows job vacancies for the period 2021 for the positions of excavator operator, tractor operator,

mechanic, etc. The document does not find any conditions that indicate discrimination. The job vacancy document only informs the requirements that must be complied with by prospective workers, for example regarding the minimum age limit for prospective workers, which is 18 years. This is in line with the results of interviews with workers which stated that the unit of certification does not discriminate against workers, including in the recruitment or promotion process. The unit of certification also never incurs recruitment fees and retains identity documents in the worker recruitment process.

Based on the results of the verification of worker recruitment documents, it is known that the recruitment of workers is based on their skills, abilities and records of health examination results. Likewise, promotions are carried out in accordance with the results of the assessment on performance evaluation. Workers who are promoted will go through a performance appraisal stage, the results of which will be based on assessment criteria such as work results, efforts and attitudes. This is in line with the results of interviews with workers who informed that there was no indication of discrimination against religion, ethnicity, gender, and regional origin in the process of accepting a job.

Based on the results of interviews with the representative of the certification unit, information was obtained that the recruitment process for all workers is carried out through the same process where prospective workers must meet the requirements in the form of administrative selection (application letter, graduation letter, photocopy of identity and family), psychological test (for certain positions), interviews and health examination results. To increase the career path, responsibility, authority and scope of an employee, the unit of certification provides promotions that are carried out on the basis of work productivity, discipline, work spirit, etc.

#### **6.1.4**

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

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

#### **6.1.5**

The unit of certification has established a gender committee in each unit which has functions including gender equality, protection of women's rights, protection from incidents of harassment, and others.

The unit of certification shows the determination of the organizational structure document of the women and children protection committee which was ratified on September 21<sup>st</sup>, 2021, by the General Manager consisting of Advisor, Chairperson, Deputy Chair, Secretary, Treasurer, Women's Protection and Empowerment Division, Child Protection Division, Prevention and Management of Sexual Harassment Problems Division, Child Growth Division and Social Relations and Government Division.

The unit of certification has a gender committee work program in 2022, including socialization of sexual harassment and violence, mapping issues and case reports against women workers, socialization of the reproductive rights of women workers, education and how to avoid sexual abuse of children, socialization of children's development and integrated healthcare center for toddlers and pregnant women/new mothers. The unit of certification also shows the realization of the program and the results of the gender committee meetings listed in the minutes of the 2021 meeting, for example meeting on September 18<sup>th</sup>, 2021, one of which discussed the identification of pregnant and lactating women workers programs. The meeting was attended by 35 people.

Based on interviews with female workers, it was found that they were aware of the functions, work programs, and mechanisms

for submitting complaints through the gender committee. Then, based on the results of interviews with representatives of the gender committee, it is known that until now the work program of the gender committee has been prioritized for women workers. However, it is possible that cases of sexual harassment or violence against male workers can also be submitted through the gender committee.

**6.1.6**

The unit of certification has a Company Regulation policy for the period 2021 – 2023 which is approved by the Head of the North Sumatra Province Manpower Office. The document states that the unit of certification ensures that all workers receive wages in accordance with the stipulated minimum wage requirements. Workers receive wages in accordance with the Decree of the Governor of North Sumatra Number 188.44/784/KTPS/2021. In 2022, workers in South Tapanuli Regency, North Sumatra Province, will receive a wage of IDR 2,903,042,-

Fair wages have been paid by the unit of certification correctly, taking into account accountability, performance, expertise, years of service, and other factors as the basis for remuneration. So that the payment of wages given is in accordance with the burden, task, and type of work of each. This is stated in the Internal Memorandum No. 002/ANJ/HRCM/IM/II/2022 and document of Wage Structure and Scale for Non-Garden Staff for 2022. These two documents inform the structure of the wage scale applicable at PT ANJ Agri Siais, which is as follows:

- The structure of the pay scale for NS-A region 1 and 2 employees is adjusted to the range of years of service. Currently, the highest monthly allowance is for workers with 20 years of service, which is IDR 15,000 and the lowest is for workers with 1 – 5 years of service, which is IDR 5,000.
- Structure and Scale of Wages for Non-Staff Employees are adjusted to the level of workers (NS-B to NS-D) and there are Minimum, Median and Maximum groups. It is known that the highest wage is currently in the NS-D group (max) of IDR 3,294,983, and the lowest wage is in the NS-B group (min) of IDR 3,055,062.

Based on the results of interviews with harvesters with the same tenure and status, it is known that the basic wages and benefits they receive are of the same value. However, it is different from harvesters who have worked longer. From the description above, it can be concluded that the unit of certification already has proof of payment of equal wages for the same scope of work.

|  |                       |  |
|--|-----------------------|--|
|  | <b>Status: Comply</b> |  |
|--|-----------------------|--|

**6.2**  
**Pay and conditions for staff and workers and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).**

**6.2.1**

The unit of certification shows the procedure/policy of wages and work requirements in accordance with the labor provisions that have been contained in the national language (Indonesian) which is contained in several documents, namely:

- SOP for Non-Staff Payroll with SOP-FAD-021 Edition 1, effective October 1<sup>st</sup>, 2020, which was approved by the President Director.
- Decree of the Governor of North Sumatra Number 188.44/784/KTPS/2021 concerning the Determination of the Minimum Wage for South Tapanuli Regency in 2022. The document describes the minimum wage in South Tapanuli of year 2022 is IDR 2,903,042,34,-
- Internal Memorandum Number 002/ANJ/HRCM/IM/II/2022 concerning the Implementation of Minimum Wage for Non-Staff/NS-A Employees in 2022 issued on January 26<sup>th</sup>, 2022. The document explains that the wages of PT ANJ Agri Siais workers in 2022 are IDR 3,030,062,- which is valid from January 1<sup>st</sup>, 2022.
- Internal Memorandum Number 002/ANJ/HRCM/IM/II/2022 which was approved by the HR Director on January 26<sup>th</sup>, 2022. The document describes the structure of the pay scale for employees of NS-A region 1 and 2 which is adjusted to the range of years of service. Currently, the highest monthly allowance is for workers with 20 years of service, which is IDR 15,00 and the lowest is for workers with 1 – 5 years of service, which is IDR 5,000
- The structure and scale of wages for non-farm staff for 2022 which was approved by the CFO on April 21<sup>st</sup>, 2022. The document explains that the structure of the wage scale is adjusted to the level of workers (NS-B to NS-D) and there is a Minimum, Median group and Maximum. It is known that the highest wage is currently in the NS-D group (max) of IDR 3,294,983, and the lowest wage is in the NS-B group (min) of IDR 3,055,062.
- Company Regulations for the period 2021 – 2023 which are legalized by the Head of the Manpower Office of the

Province of North Sumatra. The document explains all regulations related to wages such as the mechanism for providing wages, benefits, overtime pay, etc.

The unit of certification can show documentation of payment of wages every month that informs details of basic wage, premiums, overtime, and benefits. Based on the results of interviews, workers can explain the basic wages and allowances and deductions received every month.

### 6.2.2

The unit of certification can show an example of a work agreement document. The agreement states that the second party (in this case the worker) is given a probationary period of 3 (three) months from the start of the work agreement. Examples are as follows:

- Work agreement letter for harvest workers with the initials JLZ, Number 001/ANJA/HR&GA/PKWTT/II/2022 signed on February 9<sup>th</sup>, 2022.
- Work agreement letter for weighing operator with initials AA, Number 048/ANJA/HR&GA/PKWTT/11/2021 signed on November 1<sup>st</sup>, 2021.

As for the work agreement document shown, it contains information including the name acting as management representative and company address, employee information in the form of names and other personal information, employee positions, employee work locations, reporting, work duties and responsibilities, work agreement period, probationary period, salary and other benefits. The work agreement document has been signed by representatives of management and workers. The certification unit also shows supporting evidence that the certification unit has provided 1 (one) copy of the work agreement document to the worker. This is shown in the form of a receipt for the submission of a copy of the work agreement.

Next, the unit of certification shows the Internal Memo Number 042/GM/ANJAS/IM/II/2022 regarding Employment Provisions for Outsourced Companies/Contractors dated February 10<sup>th</sup>, 2022, the document explains several requirements, including: All contractor workers must have a working relationship as evidenced by a work agreement between the worker and the unit of certification outsourcing/contractor.

The results of field observations and interviews with several harvest workers, it is known that harvesters have helpers, to help pick loose loose fruit. For example, a worker with the initials ALD (pick-up loose fruit helper/harvest helper) in Block E9 Division 2 of the LSU estate who is a partner of a harvester with the initials JHS.

Then, based on the results of the review of the labor list document as of May 2022, it is known that the worker is not registered as a contractor worker. Harvesters with the initials JHS are known to have harvest helpers with the initials ML who have been registered as contractors for the Serba Usaha Makmur Jaya Cooperative.

Based on the description above, it can be concluded that the unit of certification has not been able to show sufficient evidence that the helpers found in the field already have a clear working relationship. **Nonconformities Number 2022.03 with Major Category.**

### 6.2.3

The unit of certification shows evidence of legal compliance related to the fulfillment of labor rights to workers, for example:

- Wages for workers with the initials RPH (security) who get a wage of IDR 3,519,473, which has wage components in the form of basic wages, allowances (rice, positions, etc.), deductions (BPJS, loans, etc.), overtime, premiums and more. The overtime pay earned by workers is IDR 2,943,415, -, with details of the hourly overtime pay of IDR 17,514, - the overtime hours obtained are as much as 88 hours.
- Wages of workers with the initials RAH (Operator Weighing/WB) who get a wage of IDR 3,085,509, which has wage components in the form of basic wages, allowances (rice, positions, etc.), deductions (BPJS, loans, etc.), attendance premium and others. The attendance premium is IDR 600,000. The number of working days for the weighing operator concerned is 19 days. It is known that the amount of premium paid is appropriate when compared to the calculation of overtime wages. The breakdown of the hourly overtime pay is IDR 17,514, - with a total of 18 hours of overtime.
- Application letter for communication operator worker's annual leave with initials N who applies for 1 day leave from the



total leave entitlement for the remaining 9 days. The application was submitted on April 1<sup>st</sup>, 2022 and has been approved by HR Staff on April 1<sup>st</sup>, 2022.

- Application letter for menstrual leave: Based on the results of the doctor's examination listed in the Doctor's Certificate number 06/CP/ANJ/V/2022 dated May 19<sup>th</sup>, 2022, workers with initials EH need to rest because of illness for 1 day. The application was approved by HR Staff on May 19<sup>th</sup>, 2022.
- Application letter for pregnancy and maternity leave: Based on the results of the doctor's examination listed in the Pregnancy Examination Certificate at PT ANJ Agri Siais Primary Clinic with the number 01/CP/AnjaSiais/VI/2022 dated June 13<sup>th</sup>, 2022, workers with the initials WK have entered 36 weeks of gestation. The worker applied for leave for 45 days before giving birth and 45 days after giving birth, starting from June 13<sup>th</sup>, 2022, to September 13<sup>th</sup>, 2022. The request was approved by HR staff on June 13<sup>th</sup>, 2022.
- Has provided health protection and work accident protection for every employee. For example: Enrolling all workers in the BPJS Employment and BPJS Health programs (explanations related to BPJS can be seen in indicator 6.7.4).

From the description above, the certification unit has documented evidence of legal compliance related to the fulfillment of labor rights to its workers.

#### **6.2.4**

The unit of certification has a list of workers' welfare facilities updated in 2022, which includes workers' housing facilities, religious facilities (houses of worship), sports facilities, health facilities in the form of clinics, clean water facilities, electricity facilities in the form of generators, daycare and others. Currently all welfare facilities provided are generally in decent condition and can be used by workers and their families. The unit of certification also has a program for maintaining employee welfare facilities for each type of facility and infrastructure. For example, those listed in the Employee Housing Inventory Data document authorized by GA Staff. The document describes a monitoring and improvement plan for the employee's home. For example, the number of Kavel 3 Door 1 house used by workers with the initials FNRTD, there is damage to the sink.

Based on the results of field observations in the LSU central residential area, the welfare facilities provided are in decent/good condition, the worker's house consists of 2 bedrooms, 1 bathroom and kitchen, clean water is provided every day, electricity is provided by the unit of certification, worship facilities in the form of a mosque and churches and other facilities. Level 1 Health Clinics are also available as workers' health facilities that can be accessed by workers and their sick family members. This is supported by the results of interviews with housing residents who stated that the housing facilities provided were in decent condition, one house was occupied by 1 head of the family and so far, if there were complaints from workers related to housing facilities, the unit of certification would respond and make repairs as soon as possible.

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

#### **6.2.5**

Based on the results of interviews with representatives of employee cooperatives, it is known that access to food or daily necessities is very easy to reach because there are cooperatives that are engaged in the procurement of basic commodities. In addition, the unit of certification also has a weekly market every 3 times a week, where workers can shop for groceries or daily necessities.

#### **6.2.6**

Currently the unit of certification uses a wage calculation based on the 2022 South Tapanuli Regency Minimum Wage according to the Decree of the Governor of North Sumatra Number 188.44/784/KTPS/2021 which was set on November 30<sup>th</sup>, 2021, which is IDR 2,903,042.34.

Calculation of Prevailing Wages & Inkind Benefit independently shown in the 2022 Prevailing Wage Assessment document. Applicable wages include basic wages, house allowances, electricity, water, rice, BPJS Health, BPJS Employment, schools and transportation. The benefits received by workers per month is various, ranging from IDR 4,029,589 to IDR 5,668,814.

#### **6.2.7**

Based on the results of the review of the employee list document in May 2022, there are a total of 1,122 workers in the



plantation and factory units. Of the total workers, it is known that all workers have become permanent workers (*PKWTT*). Including workers whose type of work is permanent has been carried out by permanent workers.

Based on interviews with labor unions and management, information was obtained that all workers had the status of permanent workers when they first started working.

Based on the results of interviews with the Manpower and Transmigration Office of South Tapanuli Regency, it is known that the certification unit has used permanent workers for all plantation and factory operational activities and can show evidence for all permanent work not carried out by contract worker (*PKWT*) or daily worker (*PHL*).

**6.2.2 Status: Nonconformities Number 2022.03 with Major Category**

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

**6.3.1**

The unit of certification has a policy regarding the formation of labor unions which is stated in the Internal Memo document Number 72/GM/srs/09-2012 which was approved by the General Manager on September 24<sup>th</sup>, 2012. The policy explains the unit of certification's commitment to giving freedom to workers to form and become union members. The policy has been socialized, for example on January 27<sup>th</sup>, 2022, which was attended by 55 workers.

The unit of certification has a labor union that is incorporated in one forum *F-SERBUNDO (Serikat Buruh Perkebunan Indonesia)* as a forum for workers to convey their aspirations to the unit of certification. The unit of certification shows proof of union registration to the Manpower and Transmigration Office with registration number BP.03/PB-SERBUNDO/III/TS/2016 on August 29<sup>th</sup>, 2016.

Based on the results of interviews with workers, it is known that the unit of certification has given the freedom to form and join labor unions. Then workers can submit complaints or complaints through the union, if there is a dispute in terms of the working relationship between workers and the unit of certification by involving the union, the union will be responsible for resolving the problem.

**6.3.2**

Labor unions and the unit of certification have held the latest meeting contained in the Minutes of Negotiations for Making Collective Labor Agreements on March 31<sup>st</sup>, 2022. In this activity, representatives of labor unions, company representatives and representatives of the Manpower and Transmigration Office of Tapanuli Selatan Regency negotiated the 10 articles that has not been agreed upon at the previous meeting (January 21<sup>st</sup>, 2022). Then, the 10 articles are stated to have been agreed upon by all parties and then the legal team will review and prepare the CLA in accordance with the results that have been negotiated.

**6.3.3**

Based on the document verification of the organizational structure of the unions in each plantation and mill unit, it is known that the management of the Labor Union at PT ANJ Agri Siais is not a representative of the unit of certification's management/staff. Then, based on the results of interviews with representatives of labor unions and union members, it was found that there was no intervention from the unit of certification regarding the structural selection of labor unions.

**Status: Comply**

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

**6.4.1; 6.4.2 and 6.4.4**

The unit of certification has a policy of prohibiting the employment of minors as stated in the Internal Memo Number 016/ANJT/HRCM/IM/IX/2021 issued on September 21<sup>st</sup>, 2021, and signed by the HR Director. As stated in the Internal Memo, it is known that the minimum age for workers is 18 years. Then, the unit of certification and contractors are also committed to the prohibition of employing children and/or bringing children under the age of 18 to the work location. It has been shown

examples of socialization on the prohibition of employing minors to parties, for example socialization on September 28<sup>th</sup>, 2021, to workers in division 9 and socialization on January 27<sup>th</sup>, 2022 to workers in division 5.

Based on the list of employees for the period of May 2022, it is known that none of the workers were less than 18 years old when they first started working. In addition, the unit of certification has also shown the Recruitment SOP document No. SOP-HRCM-002 which was ratified by ANJ Group's AELT on November 1<sup>st</sup>, 2019. The SOP explains that in the labor recruitment process, the unit of certification does not accept prospective workers/laborers who are under 18 years of age. This is in line with the vacancy information document for mechanical employees for the 2021 period which states the requirements for prospective workers who must be 18 years old.

Based on the results of interviews with workers, information was obtained that there was never an issue regarding child labor. This policy also applies and must be obeyed by stakeholders who have partnership relationships or are active in operations and transactions within the unit of certification.

Then, based on the results of field visits to the spray, fertilizer, and grading stations teams, it was found that there was no child labor. The children of the workers are placed in the daycare so that they are not in the operational area of the plantations and factories. In addition, warnings were found informing the prohibition. including the prohibition for children to be in the work location.

**6.4.3**

The unit of certification shows a list of students and students who are taking part in the field work practice/internship for the period 2021 – 2022, including the following:

- There are 6 students of the Faculty of Agriculture, Malikussaleh University who carry out street vendors in the unit of certification starting from July – August 2021.
- There is 1 Swasta Panca Dharma vocational high school student who carries out street vendors in the unit of certification from September 13<sup>th</sup> to October 14<sup>th</sup>, 2021.
- There are 10 students of *SMKN 1 Padangsidempuan* who carry out street vendors in the unit of certification starting from March 1<sup>st</sup> to April 30<sup>th</sup>, 2022.

Based on the results of interviews with workers and the unit of certification, it is known that these students and students carry out field work practices to meet the needs of fulfilling the learning curriculum. They are placed in harmless work or as observers of plantation and mill activities only.

**Status: Comply**

**6.5**

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

**6.5.1**

The unit of certification has a policy regarding guarantees for workers to be free from all forms of harassment which is contained in Internal Memo Number 43/GMO/Siais/IM/V/2013 issued on May 30<sup>th</sup>, 2013, by the General Manager. The unit of certification also has a policy regarding threats and criminal acts as stated in the Internal Memo Number 165/GMO/Siais/IM/VII/2020 issued on July 10<sup>th</sup>, 2020 by the General Manager. To ensure that the policy is implemented, the certification unit has a reporting mechanism when there is harassment and violence in the workplace. Dissemination of the flow of complaints if there are cases of harassment and violence in the workplace has been conveyed to all employees as shown by socialization to workers in division 10 on September 29<sup>th</sup>, 2021. This is in line with the results of interviews with workers who already know the flow of complaints if they are indeed experience harassment and violence in the workplace.

Based on the recapitulation of employee complaints and complaints for the last one-year period, no complaints related to harassment and violence were found. Then, the results of interviews with representatives of labor unions and the gender committee also stated that during the past year there were no complaints/cases related to sexual harassment or violence within the certification unit.

**6.5.2**

The unit of certification has a policy related to the protection of reproductive rights, especially for women, which is stated in

the Internal Memo Number 63/GM/srs/09-2012 dated September 6<sup>th</sup>, 2012, which was approved by the General Manager. In providing protection of reproductive rights for female workers, the unit of certification is committed not to employ pregnant women and nursing mothers for spray work or other work related to chemical contamination. The memo document also applies to contractor workers and has been included in the work agreement. The policy has been socialized to all employees, for example socialization in division 4 on September 21<sup>st</sup>, 2021 which was attended by 89 workers and socialization in division 5 on January 27<sup>th</sup>, 2022 which was attended by 55 workers.

Evidence of the implementation of the policy is contained in the 2022 menstrual and maternity leave documents. Then, based on the results of interviews with female workers, information was obtained that these workers were aware of reproductive rights related to menstrual leave rights and maternity leave rights. The mechanism of giving menstruation is done by checking by a doctor at the clinic first. Then, if based on the pregnancy test, it is indicated that the worker is pregnant, he will immediately be transferred to another part of the work that is not in contact with chemicals. The resource person also added information that during the past year there were no cases of sexual harassment or other forms of crime within the certification unit.

### **6.5.3**

The certification unit has identified and carried out activities related to assessing the needs of young mothers through the Internal Memo Number 056/GMO/Siais/IM/II/2020 dated February 24<sup>th</sup>, 2020 which was approved by the General Manager, including:

- Identify the needs of pregnant women
  - Provide maternity and maternity leave rights in accordance with labor provisions
  - Examination and health services for pregnant women
  - Normal delivery services using the available certification unit clinic facilities
  - Delivery services with complications to the hospital with referrals
  - Post-partum service
  - Pregnant women are not employed in work related to hazardous and toxic materials
- Identify the needs of breastfeeding mothers
  - The unit of certification provides an opportunity for female workers who are breastfeeding to breastfeed their children during working hours
  - Mothers who are breastfeeding their children are not employed in jobs related to hazardous and toxic substances during breastfeeding

Based on the results of interviews with the gender committee management, information was obtained that female workers who are pregnant and breastfeeding will be transferred to work as maintenance workers, emplacement cleaning, administration or cleaning services. Then, the results of interviews with daycare worker revealed that female workers who are breastfeeding their children can give breast milk at the daycare.

### **6.5.4**

The certification unit has an Internal Memo regarding procedures and monitoring of employee complaints handling with Number 77/GM/rs/10-2012 dated October 11<sup>th</sup>, 2012, which was approved by the General Manager. The document describes the procedure for submitting and responding to complaints from workers to the certification unit and the person in charge. In addition, it is also explained that the party in charge will accommodate complaints by taking into account the norms of decency and courtesy. Then, the certification unit also has a gender policy as stated in the Internal Memo Number 056/GMO/Siais/IM/II/2020 dated February 24<sup>th</sup>, 2020, which was approved by the General Manager. It is known in the policy that it is explained that the management of the certification unit guarantees the confidentiality of information and provides protection to victims and witnesses if there are cases of gender issues and sexual harassment. The two policies have been socialized to all workers, for example to workers in division 8 on September 25<sup>th</sup>, 2021, and to workers in division 5 on January 27<sup>th</sup>, 2022.

Based on the results of interviews with workers, it was conveyed that complaints can be submitted to their direct superiors, to the labor union or to the gender committee (specific complaints on women's issues) and the identity of the complainant will be kept confidential. This aims to provide space for all workers or stakeholders to be able to submit complaints comfortably if there are practices that are not in accordance with the ethical practice policy.

**Status: Comply**

**6.6**

**No forms of forced or trafficked labour are used.**

**6.6.1 and 6.6.2**

According to employee data for the period of May 2022, it is known that there are no migrant workers in plantations and factories. All workers in the certification unit also have status as permanent workers (*PKWTT*). Based on interviews with representatives of labor unions and the Manpower Office of South Tapanuli Regency, it is known that most of the employees of PT ANJ Agri Siais are local residents. The procedures related to human resource management are in accordance with applicable labor laws and regulations, such as each worker having a work agreement with the certification unit, there is no replacement of the contract without prior consultation and approval from the worker.

Then, based on the results of interviews with representatives of labor unions, the following information was obtained:

- There are no forced labor acts carried out by the certification unit. For example, for harvesters who work every day for 7 hours of work. The unit of certification provides a target output (base) that can be obtained in less than 7 working hours. If the harvester earns more base, he will get a harvest premium payment. However, if they do not get results due to natural factors such as rain, they will not get a penalty. Then, based on the list of payments, harvesters have earned wages above the minimum wage.
- There is no withholding of identity documents and payment of recruitment fees during the worker recruitment process.
- Every worker who works overtime always signs the overtime order.
- Payment of wages to workers is never late. Salary is given every 7th at the beginning of the month.

**Status: Comply**

**6.7**

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

**6.7.1**

The company already has a person in charge of OHS who is included in the OHS Committee in accordance with the Decree of the Head of the Labor Inspection Unit Region V of the Manpower Office of North Sumatra Province Number 176-7/DTK-SU/WIL.V/2022 concerning the Ratification of the Committee for the Trustees of Occupational Safety and Health at PT. Austindo Nusantara Jaya Agri Siais dated March 14, 2022 is valid for 2 years as long as there is no change, with the secretary of the OHS Committee named Indra Putra and has a Decree on the Appointment of General OHS Expert Number 5/11252/AS.02.04/IX/2021 dated September 30, 2021 which is valid for 3 years.

The company already has a record of regular OHS organizational meetings, for example the minutes of the OHS Committee meeting on March 25, 2022 discussing among others:

- Review meeting OHS Committee February 2022
- Work accidents, property damage and environmental pollution
- There are still many employees who are not disciplined in using PPE
- Improvements to the findings of the Head of EHS.

**6.7.2**

The company shows the emergency response procedures contained in the Emergency Preparedness and Response Procedure document Number: SOP-EHS-015 Revision 02 effective August 10, 2018 which briefly explains, among others:

- Identification of hazards and emergency needs
- Emergencies in the Mill and Building Areas and their handling

The results of field observations have provided emergency response equipment such as fire extinguishers, hydrants, first aid kits for buildings and first aid bags for field workers brought by the foreman. The results of the interview concluded that the foreman personnel had an understanding regarding the handling of first aid kits and briefly explained the functions of the existing first aid equipment.

In addition, at the Mill and Estate locations, there are warnings of evacuation routes and gathering points that can be seen clearly and are known by workers.

**6.7.3**

The results of the document study and field observations found several facts including:

- SOP for PPE Management effective July 1, 2019 Number SOP-EHS-38, among others, explains:
  - Replacement of PPE can be done if its age or effective period has expired and is damaged or bad so that it does not provide proper protection.
  - Appendix 9 of the PPE Life Standard states that safety shoes (MSA Rubber/PVC) have a service life of 1 year.
- In the PPE Needs Matrix document prepared by the EHS Coordinator, it is explained that PPE for harvesting activities includes boots and helmets.
- Records of the submission of PPE, such as boots and safety glasses on December 24, 2021, to 38 Harvest Workers in LSS.
- The results of field visits and interviews found 3 harvest workers who work using short rubber boots provided by themselves because the PPE boots provided by the company have been damaged, this has been informed to the worker's superiors but has not been conveyed that the replacement has not been realized because the period of use has not been 1 year.

Based on the explanation above, it is concluded that not all workers understand the mechanism for replacing PPE so that the company has opportunities for improvement by ensuring the effectiveness of the socialization of the mechanism for replacing PPE and monitoring the use of PPE. **(OFI)**

**6.7.4**

The policy of the certification unit related to BPJS Employment and Health is contained in the Internal Memo document Number 13/GMO/Siais/IM/III/2018 which explains that the certification unit must include all its workers in the health insurance program, work accidents, death insurance, insurance old age, and pension insurance at the Social Security Administrator (*BPJS*) for Employment and Health in accordance with applicable regulations.

The certification unit already has a list of workers that also includes the participant numbers of *BPJS* Employment and *BPJS* Health for a total of 1,122 workers. Based on a review of the worker list document for May 2022 and proof of payment of *BPJS* Health and *BPJS* Employment for the same period, it is known that the certification unit has registered and paid all of its workers in the *BPJS* Health and *BPJS* Employment programs, which consists of work accident insurance (*JKK*), insurance death (*JKM*), old age security (*JHT*) and pension guarantee via bank transfer, with proof of payment as follows:

- Proof of payment of *BPJS* Employment for the period of May 2022 which has been paid for as many as 1,122 workers on May 30<sup>th</sup>, 2022 via bank transfer.
- Proof of payment of *BPJS* Health for the period of May 2022 which has been paid for as many as 1,118 workers and 2,544 dependents of workers on June 7<sup>th</sup>, 2022 via bank transfer.

Based on the results of interviews with doctors at the certification unit clinic, information was obtained that in 2021 there will be work accidents that are major or fatal, including:

- A harvest worker with the initials MYH who had a work accident on October 5<sup>th</sup>, 2021. The accident that occurred was an injury to the finger so that the left little finger had to be amputated. The case has been reported to *BPJS* Employment, which is listed in the phase 1 and phase 2 work accident case report documents.
- A harvest worker with the initials FL who had a work accident on November 26<sup>th</sup>, 2021. The accident that occurred was an eye injury, so he replaced his eye with a false eyeball. The case has been reported to *BPJS* Employment, which is listed in the phase 1 and phase 2 work accident case report documents.

Based on the results of interviews with plantation and factory workers, it is known that the certification unit has provided health insurance for workers and their families (wife and children) and employment insurance for all workers.

**6.7.5**

The company shows the work accident report (LTA) contained in the EHS Index document, for example for all PT ANJ Agri Siais during 2021 as follows:

| Description | Total |
|-------------|-------|
|-------------|-------|

|     |       |
|-----|-------|
| LTA | 2,8   |
| FR  | 17,32 |
| SR  | 60,87 |

The company shows an investigation report and analysis of work accident incidents, for example on an accident on September 30, 2021 for workers with the initials FR at LSS. The report explains the chronology of the accident, analysis of the causative factors and recommendations for improvement.

**Status: Comply**

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

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

**7.1.1**  
The unit of certification has committed to implement integrated pest management (IPM) which presented in several document for example as follows:

- Document No. SOP-AGR-20 dated 01 April 2016 about integrated pest management.
- Document No. SOP-AGR-21 dated 01 August 2013 about rat control by barn owl.
- Document No. SOP-AGR-24 dated 01 August 2013 about rat control through chemical baiting.
- Document No. SOP-AGR-27 dated 01 August 2013 about termite control.
- Work Instruction No. IK-SOP AGR-02 dated 01 September 2015 about Oryctes control, etc.

Based on field observations, there have been implementations of biological pest control such as the use of beneficial plants and the installation of owl cages as a place for *tyto alba*. In addition, there was also no sign of a massive pest attack.

So it can be concluded that the company has implemented the existing IPM plan.

**7.1.2**  
Based on the results of field observations, it is known that there are no species that are classified as invasive species according to the Minister of Forestry and Environment Regulation No. 94 in 2016. The species used for biological pest control include *Turnera subulata*, *Antigonon* and *tyto alba*.

**7.1.3**  
There is no use of fire for pest management purposes. Estate management prefer to control pest population by biological method instead of chemicals. This matter verified through field observation which shows that there were no indication of fire activities in estate operational areas.

**Status: Comply**

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

**7.2.1; 7.2.5**  
The company shows evidence that it has prioritized the selective use of pesticides to deal with targeted pests or weeds. The list of pesticides used includes:

| Merk                   | Active Ingredients                     | Target                                | LD50         | WHO |
|------------------------|--|---------------------------------------|--------------|-----|
| Trendy                 | <i>Metil Metsulfuron 20 %</i>          | Broad and narrow leaf weeds and ferns | >2000 mg/kg  | U   |
| Agent 50 SC            | <i>Fipronyl</i>                        | Termites                              | > 2000 mg/kg | II  |
| Racumin                | <i>kumatebralil: 0,0375 %</i>          | Rats                                  | >4000 mg/kg  | III |
| ROUND UP BIOSORB 486SL | <i>Isoprofil amina glifosat480 g/l</i> | Broad and narrow leaf weeds           | >5000 mg/kg  | III |

The results of field observations in pesticide storage warehouses and a study of the list of pesticide use documents obtained



information that there was no use of pesticides listed on the World Health Organization (WHO) Class 1A or 1B or included in the Stockholm or Rotterdam Conventions, as well as paraquat.

### **7.2.2**

The company shows records of pesticides used, for example for the use of Trendy brand pesticides for LSS during 2021 as follows:

- Active Ingredients: Metil Metsulfuron 20 %
- LD50: >2,000 mg/kg
- Application Area: 13,760.33 Ha
- Active Ingredients/ Ha: 0,004 Gr/Ha
- Total Applications: 300.51 Gr

### **7.2.3**

As part of reducing the use of pesticides, the company has integrated biological control in pest control, for example by using beneficial plants aimed at controlling Palm leaf eating caterpillar pests and tyto alba for controlling rat pests. Based on the results of field observations on LSS, LSU and Binasari Cooperative, it is known that the beneficial plant in a well-maintained condition and planted on the edge Street.

### **7.2.4**

Based on the results of the study of the list of pesticide use documents, there is the use of reagent brand pesticides for termite pest control. In the recording of pest observation and control, information is obtained, for example:

- Recap Document of LSS Termite Pest Control Division 7 April 2022, as follows:
  - Ha Census: 521.57 Ha
  - Controlled Ha: 566.92 Ha
  - Palm Tree census: 72,314 Trees
  - Healthy Palm Tree: 72,098 Trees
  - Amount of Chemicals: 3.672 Liters
- LSU Termite Pest Control Recap Document Division:
  - Ha Census: 570.86 Ha
  - Ha Controlled: 177.07 Ha
  - Palm Tree Census: 71,417 Trees
  - Healthy Palm Tree: 71,346 Trees
  - Amount of Chemicals: 1.215 Liter

Thus, the use of pesticides is based on the results of the census and observations, so it can be concluded that there is no use of pesticides for preventive purposes.

### **7.2.6**

To ensure that pesticides are used or applied by people who have completed training and maintain competence of personnel, the company conducts regular training on, for example:

- Record of LSS integrated pest control training which was held on 12 – 20 March 2022 which was attended by 24 Participants.
- Record of LSU integrated pest control training held on February 9, 2021, which was attended by 46 Participants.

### **7.2.7**

The results of field observations of chemical storage warehouses, it is known that chemical storage warehouses are in accordance with Government Regulation number 74 of 2001 concerning the Management of Hazardous and Toxic Materials. Among them are equipped with hazard symbols, ventilation, adequate lighting, emergency response facilities and infrastructure, process flow for receiving and releasing chemicals, MSDS, storage of pesticides are grouped by type and available secondary containment which is clean.

### **7.2.8**

The company has managed pesticide containers which refer to the SOP for Pesticide Waste Management and Management No. SOP-AGR-18 which took effect on August 1, 2013 and was approved by the Estate Director. The SOP describes the classification of pesticides, the correct use of pesticides, storage of pesticides, pesticide poisoning and its symptoms, and first aid for pesticide poisoning. In addition, in the Hazardous Waste Management SOP No. SOP-EHS-009 Edition 02 Revision 01 which takes effect on August 10, 2016 and is approved by the Estate Director, pesticide container cannot be used for water containers, trash cans, and flower pots. Based on the results of field observations to the Employee Housing in the Lembah Subur Utara Estate and Lembah Subur Selatan Estate, it was not found that any used pesticide containers were used as trash bins, clean water reservoirs, and flower pots. In addition, the used pesticide packaging has been stored at the hazardous waste storage that has a permit and then sent to a third party.

**7.2.9**

Based on the results of interviews with management representatives, it is known that the company does not apply pesticides by air.

**7.2.10**

The results of interviews with spray workers who were transferred to manual maintenance work, it was stated that since the COVID-19 pandemic there has not been a special medical examination and only a general health examination has been carried out. This is because special health checks are carried out by bringing in vendors from outside and there is a risk of Covid-19 transmission.

In the 2022 ANJA-SIAIS Polyclinic Plan Management Program document determined by the Resident Doctor and approved by the General Manager, it is known that a special Health examination plan will be carried out in conjunction with a periodic Health examination in July 2022.

Based on the explanation above, the company has an opportunity for improvement by realizing special and periodic health checks in 2022 and carrying out follow-up actions if workers are found to have health problems while still implementing health protocols. **(OFI)**

**7.2.11**

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

|  |                       |  |
|--|-----------------------|--|
|  | <b>Status: Comply</b> |  |
|--|-----------------------|--|

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

**7.3.1**

There is no waste management plan changes since last audits. All waste has identified and managed in accordance with management plan. Result of field visit to ANJ Siais Mill, it is known that POME was processed on effluent pond until it comply with standard before being discharge to water bodies; empty fruit bunch are collected in the empty bunch areas and then reused again as nutrient cycle on composting plan, shell and fiber are utilized as a renewable fuel for boiler, chemical containers including pesticide containers have been stored at licensed scheduled waste storage. Meanwhile, field visit on workers housing on LSU found that domestic waste (organic / inorganic) is transported to TPS 3R (temporary dump site) then disposed by zero burning method to domestic landfill area.

**7.3.2**

Document review shown that company has sent all hazardous waste to PT Amindy Barokah (licensed collector by decree of national environmental minister) on. Observation during audits at temporary hazardous waste storage shown that all of hazardous waste are compliant with the periods in permit.

Inventory for all chemicals usage and it containers are available on chemicals store / temporary hazardous storage. All ex-chemicals containers were kept on temporary hazardous storage at Central Workshop Technic and the company has a permit

for hazardous waste storage issued by OSS Management and Organization Institution No. 60.1/09/DPHPTSP/2020 in 25 August 2020 and will be expired in 5 years. Based on document review and interview with management representative, shown all ex-pesticide containers on estates are managed by washing them, and regularly submitted to licensed transporter.

All settlements waste is not disposed using open fire, certificate holder is providing landfill for domestic waste management. Field observation on LSU and LSS workers housing for example, found that companies managed settlements/housing domestic waste by carrying domestic waste to TPS 3R (temporary dump site) then disposed by zero burning method to domestic landfill area.

Based on interview with Estate Managers and Warehouse Officer known that the management unit has aware about the waste management and implement in accordance with regulation.

**7.3.3**

The company already has a Nonhazardous Waste Management listed in SOP No. SOP-EHS-039 on 2019. This procedure contains the management of nonhazardous waste including the provision of waste management facilities and infrastructure, waste sorting, collection of waste at the temporary 3R collection point (TPS 3R), recording of waste, transporting waste from TPS 3R to TPST / TPA, waste treatment, waste reduction, and final waste processing. Based on the results of interviews with TPS 3R officers, the waste in the company will be sorted into plastic waste and compostable waste. Based on the results of field visits, there is no indication that the company disposed of waste by burning it in open land.

|                |  |
|----------------|--|
| <b>Status:</b> |  |
|----------------|--|

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

**7.4.1**

Procedure related to soil fertility management is presented in several procedure, as follows:

- No. SOP-AGR-08 about planting of cover crop (legumes).
- No. SOP-AGR-11 about fertilizer and manuring.
- No. SOP-AGR-12 about manuring in immature area and cover crop.
- No. SOP-AGR-23 about leaf sampling unit.
- No. SOP-AGR-26 about soil analysis.
- No. IK-SOP-AGR-011-01 about compost fertilizer.
- No. IK-SOP-AGR-011-007 about compost application.

The results of field observations revealed that the company had implemented measures to ensure soil fertility such as the application of compost and the use of oil palm fronds as an alternative nutrient source.

**7.4.2**

Procedure of Leaf and Soil sampling for manuring recommendation are presented in document No. SOP-AGR-23 and No. SOP-AGR-26. The procedure mentioned that leaf and soil analysis shall be conducted annually and every seven years, respectively. The procedure of leaf and soil sampling is presented has been implemented. The company has shown recorded results of soil and leaf sampling analysis, for example:

- Leaf Analysis Report No. 1.077.4.1/04/21 April 22, 2021 for 43 samples. The parameters analyzed include: N, P, K, Mg, Ca, B and Cl.
- Soil Analysis Report No. 046/RD-EXT/S/JUN/19 dated June 3, 2019. The parameters analyzed include: Texture, N, OC, CEC, Exch (Ca, Mg, K, Na) Al-H, In 25% HCl (K, Mn), pH (H<sub>2</sub>O), P (Total, Brar II)

**7.4.3**

The results of field observations found that the company had implemented a nutrient recycling strategy such as the application of compost and the use of oil palm fronds from pruning. The recording of compost applications, for example, the realization of compost applications in 2022 in LSS is 4,900.04 tons.

**7.4.4**

The results of the study of recommendation documents and fertilization realization, for example in 2021 the fertilizers used include Urea, MOP, RP, and Dolomite with details of realization as follows:

| Unit                     | Recommendation (Kg) | Realization (Kg) | %       |
|--------------------------|---------------------|------------------|---------|
| LSU                      | 2,031,466           | 2,036,889        | 100.27% |
| LSS                      | 2,278,489           | 2,280,892        | 100.11% |
| Smallholders             | 96,953              | 93,678           | 96.62%  |
| <b>Total Application</b> |                     | <b>4,411,459</b> |         |

The total production of FFB in 2021 is 192,119.48 tons, so that the application of fertilizer per ton of FFB is 122.96 Kg/Ton of FFB.

**Status: Comply**

**7.5**

**Practices minimise and control erosion and degradation of soils.**

**7.5.1**

Based on the Peat Area Map of PT ANJA Siais Scale 1: 70,000 made by the Department of GIS & Surveys, it is known that there are types of peat soil covering an area of 4,502.73 Ha.

Based on the Semi-Detailed Soil Map of PT ANJA Siais contained in the Soils of PT ANJA Siais Estate document from the Param Agricultural Soil Surveys in January 2015 it is known that the distribution of slope classes is between 0 – 4% (level) and 12 – 24% (Rolling). The results of field observations show that there are types of peat soil with most of the company's area level 0 – 4%.

Thus, it can be concluded that the company already has a map that identifies marginal soils with high slopes including peat soil types.

**7.5.2**

The results of the study of the area statement document informed the distribution of planting years between 2005 – 2009. In addition, the results of interviews with management and the review of the 5-Years Financial Projection 2022 – 2026 document informed that there is no replanting plan for the next 5 years.

**7.5.3**

The results of the study of the area statement document informed the distribution of planting years between 2005 – 2009. In addition, the results of interviews with management and field observations did not reveal any new land clearing in the company's areas.

**Status: Comply**

**7.6**

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

**7.6.1**

Based on the Peat Area Map of PT ANJA Siais Scale 1: 70,000 made by the Department of GIS & Surveys, it is known that there are types of peat soil covering an area of 4,502.73 Ha.

Based on the Semi-Detailed Soil Map of PT ANJA Siais contained in the Soils of PT ANJA Siais Estate document from the Param Agricultural Soil Surveys in January 2015 it is known that the distribution of slope classes is between 0 – 4% (level) and 12 – 24% (Rolling). The results of field observations show that there are types of peat soil with most of the company's area level 0 – 4%.

Thus, it can be concluded that the company already has a map that identifies marginal soils with high slopes including peat soil types.

**7.6.2**

The results of field observations and review of area statement documents, the company does not carry out new plantation

development activities.

**7.6.3**

The results of field observations and review of area statement documents, the company does not carry out new plantation development activities.

**Status: Comply**

**7.7**

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

**7.7.1**

According to hectare statement review and information from estate management, it was known that there is no new planting and/or expansion on estate operational areas after 15 November 2018. Thus, this indicator is not applicable.

**7.7.2**

- The company showed the Peat Inventory document and recorded communication regarding its submission to the RSPO via email on 15 November 2019 and has been responded to on 27 November 2019 "*which informed that RSPO is acknowledge the submission and noted that ANJ Group will update us should there be more accurate data available as well as the submission for uncertified area can be anticipated by 31 March 2020*". Berdasarkan kajian dokumen peat inventory diketahui rincian sebagai berikut:

|                             |                 |
|-----------------------------|-----------------|
| Planted Area (Ha)           | 7,973.80        |
| Planted on Peat (Ha)        | 4,461.42        |
| Unplanted Other (Ha)        | 2.83            |
| Unplanted Conservation (Ha) | 79.01           |
| Average Depth (M)           | 1.5             |
| <b>Total Peat (Ha)</b>      | <b>4,543.26</b> |

- Based on the results of the January 2021 soil type census conducted by GIS, there was a change in the area of peat to 3,651.71 Ha (Muck + Peat) with the following details:

| Soil Type     | Ha              |
|---------------|-----------------|
| Alluvial Clay | 4,063.40        |
| Muck          | 2,379.72        |
| Peat          | 1,271.99        |
| RYP           | 194.11          |
| <b>Total</b>  | <b>7,909.22</b> |

- Based on the results of the study of the Soil document of PT ANJ Agri Siais Estate in January 2015 conducted by Param Agricultural Soil Surveys (M) Sdn. Bhd with a study area of 8,443 Ha, it is known that the area of peat (soil series: Erong, Liku, Karap) is 4,583,7 Ha with the distribution of depths including:

| Soil Series     | Depth      | Depth (cm) | Ha             |
|-----------------|------------|------------|----------------|
| Erong           | Shallow    | 50 - 100   | 204,9          |
| Erong           | Moderately | 100 - 150  | 199,3          |
| Erong           | Deep       | 150 - 300  | 626,6          |
| Liku            | Deep       | >300       | 3.098,0        |
| Liku            | Very Deep  | >300       | 105,8          |
| Liku Sandy Clay | Deep       | >300       | 41,4           |
| Liku Sandy Clay | Very Deep  | >300       | 307,7          |
| Karap           | Very Deep  | >300       |                |
| <b>Total</b>    |            |            | <b>4.583,7</b> |

Based on the data in the tables above, it is known that there are differences in the area of peat areas so that the company has the opportunity to improve to ensure the data on the area of peat and resubmit the peat inventory to the RSPO using updated data.

**7.7.3; 7.7.4**

The company shows several documents related to the management of peat areas, including the following

- The average results of piezometer measurements from January to May 2022 show varied results, depending on the amount of rain that occurred in that month. For example, the Piezometer Data of Division 01 LSU at 10 monitoring points monitored the height of the Groundwater Level between 26 – 60 cm below the ground surface.
- The results of the measurement of the subsidence rate for the period January to December 2021 at several locations varied, for example, the results of measurements at 10 points of LSU showed that peat subsidence was between 1.10 – 4.10 cm/year and met the requirements of the Minister of Environment Regulation No. 7 of 2006. This indicates that the company's water management is considered quite good.
- The company shows data on the distribution of locations for water gates, stop bunds, which aim to manage water on peatlands. The results of water level measurements varied influenced by rainfall. For example, the measurement results for the period January – May 2022 in Division 09 of Lembah Subur Selatan with ranged from 40 – 60 cm below ground level.

Based on field observations at the location of the Piezometer Division 4 Lembah Subur Utara Estate, it is known that the groundwater level is 43 cm below the peat soil surface.

Based on the explanation above, it can be concluded that the company already has a high peat soil subsidence arrangement.

**7.7.5**

The results of the study of the area statement document informed the distribution of planting years between 2005 – 2009. In addition, the results of interviews with management as well as a review of the 5-Years Financial Projection 2022 – 2026 document informed that there is no replanting plan for the next 5 years so that an assessment has not been carried out. drainability.

**7.7.6**

Based on soil survey analysis, it was known that all soils in certification unit was peat with various depth. The particular area has also prone to flooded and has a poor drainability soil property. To overcome this situation, several strategies that already implemented by estate management was adoption a proper peat management as follows:

- Water management through maintaining water level at 60-80 cm and monitoring of peat subsidence rate as indicator of water management quality.
- Maintaining land cover crop which aims to retain soil moisture on the field.
- Fertilizer application as in accordance with Agronomist recommendation.

**7.7.7**

Based on hectare statement review, it was known that there is no presence of peatland conservation areas. All areas were used for oil palm plantation activities. Furthermore, there is no land clearance for non-corporate purposes areas in PT ANJA Siais.

|  |                       |  |
|--|-----------------------|--|
|  | <b>Status: Comply</b> |  |
|--|-----------------------|--|

**7.8 Practices maintain the quality and availability of surface and groundwater**

**7.8.1 & 7.8.2**

The company has a routine water management plan which is included in the 2020/2021 water management document. The results of the identification of water sources / flows by the company are contained in the Conservation Area Identification Document and state that the plantation business area is included in the Batang Gadis watershed. Other rivers that flow within the plantation area include the Sungau Sibara-bara, the Paraupan River and the Aek Lobu River.

The company already has SOP for Soil and Water Conservation No. SOP-AGR-05 Edition 01 which took effect from August 1, 2013 and was approved by the Estate Director. This procedure describes water management through efforts to construct a main trench, branch trench, stop bund, install a device to measure the water level, install a subsidence rate measurement device, carry out regular trench washing, and maintain a water level between 60-80 cm.

The company has conducted surface water quality testing for Semester 2 of 2021 which was carried out by the Sucofindo



Medan Testing Laboratory (LP-416-IDN). The results of testing the quality of water downstream of the river show that the value in each parameter is still below the quality standard used, namely PP. 82 of 2001.

**7.8.3**

The company has the permit of POME Land Application based on Permit document for waste disposal issued by the OSS agency for PT ANJA Siais which has fulfilled the commitments and is effective based on the approval of the Tapanuli Selatan Regency issued on Januari 25, 2021.

Certified holder can show documents regarding the results of measuring the quality of liquid waste, namely the quarterly POME Report and the Semesterly RKL-RPL Implementation Report in which there are results of measuring the quality of liquid waste every month. Testing is carried out by a KAN accredited laboratory (LP-416-IDN) with reference to the Ministerial Decree No. 28 of 2003.

Monitoring the quality of wastewater at the outlet shows the results of the parameters that are monitored to meet environmental quality standards. From the results of data analysis during 2020-2021 there has never been a test result value that is above the established quality standard. This shows that the liquid waste generated from the FFB management activities at the Mill is feasible to be applied to the land (Land Application).

**7.8.4**

Mill water use has been monitored and recorded in document of Water Management Report Year 2021. The record has been covered the FFB process, detail of water usage for process and non-process, total water usage, and water usage per ton of FFB. For instance, the total water usage in 2021 (January to June) was 199,080 m<sup>3</sup>, that is 1.44 m<sup>3</sup>/ton FFB.

**Status: Comply**

**7.9**

**Efficiency of fossil fuel use and the use of renewable energy is optimised.**

**7.9.1**

Certificate Holder had planned and implemented the use of fiber and shell for fossil fuels substitution. Realization of renewable energy have been monitored every day and documented on monthly report for fiber and shell usage. On January-June 2021 periods, the usage of fiber and shell for boiler resulted average energy efficiency for electricity about 128.62 kWh/MT CPO meanwhile fossil fuel usage energy efficiency were 0.64 litre/mt CPO.

**Status: Comply**

**7.10**

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

**7.10.1, 7.10.2 & 7.10.3**

To reduce pollution and emissions, the company has identified the source of pollution and greenhouse gases and measurement to manage them. The efforts made by the management unit to reduce the pollution and GHG emissions through the activities including engine maintenance, effluent management and waste utilization, conduct fertilization according to the doses, conduct pesticide application according to the procedure, etc. Waste water has been monitored every months and monitoring period Jan-April 2022 shown that all of waste water testing parameters is compliant to the standards quality (see indicator 7.3.2). Meanwhile company also conduct regular emission testing for semester basis, second semester 2021 testing results indicates boiler emission for examples opacity has been met with standard quality. ANJ Agri Siais POM conduct GHG calculation and its monitoring using RSPO palm GHG calculator V4.0 for its supply base. Summary of GHG emission for ANJ Agri Siais POM for Jan to Dec 2020 periods are listed as follows:

Summary Emission

| Product | tCO <sub>2</sub> e/tProduct |
|---------|-----------------------------|
| CPO     | 5.30                        |
| PK      | 5.30                        |

|            |          |
|------------|----------|
| Production | ton/year |
|------------|----------|

|               |            |
|---------------|------------|
| FFB processed | 277,114.40 |
| CPO produced  | 56,606.641 |
| PK produced   | 12,513.204 |

|                    |          |
|--------------------|----------|
| Land Use           | Ha       |
| OP planted area    | 7,741.94 |
| OP planted on peat | 3,637.35 |
| Conservation       | 1,350.25 |

|            |       |
|------------|-------|
| Extraction | %     |
| OER        | 20.43 |
| KER        | 4.52  |

Palm Oil Mill Effluent (POME) Treatment

|                                   |    |
|-----------------------------------|----|
| Divert to compost (%)             | 52 |
| Divert to anaerobic digestion (%) | 48 |

POME Divert to Anaerobic Digestion

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

| Description                      | Unit | Value   |
|----------------------------------|------|---------|
| Oil palm planted on mineral soil | Ha   | 4104.59 |
| Oil palm planted area on peat    | Ha   | 3637.35 |
| Total oil palm planted area      | Ha   | 7741.94 |
| Conservation area (Forested)     | Ha   | 1350.25 |
| Conservation area (Non-Forested) | Ha   | 0.00    |
| FFB Production per hectare       | t/ha | 35.79   |
| OER                              | %    | 20.43   |
| KER                              | %    | 4.52    |

Mill Emissions and Credits

| Remarks  | tCO <sub>2</sub> e | tCO <sub>2</sub> e/t FFB |
|--|--------------------|--------------------------|
| <b>Emissions sources</b>                       |                    |                          |
| POME   | 33,571.57          | 0.12                     |
| Fuel consumption                               | 664.71             | 0.00                     |
| Grid electricity                               | 0.00               | 0.00                     |
| <b>Credits</b>                                 |                    |                          |
| Export of Excess electricity to housing & grid | 0.00               | 0.00                     |
| Sales of PKS                                   | -3,743.50          | -0.01                    |
| Sales of EFB                                   | 0.00               | 0.00                     |
| <b>Total</b>                                   | <b>30.492,79</b>   | <b>0.11</b>              |

Estate/ Plantation Field Emissions Sinks

| Description     | Own crop           |                        |                         |
|-----------------|--------------------|------------------------|-------------------------|
|                 | tCO <sub>2</sub> e | tCO <sub>2</sub> e/ ha | tCO <sub>2</sub> e/tFFB |
| Land conversion | 68415.33           | 8.84                   | 0.37                    |

|   |                   |              |             |
|---|-------------------|--------------|-------------|
| CO <sub>2</sub> emissions from fertilizer | 3,237.12          | 0.42         | 0.02        |
| NO <sub>2</sub> emissions from Peat       | 27228.18          | 3.52         | 0.15        |
| NO <sub>2</sub> emissions from Fertiliser | 5,332.62          | 0.69         | 0.03        |
| Fuel consumption                          | 842.36            | 0.11         | 0.00        |
| Peat oxidation                            | 198,598.22        | 25.65        | 1.08        |
| Crop sequestration                        | -72,477.97        | -9.36        | -0.39       |
| Sequestration in Conservation area        | -12,381.79        | -1.60        | -0.07       |
| <b>Total</b>                              | <b>218,794.07</b> | <b>28.26</b> | <b>1.19</b> |

**Status: Comply**

**7.11**

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

**7.11.1**

The unit of certification has procedures for land clearing without burning which are listed in the SOP Land Clearing with Zero Burning No. SOP-AGR-03 Issue 01 dated August 1<sup>st</sup>, 2013, approved by the Estate Director. The procedure describes land clearing techniques by uprooting and allowing litter and debris to decompose naturally in the field. Furthermore, the land is cleared in accordance with regulations from the Ministry of the Environment.

Based on field visits and area statements, it is known that the last planting activity was carried out in 2009 and until the implementation of the ASA1.3 assessment there were no new land clearing or replanting activities.

**7.11.2**

The unit of certification shows the SOP for Land Fire Control Procedures with Number SOP-EHS-005 Edition 2 Revision 1, effective date of August 10<sup>th</sup>, 2018, and approved by the General Manager. These procedures include, among others, land clearing techniques/operational activities without burning, fire prevention, fire prevention and fire control.

The unit of certification shows evidence that it has available human resources capable of preventing and tackling land fires, which among other things is shown that a fire management unit organization has been formed, which was approved by the General Manager in 2022. The organizational structure consists of the person in charge, the fire fighters coordinator, operations, planning, field boss, logistics and safety. In addition, the unit of certification has also provided training to firefighters. The training was held by the Agency for Climate Change and Forest and Land Fire Control in the Sumatra Region, on September 13<sup>th</sup> – 14<sup>th</sup>, 2021, and a certificate of basic training in forest and land fire control for PT ANJ Agri Siais firefighters can be shown, for example a worker certificate with initials DT and HH who participated in the training.

The unit of certification also has facilities and infrastructure for fire control. The list is listed in the Standard for Land Fire Fighting Facilities and Infrastructure PT ANJ Agri Siais reference to *Permentan* No. 5 of 2018 with Number FMR-EHS-005 Revision 1 for the period of June 2022 which was approved by the General Manager. Based on the document, it is known that the facilities and infrastructure owned have referred to the Ministry of Agriculture Number 5 of 2018. For example, 25 hand tools (*Gepyok* (Fire Beaters)) and this has met the applicable minimum number.

The unit of certification shows the reporting document on the implementation of fire prevention and control per semester to the Department of Agriculture, Livestock and Plantation Tapanuli Selatan Regency, which is listed in the Semester 2 Report on the Preparedness of the PT ANJ Agri Siais Plantation Land Fire Control System, Facilities and Infrastructure. The document has been submitted to the relevant agency which is contained in the Proof of Receipt Number 017/EHS/ANJAS/II/2022 on January 14<sup>th</sup>, 2022. In summary, the points listed in the report include the presence or absence of fire incidents, prevention activities and others. other.

Based on interviews with the Department of Agriculture, Livestock and Plantation South Tapanuli Regency obtained information that there were no fires in the area of the certification unit, training and prevention activities carried out by the

certification unit and the certification unit were orderly in reporting fire prevention and control.

Based on the results of interviews with the PT ANJ Agri Siais Fire Team, information was obtained that the Fire Team understands the early warning system and early detection, including ensuring that "no burning" warning signs are installed and well maintained in strategic positions, and conduct daily patrols of the certification unit area and surroundings. If the hotspots are known, the fire team will coordinate with each other to ensure that they are at the location and extinguish them on the spot.

Based on the results of field observations in the fire department warehouse, it is known that the fire control facilities and infrastructure are in accordance with the list shown. Then, based on the results of the fire simulation shown at the factory, it is known that the fire control facilities and infrastructure owned are in good condition and suitable for use.

**7.11.3**

The certification unit has formed and included the Community Fire Care (*KTPA*) at Environmental of IX Parupuan (Binasari) in the Basic Training Program for Forest and Land Fire Control for the PT ANJ Agri Siais Fire Fighting Team and members of the Community Fire Care (*KTPA*) in collaboration with other agencies. Center for Climate Change and Forest and Land Fire Control in Sumatra Region on September 13<sup>th</sup> – 14<sup>th</sup>, 2021.

The certification unit has also carried out socialization/counseling related to fire prevention and control to workers, plasma farmers, contractors and the community around the certification unit. This is shown in several socialization implementation documents related to fire prevention/management for the period 2021 – 2022 which are addressed to workers, contractors and the community, including the following:

- Socialization of emergency response team SOPs and fire prevention in the factory area to assistants, foremen and factory workers which was held on March 1<sup>st</sup>, 2021.
- Socialization of emergency response team SOPs and OHS Policy to factory contractors which was held on April 12<sup>th</sup>, 2022.
- Socialization of fire prevention to community representatives of Bina Sari and Janji Matogu which was held on February 19<sup>th</sup> and April 8<sup>th</sup>, 2021.
- Socialization on the prohibition of clearing/clearing land by burning to the community around the outskirts of PT ANJ Agri Siais' HGU which was held on March 24<sup>th</sup> – 27<sup>th</sup>, 2022.

The unit of certification shows the fire prevention implementation documents listed in letter number 034/GMO/Siais/Ext/II/2021 regarding the Report on Fighting, Monitoring, and Preventing Land Fires on Community Land Outside the HGU of PT ANJ Agri Siais addressed to the Regent of South Tapanuli on February 20<sup>th</sup>, 2021. The document describes the occurrence of land fires in South Tapanuli Regency, community land outside the PT ANJ Agri Siais HGU on February 11<sup>th</sup>, 14<sup>th</sup> and 17<sup>th</sup>, 2021. Then, the PT ANJ Agri Siais emergency response team was assisted by security and the surrounding community was able to extinguish the fire completely. The letter also attaches a report document on community land fires outside the PT ANJ Agri Siais HGU and document coordinates and documentation of the burned area.

Based on the explanation above, it is concluded that the certification unit has involved stakeholders in the location around the certification unit for fire prevention and control measures.

|                       |  |
|-----------------------|--|
| <b>Status: Comply</b> |  |
|-----------------------|--|

**7.12**  
**Land clearing does not cause deforestation or damage any area required to protect or enhance High Conservation Values (HCVs) or High Carbon Stock (HCS) forest. HCVs and HCS forests in the managed area are identified and protected or enhanced.**

**7.12.1**

Company has conducted Disclosure of Liability for ANJ Agri, that has been submitted to the RSPO on 16<sup>th</sup> July 2014, while LUCA has been submitted to RSPO on 24<sup>th</sup> August 2015.

PT ANJ Agri Siais has conducted disclosure of liability and LUC analysis in accordance with RSPO template on 2015. During 2016-2019, company shown intense communications with RSPO compensation panel related LUCA progress for PT ANJ

Agri Siais. As confirmed by RSPO email on 21 October 2020, LUCA of PT. ANJ Agri Siais has been approved.

**7.12.2; 7.12.4; 7.12.5; 7.12.6; 7.12.7**

The Company does not undertake new land clearing is done after November 15, 2018, so that the existing HCV assessment remains valid.

All HCV and the RTE species were identified by the RSPO approved assessor. RTE species that were identified based on regular monitoring and referred to IUCN Redlist are: EN: *Tapir (Tapirus indicus)* White-winged Duck, White-winged Wood Duck (*Cairina scutulata*); Sambar Deer (*Cervus unicolor*); Hairy-nosed Otter (*Lutra sumatranā*); Southern Pig-tailed Macaque (*Macaca nemestrina*) status Vulnerable, Siamang (*Symphalangus syndactylus*); Owa (*Hylobates sp.*); False Gharial/Buaya senyulong (*Tomistoma schlegelii*). HCV identifying process conducted by using HCV identification guides in Indonesia on June 2008 and involved affected parties by public consultation with related affected parties for examples Paraupan, Binasari, lorong ANJ Siais, Labalasiak and Janji Matogu community on 21 December 2012. The company has conducted an Internal Review of the HCV area and experienced an increase from the previous 1230.17 Ha (2018) to 1348.18 Ha (2020) due to the difference in area in re-measurement. There is no change for the overall HCV function (HCV 1.1; 1.2; 1.3; 1.4; 2.3; 4.1; 4.3). These results were delivered at the Stakeholder Meeting on December 29, 2021 and an update was made for the HCV Management Plan 2022.

Company has established HCV management plan to maintain the HCV areas in operation area of PT ANJA Siais, listed on Management plan HCV 2020 documents. HCV management activities that taken by the management unit are maintain HCV attributes (HCV boundary, sign board), HCV socialization (community and worker), maintain HCV area, patrolling around HCV area, monitoring of flora and fauna, enrichment in riparian. Company has done HCV area monitoring which is done every month and documented on HCV Monitoring Report 2020/2021 that contain the activity to manage HCV area including HCV area patrol, enrichment in riparian, and monitoring of flora and fauna.

Based on the evaluation of HCV Monitoring Report on August 2020/2021, there is no HCV area damaged when HCV monitoring conducted. Based on interview with pesticide operator and upkeep worker in Lembah Subur Utara Estate and Lembah Subur Selatan Estate, they already know that there are HCV areas where protected animals are found and they are not allowed to hunt for these animals. Apart from that, they have also known the protected animals through warnings installed in several HCV areas.

**7.12.3**

Not applicable since Indonesia s is not located in the HFCL within HFCC area.

**7.12.8**

In the ASA-1.1 assessment, the company demonstrated the results of communication with RSPO Secretariat via email on September 25, 2020 stating that "In view of the current COVID 19 pandemic in Indonesia that is in travel restriction, we agreed to allow the NC to be opened until the next Surveillance. I hope your company will continuously work towards closing the issue to ensure that the certification can be maintained." Based on the emai, the RaCP status of PT ANJA Siais has not received approval from the RSPO Secretariat but has received approval to continue the surveillance assessment so that this indicator becomes NC Critical with a deadline improvement up to the next surveillance. Therefore, this is **NC 2020.02 as Critical Category**.

Based on verification auditor on 06 November 2020 stated the company has described root cause analysis and corrective action. However, PT ANJA Siais RaCP status has not yet received approval from the RSPO. Therefore, the non-conformity on this indicator remains OPEN until the next surveillance audit.

Verification auditor on audit ASA-1.2 stated that:

- Unit of certification shows communication evidence with RSPO through email dated 23 July 2021 about the 4<sup>th</sup> submission of LUCA clarification document, and asking for RSPO clarification towards the process. This email responded on 26 July 2021 with statement that the respective document has been forwarded to the reviewer.
- In 27 July 2021, unit of certification deliver email to RSPO which asking about recommendation on LUCA matters for

|  |   |
|--|---|
| <p>ongoing RSPO audit by the CB. As response, RSPO suggested that the CB to make further communication with RSPO representative named Ahmad Amirul on this matter.</p> <ul style="list-style-type: none"> <li>In 30 July 2021, Lead Auditor has delivered email to RSPO as respond of RSPO suggestion through email dated 27 July 2021. However, such conditional approval, as well as additional time of compliance from RSPO are not available. Thus, this Indicator is still remained <b>open. NC 2020.02 as Critical Category</b></li> </ul> |   |
| <b>7.12.8</b>  | <b>Status: Nonconformities Number 2020.02 with Major Category</b> |



**3.2 Conformity Checklist of Certificate and Trademark Use**

|                    |  |              |
|--------------------|--|--------------|
| <b>1.</b>          | <b>Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client</b>                  | <b>X or√</b> |
| <b>ASA-1.2+1.3</b> | ANJA Siais POM and its supply bases did not use trademark in the product or any of its activity  | ✓            |
|                    | <b>Status: Comply</b>  |              |
| <b>2.</b>          | <b>Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use</b> | <b>X or√</b> |
| <b>ASA-1.2+1.3</b> | ANJA Siais POM and its supply bases did not use trademark in the product or any of its activity  | ✓            |
|                    | <b>Status: Comply</b>  |              |
| <b>3.</b>          | <b>Implementation of Certificate and Trademark is not used on product</b>  | <b>X or√</b> |
| <b>ASA-1.2+1.3</b> | ANJA Siais POM and its supply bases did not use trademark in the product or any of its activity  | ✓            |
|                    | <b>Status: Comply</b>  |              |
| <b>4.</b>          | <b>Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.</b>  | <b>X or√</b> |
| <b>ASA-1.2+1.3</b> | ANJA Siais POM and its supply bases did not use trademark in the product or any of its activity  | ✓            |
|                    | <b>Status: Comply</b>  |              |

**3.3 Summary of RSPO Partial Certification.**

Compliance of the uncertified management units of ANJA against the rules for partial certification was determined through Self-Assessment in accordance with RSPO Certification System clause 4.5.4. A summary of findings is as stated below.

ANJA Time Bound Plan (TBP) is explaining in table section 1.10.1 ANJA has run five (5) mills and eight (8) management unit/company in Indonesia. All mills and estates are operated in Indonesia. ANJA has informed the TBP progress through head office in Indonesia.

MUTU has verified partial certification for un-certified unit's subsidiary of ANJA based on their Time Bound Plan. There are four (4) uncertified management unit of ANJA. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

- There is no significant land conflicts which have not been declared above
- The company has follow RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There is no labour disputes that are not being resolved through an agreed process
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above

| 2.1 Un-Certified Units or Holdings |  |  |
|------------------------------------|--|--|
| Section                            | Requirement  | Concerns to Discuss, if any  |
| 2.1.1                              | Did the company conduct an internal audit? If so, has a positive assurance statement been produced?  | <p><b>Company statement :</b><br/>The company are already doing internal audits.</p> <p><b>Auditor verification:</b><br/>Internal Audit for uncertified management unit</p> <ul style="list-style-type: none"> <li>• PT Galempa Sejahtera Bersama has been conducted Internal Audit on 16 – 20 November 2021.</li> </ul>   |
| 2.1.2                              | No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.3 (it has changed be Criterion 7.12 in P&C 2018) | <p><b>Company statement:</b><br/>The company has been reporting disclosure and zero liability to RSPO. Progress result of review LUCA at follow up by email to RSPO.</p> <p><b>Auditor Verification :</b><br/>ANJA and its subsidiaries have been reporting disclosure and zero liability to RSPO by email dated August 24, 2015. The validation progress of Remediation and Compensation Plan (RaCP) for the area opened since November 1, 2005 without preceded by the identification of HCV in accordance with RaCP Procedure will be observed again on the next visit audit.</p> |
| 2.1.3                              | Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.  | <p><b>company statement:</b><br/>NPP has been applied</p>  |

|       |  |  |
|-------|--|--|
|       |  | <p><b>Auditor Verification :</b></p> <ul style="list-style-type: none"> <li>PT Galempa Sejahtera Bersama, NPP date of notification on May 2, 2014</li> <li></li> </ul>   |
| 2.1.4 | <p>Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO criteria 2.2, 6.4, 7.5 and 7.6 (it has changed be Criterion 4.8, 4.7 and 4.5 in P&amp;C 2018).</p> | <p><b>Company statement:</b><br/>There is land conflict, but there is documented evidence that land conflict has been process for resolution.</p> <p><b>Auditor verification :</b><br/>The company has had a mechanism for addressing land conflicts, described in the SOP of Handling Differences Opinion with the Community and Dispute Tenure (SOP-Leg-03, Issue 01, dated 1 September 2015).</p>   |
| 2.1.5 | <p>Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3 (it has changed be Criterion 4.2 in P&amp;C 2018).</p>   | <p><b>Company statement:</b><br/>There is no labour disputes</p> <p><b>Auditor verification :</b><br/>The company has a mechanism for grievance described in SOP Handling of Differences of Opinion with Public and Land Dispute (Document No. SOP-EAD-01; Issue 01/00) dated August 1, 2013.</p> <p>A policy related to confidentiality of informant (whistle-blower) regulated in the SOP of Communication and Provision Information (Document No. SOP-Leg-02, Issue 01/04, dated 1 September 2015), it's mentioned in the section 6 of tis SOP.</p> <p>There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> |
| 2.1.6 | <p>Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.</p>  | <p><b>Company statement:</b><br/>All legal requirement for palm oil plantation has been comply</p> <p><b>Auditor verification :</b><br/>PT Galempa Sejahtera Bersama</p> <ul style="list-style-type: none"> <li>Status of PT GSB based on Forest Area Indicated (TGHK) is Non Forest Designated Area (Area Penggunaan Lain)</li> <li>Location Permit No. 525/535/KEP/HUTBUNTAMBEN/2012, 20 April 2012</li> <li>Plantation Permit No. 525/423/KEP/HUTBUNTAMBEN/2013, 08 May 2013</li> <li>HGU on process</li> <li>Environment Permit No. 211, 2013, dated 06 May 2013</li> <li>SEIA No. 210, 2013, dated 1 May 2013</li> </ul>  |

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

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

|   |   |                        |  |
|---|---|------------------------|--|
| <b>NCR No.</b>  | : 2020.01   | <b>Issued by</b>       | : Hasiholan Sihombing/Erika Lucitawati |
| <b>Date Issued</b>  | : 1 October 2020  | <b>Time Limit</b>      | : ASA-1.2                              |
| <b>NC Grade</b>   | : Non Critical  | <b>Date of Closing</b> | : 6 November 2020                      |
| <b>Standard Ref. &amp; Requirement</b>  | : 7.3.2<br>Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated. |                        |  |
| <b>Evidence observed (filled by auditor):</b><br>Based on the results of document review and field observations, the following evidences are known: <ul style="list-style-type: none"> <li>• The company has a Non-B3 Waste Management SOP (SOP-EHS-039 dated 1 August 2019) which explains that non-production waste will be collected at the 3R temporary shelter (TPS 3R) or TPS.</li> <li>• The results of interviews with 2 residents of the semi-permanent housing G6 Division 9 Lembah Subur Selatan Estate informed that domestic waste was not transported thoroughly.</li> <li>• From the results of the auditor's observations in the semi-permanent housing of G6 Division 9 Lembah Subur Selatan Estate, domestic waste is still not managed properly and there are empty houses that are used as garbage storage areas.</li> <li>• With regard to waste management, there has been a discrepancy in the previous assessment.</li> </ul> |   |                        |  |
| <b>Non-Conformance Description (filled by auditor):</b><br>The company has not fully managed domestic waste according to its procedures.  |   |                        |  |
| <b>Root Cause Analysis (filled by organization audited):</b><br>Lack of employee awareness of the cleanliness of the company's housing environment, the company has provided a trash can in front of each house and the company has accommodated the transportation of non-production waste to TPS 3R or TPS.   |   |                        |  |
| <b>Correction (filled by organization audited):</b> <ol style="list-style-type: none"> <li>1. Cleaning up rubbish in the residential area.</li> <li>2. Refresh Socialization of housing domestic waste management to employees.</li> <li>3. Refresh Understanding It is the responsibility of employees to keep their housing environment clean and to reactivate Clean Friday activities.</li> <li>4. Give direct warning to employees during Apple morning for employees who throw garbage inappropriately. Handover of Housing Facilities to employees (Point 6: Residents have the responsibility to maintain and keep the house intact).</li> </ol>  |   |                        |  |
| <b>Corrective Action (filled by organization audited):</b> <ol style="list-style-type: none"> <li>1. Providing understanding to employees to be able to dispose of trash in the trash bin that has been provided by the company which will be transported by the contractor to be sent to TPS 3R or Garbage TPA that has been provided.</li> <li>2. Conducting Gotong Royong activities on Friday after work (Clean Friday).</li> <li>3. Provide staff / field officers who are tasked with cleaning and maintaining housing in general as well as monitoring, monitoring and reporting houses that are disorderly in maintaining and maintaining the cleanliness of their houses to the Assistant Division 9.</li> </ol>   |   |                        |  |
| <b>Assessor Evaluation and Conclusion (filled by auditor):</b>  |   |                        |  |

**Auditor Verification (26 October 2020)**

The company has explained root cause analysis, corrective action and corrective action (prevention), but there are still some questions from the auditors regarding this matter. The company also has not submitted any evidence regarding the corrective action described above. Therefore, the discrepancies in this indicator cannot be declared fulfilled.

**Auditor Conclusion (6 November 2020)**

The company has determined the root of the problem, corrective and corrective actions to correct the discrepancy, in addition the company also shows evidence of corrections and corrective actions in the form of:

- Documentation of cleaning up rubbish and unloading empty houses that are used as garbage storage.
- Training Report related to non hazardous and hazardous waste management for employees on 30 October 2020.
- Report of Contractor Performance for domestic waste transport in Lembah Subur Selatan Estate on September 2020.
- Agreement of House Placement for employee in Lembah Subur Utara Estate and code of conduct for employee in estate housing that states to maintain the hygiene and wholeness of estate housing.
- House handover along with house placement rules and a house placement agreement letter, one of which is that employees are required to keep the house and yard clean as well as gutters / ditches.

Based on the explanation of the root cause analysis, preventive / corrective actions and the evidence that has been shown, it can be concluded that the discrepancies in this indicator can be declared **Fulfilled** and will be re-observed in the next audit.

**Verified by** : Erika Lucitawati/Hasiholan Sihombing

|  |  |                        |  |
|--|--|------------------------|--|
| <b>NCR No.</b>   | : 2020.02  | <b>Issued by</b>       | : Hasiholan Sihombing/Erika Lucitawati |
| <b>Date Issued</b>   | : 1 October 2020   | <b>Time Limit</b>      | : ASA-1.2                              |
| <b>NC Grade</b>  | : Critical   | <b>Date of Closing</b> | :                                      |
| <b>Standard Ref. &amp; Requirement</b>   | : 7.12.8<br>Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCVHCSA assessment since 15 November 2018, the Remediation and Compensation Procedures (RaCP) applies. |                        |  |
| <b>Evidence observed (filled by auditor):</b><br>In the ASA-1.1 assessment, the company demonstrated the results of communication with RSPO via email on September 25, 2020 stating that <i>"In view of the current COVID 19 pandemic in Indonesia that is in travel restriction, we agreed to <u>allow the NC to be opened until the next Surveillance</u>. I hope your company will continuously work towards closing the issue to ensure that the certification can be maintained "</i> |  |                        |  |
| <b>Non-Conformance Description (filled by auditor):</b><br>Based on this, PT ANJA Siais RaCP status has not yet received approval from the RSPO but has received approval to continue the surveillance assessment so that this indicator becomes NC Critical with a time limit for improvement until the next surveillance.  |  |                        |  |
| <b>Root Cause Analysis (filled by organization audited)</b><br>The company has communicated regarding LUCA's progress with RSPO, but it is still not approved by RSPO and is still in the review stage.  |  |                        |  |
| <b>Correction (filled by organization audited):</b><br>Communicating intensively with RSPO regarding LUCA PT. ANJ Agri Siais.  |  |                        |  |

**Corrective Action (filled by organization audited):**

Do not conduct new land clearing prior to identification of HCV areas

**Assessor Evaluation and Conclusion (filled by auditor):****Auditor Verification (6 November 2020)**

The company has described root cause analysis and corrective action. However, PT ANJA Siais RaCP status has not yet received approval from the RSPO. Therefore, the non-conformity on this indicator remains OPEN until the next surveillance audit.

**Verification 30 July 2021**

- Unit of certification shows communication evidence with RSPO through email dated 23 July 2021 about the 4<sup>th</sup> submission of LUCA clarification document, and asking for RSPO clarification towards the process. This email responded on 26 July 2021 with statement that the respective document has been forwarded to the reviewer.
- In 27 July 2021, unit of certification deliver email to RSPO which asking about recommendation on LUCA matters for ongoing RSPO audit by the CB. As response, RSPO suggested that the CB to make further communication with RSPO representative named Ahmad Amirul on this matter.
- In 30 July 2021, Lead Auditor has delivered email to RSPO as respond of RSPO suggestion through email dated 27 July 2021. However, such conditional approval, as well as additional time of compliance from RSPO are not available. Thus, this Indicator is still remained **open**.

This Indicator also accommodate Indicator 7.8.12.

**Verification 30 August 2021**

Unit of certification shows communication record with RSPO representatives, summarized as follows:

- In 24 August 2021, the RSPO responded on clarification towards LUCA review, which highlighted that there is still a difference in FCL calculation due to the approach used by the company is based on early clearance while reviewer calculation is based on final clearance. Some of the land clearing may not be for the purpose of oil palm and associated development. Hence, the approach of the final land cover of oil palm used by the reviewer. Unit of certification is asked to provide the information if the land clearing is solely intended for oil palm and its associated development.
- In 25 August 2021, unit of certification respond RSPO email dated 24 August 2021. The response talks about clarification which stated that all commercial land clearing in the site has been solely for oil palm and its associated development. MEC also verify the company to verify that the pattern of land clearing activities visible on high-resolution satellite images between 2005 to 2012 matches the patters of land preparation for oil palm planting.
- In 27 August 2021, RSPO informed that LUCA review report of PT ANJA Siais is **PASS**, with summary of key findings presented as follows:
  - FCL – 1,920.78 ha
  - Environmental remediation – 2,341.10 ha (riparian: 164.99 ha and peat: 2,176.11 ha).
  - PT ANJA Siais may proceed with the next stage of the RaCP submission and the review of the concept note for approval by the compensation panel.

Based on explanation above, it could be concluded that this NCR is still remain **open** until onsite audit has completely conducted by the CB. Meanwhile at the same time, the unit of company shall continue the process of concept note arrangement until approved by RSPO compensation panel.

**ASA 1.2 + 1.3**

The management unit shows the progress of communication with the RSPO regarding the completion of the PT ANJ Siais Concept Note which was sent to the RSPO on 10 and 14 June 2022. Then there was a reply from the RSPO on 15 June 2022 informing me"

Dear Mrs Diana,

*We acknowledge receipt of the concept note submission for PT SIASIS and SMM.*



*Please note that since the LUCA review result, PT SMM has 0 FCL with only remediation area (628.4 ha of river buffer), hence you can proceed to prepare the Remediation Plan. Please find attached the Annex 8 - Compensation Plan Template, and please fill in the remaining sections involving the remediation plan only. With regard to the Concept Note for PT SIAIS, we will continue with the internal review of the document and get back to you with the update in two weeks (tentative).*

Until the audit activity is completed, the Advisory Note or Conditional approval from the RSPO has not been shown. This is a Non-conformity.

**Verification on 15 August 2022**

Based on communication with RSPO, the conclusion for RaCP process follow RSPO announcement 8 September 2021 about Disclosure and Continuity of Certification for RSPO P&C and RSPO ISH Standard. The interim measure from RSPO for this scenario is status quo.

|                    |          |                                       |
|--------------------|----------|---------------------------------------|
| <b>Verified by</b> | <b>:</b> | <b>Dwi Haryati, Mohamad Amarullah</b> |
|--------------------|----------|---------------------------------------|

**3.4.2. Identification of Findings, Corrective Actions and Observations at ASA-1.2 (Remote Audit)**

|  |   |   |                        |   |   |
|--|---|---|------------------------|---|---|
| <b>NCR No.</b>   | : | - | <b>Issued by</b>       | : | - |
| <b>Date Issued</b>   | : | - | <b>Time Limit</b>      | : | - |
| <b>NC Grade</b>  | : | - | <b>Date of Closing</b> | : | - |
| <b>Standard Ref. &amp; Requirement</b>                         | : | - |                        |   |   |
| <b>Evidence observed (filled by auditor):</b>                  |   |   |                        |   |   |
| -  |   |   |                        |   |   |
| <b>Non-Conformance Description (filled by auditor):</b>        |   |   |                        |   |   |
| -  |   |   |                        |   |   |
| <b>Root Cause Analysis (filled by organization audited):</b>   |   |   |                        |   |   |
| -  |   |   |                        |   |   |
| <b>Correction (filled by organization audited):</b>            |   |   |                        |   |   |
| -  |   |   |                        |   |   |
| <b>Corrective Action (filled by organization audited):</b>     |   |   |                        |   |   |
| -  |   |   |                        |   |   |
| <b>Assessor Evaluation and Conclusion (filled by auditor):</b> |   |   |                        |   |   |
| -  |   |   |                        |   |   |
| <b>Verified by</b>   | : | - |                        |   |   |

**3.4.3. Identification of Findings, Corrective Actions and Observations at ASA-1.2 + 1.3 (Onsite Audit)**

|  |  |                        |  |
|--|--|------------------------|--|
| <b>NCR No.</b>   | : 2022.01  | <b>Issued by</b>       | : Rizliani Aprianita Hasibuan & Sabiah Dhiningtyas Utami |
| <b>Date Issued</b>   | : 17 June 2022   | <b>Time Limit</b>      | : ASA-1.4  |
| <b>NC Grade</b>  | : Minor  | <b>Date of Closing</b> | : -  |
| <b>Standard Ref. &amp; Requirement</b>   | <b>2.2.2</b><br><b>All contract, including those for FFB supply, contain specific clause on meeting relevant legal requirements and this can be demonstrated by the third party.</b> |                        |  |
| <b>Evidence observed (filled by auditor):</b> <ul style="list-style-type: none"> <li>Company shows Internal Memo (IM) No. 042/GM/ANJAS/IM/II/2022 regarding Employment Provisions for Outsourced Companies/Contractors dated February 10<sup>th</sup>, 2022, the document explains several requirements, including: All outsourcing companies/contractors are required to comply with legality in accordance with the applicable laws and regulations.</li> <li>The company shows a list of contractor workers, for example PT Alam Lestari Angkola Selatan, it is known that there are 95 harvest helper workers.</li> <li>South Tapanuli Regency Minimum Wage IDR 2,903,042/month or IDR 116,122/day.</li> <li>Free daily SPK between harvest helper and PT ALAS and PT ZBB on 31 December 2021. The SPK explains that the wage received per kg of loose fruit is IDR 125 and to achieve the daily minimum wage it takes 928 kg of loose fruit.</li> </ul> |  |                        |  |
| <b>Non-Conformance Description (filled by auditor):</b><br>There is not enough evidence that harvest helpers who are workers from third parties have received wages based on the applicable minimum wage provisions.   |  |                        |  |
| <b>Root Cause Analysis (filled by organization audited):</b> <ul style="list-style-type: none"> <li>There has not been a thorough calibration of harvesting activities in the field such as cutting FFB, picking loose fruit and placing it in the collection point, transporting and arranging FFB at the collection point, cutting and arranging the stems.</li> </ul>   |  |                        |  |
| <b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"> <li>Re-calibrate to ensure the price per kg is equivalent to the South Tapanuli district minimum wage.</li> <li>Increase the contract price from IDR 125/kg to the price of loose fruit according to the calibration results above.</li> </ul>  |  |                        |  |
| <b>Corrective Action (filled by organization audited):</b> <ul style="list-style-type: none"> <li>Monitoring the work of loose quotation contracts.</li> <li>Evaluating the work of each contractor.</li> <li>Maximizing the working hours of the contractor's work.</li> <li>Provide absenteeism of contract employees per day and per month.</li> </ul>  |  |                        |  |
| <b>Assessor Evaluation and Conclusion (filled by auditor):</b><br><b>Verification on 27 June 2022</b><br>The management unit has conducted root cause analysis, and determined corrective actions. Please re-analyze the root of the problem and show evidence of improvement according to the correction submitted.<br><br>From the description above, some evidence of improvement is still needed. So it can be concluded that this discrepancy has not been fulfilled.   |  |                        |  |

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| <b>Verified by</b> | <b>: Rizliani Aprianita Hasibuan &amp; Sabiah Dhiningtyas Utami</b> |
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| <b>NCR No.</b>  | <b>: 2022.02</b>   | <b>Issued by</b>       | <b>: Septian Maulana</b>   |
| <b>Date Issued</b>  | <b>: 17 June 2022</b>  | <b>Time Limit</b>      | <b>: 16 September 2022</b> |
| <b>NC Grade</b>   | <b>: Major</b>   | <b>Date of Closing</b> | <b>: 6 July 2022</b>       |
| <b>Standard Ref. &amp; Requirement</b>  | <b>3.6.1</b><br><b>All operational activities risks assessed to identify the H&amp;S issues. Mitigation plans and procedures are documented and implemented.</b> |                        |                            |
| <b>Evidence observed (filled by auditor):</b> <ul style="list-style-type: none"> <li>• The results of the IBPPR/ANJAS/MILL/03 document review dated September 4<sup>th</sup>, 2021, it is known that for activities in the Sorting area and Boiler Area, one of the risk controls is using the required PPE including Helmets, Safety Shoes and Safety Glasses.</li> <li>• The results of the IBPPR/ANJAS/ESTATE/01 document review dated September 4<sup>th</sup>, 2021, it is known that for harvesting activities one of the risk controls is to use the required PPE including Helmets and Work Shoes.</li> <li>• The results of the IBPPR/ANJAS/CWT/10 document review dated September 4<sup>th</sup>, 2021, it is known that one of the risk controls for generator operational activities includes using PPE correctly and appropriately.</li> <li>• The results of the review of the PPE Needs Matrix document made by the EHS Coordinator are explained, including: <ul style="list-style-type: none"> <li>- PPE for harvesting activities including boots and helmets.</li> <li>- PPE required for generator operation activities including Boots, Helmet and Ear Muf / Ear Plug.</li> </ul> </li> <li>• The results of field visits at Estate and Mill found the following facts: <ul style="list-style-type: none"> <li>- Found 6 workers in the sorting area working using rubber boots.</li> <li>- Found 2 boiler repair contractor workers using boots in the boiler area.</li> <li>- Found 2 contractor workers entering the Mill area using boots.</li> <li>- Found 3 harvest workers using short rubber boots at work.</li> <li>- At the location of the generator house, no PPE helmet was found, the results of interviews with workers and management obtained information that the helmet was carried by a colleague who repaired the generator about 2 days before the field visit was carried out.</li> </ul> </li> </ul> |  |                        |                            |
| <b>Non-Conformance Description (filled by auditor):</b><br>Based on the explanation above, it is concluded that the company has not been able to show evidence, all the results of the OHS risk identification have been carried out.   |  |                        |                            |
| <b>Root Cause Analysis (filled by organization audited):</b> <ul style="list-style-type: none"> <li>• Frequent damage and loss of PPE inventory provided by the company at the grading site.</li> <li>• Employees still lack understanding of PPE that is always available at work sites, for example at generator houses.</li> <li>• There is no punishment system for the implementation of OHS.</li> </ul>   |  |                        |                            |
| <b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"> <li>• Provide PPE shoes for Non Mill employees who work in Sorting (Assisting Grading activities) as needed.</li> <li>• Replace the employee's short rubber shoes with rubber shoes that are in accordance with the SOP.</li> </ul>  |  |                        |                            |

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| <ul style="list-style-type: none"> <li>Returning borrowed PPE Helmets at the generator house location and ensuring all PPE is always available at the work site.</li> </ul>   |
| <p><b>Corrective Action</b> (filled by organization audited):</p> <ul style="list-style-type: none"> <li>Disseminate the function of PPE and its availability at work locations to generator house officers.</li> <li>Disseminate the function and role of security in supervising everyone who enters the mill environment.</li> <li>Running the EHS SOP Number 17 regarding the SOP for contractor employees in the mill violation sanctions (Written warning, fine of IDR 200,000, temporary suspension of work, layoffs) for Boiler contractors and other contractors)</li> </ul>   |
| <p><b>Assessor Evaluation and Conclusion</b> (filled by auditor):</p> <p><b>Verification June 27, 2022</b><br/>The management unit has conducted root cause analysis, and determined corrective actions. Please show proof of improvement according to the correction submitted, including corrective action if one has already been done.</p> <p><b>Verification July 6, 2022</b><br/>The Management Unit shows evidence of improvement including:</p> <ul style="list-style-type: none"> <li>Letter to Contractor Number 01/Mgr/PKS/ANJ-Agri/XII-2022 dated June 16<sup>th</sup>, 2022, regarding Violation of the Rules of Not Wearing Safety Shoes at Work.</li> <li>Socialization of the function and role of security in supervising everyone who enters mill on June 28<sup>th</sup>, 2022, to security employees and supervises G4S.</li> <li>Documentation of replacement of PPE that is not in accordance with the SOP, such as boots for harvest employees and FFB helper Division 2 on June 27<sup>th</sup>, 2022.</li> <li>Minutes of handover of PPE inventory at the Grading Station on June 27<sup>th</sup>, 2022, as many as 5 pairs for use by non-Mill employees who are seconded for activities at the Sorting/Grading Station.</li> <li>Socialization on the use of generator operator PPE on June 25<sup>th</sup>, 2022.</li> </ul> <p><b>Auditor's Conclusion</b><br/>Based on the results of the identification of the root cause analysis, corrective actions and evidence of improvement that have been shown, <b>the non-conformance is declared to have been fulfilled.</b></p> |
| <p><b>Verified by</b> : <b>Septian Maulana</b></p>  |

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| <b>NCR No.</b>   | : <b>2022.03</b>  | <b>Issued by</b>       | : <b>Sabiah Dhiningtyas Utami &amp; Bayu Yogatama</b> |
| <b>Date Issued</b>   | : <b>17 June 2022</b>   | <b>Time Limit</b>      | : <b>16 September 2022</b>                            |
| <b>NC Grade</b>  | : <b>Major</b>  | <b>Date of Closing</b> | : <b>9 September 2022</b>                             |
| <b>Standard Ref. &amp; Requirement</b>   | <p><b>6.2.2</b><br/>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><b>Evidence observed</b> (filled by auditor):<br/><b>Harvest Helper</b></p> <ul style="list-style-type: none"> <li>Company shows Internal Memo (IM) Number 042/GM/ANJAS/IM/III/2022 regarding Employment Provisions for Outsourced Companies/Contractors dated February 10<sup>th</sup>, 2022, the document explains several requirements, including: All contractor workers must have a working relationship as evidenced by a work agreement between</li> </ul> |   |                        |   |

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| <p>workers with outsourcing companies/contractors.</p> <ul style="list-style-type: none"> <li>Based on the results of interviews with several harvest helper workers, for example workers with the initials ALD (helper) in Block E9 Division 2 of the LSU estate who are partners with harvesters with the initials JHS.</li> <li>Then, based on the results of the review of the labor list document as of May 2022, it was found that the worker was not registered as a contractor worker. Harvesters with the initials JHS are known to have harvest helpers with the initials ML who have been registered as contractors for the Makmur Jaya Multipurpose Cooperative.</li> </ul> <p><b>Non-Conformance Description (filled by auditor):</b><br/>The company has not been able to show sufficient evidence that the helpers encountered in the field have a clear working relationship.</p>  |
| <p><b>Root Cause Analysis (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>The list of contractors for helper work has not been updated, which is updated every 15<sup>th</sup> of every month.</li> </ul>   |
| <p><b>Correction (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>Stopping unregistered loose pick-up contractors.</li> <li>Ensure all loose pickers are registered as a list of contract employees.</li> </ul>  |
| <p><b>Corrective Action (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>Socializing the mechanism for fulfilling the employment aspect to contractors.</li> <li>Make sure to update the list of labor contractors for help with loose quotations every 15<sup>th</sup> of every month to be registered in the BPJS program borne by the company.</li> <li>Ensure that there is a monitoring available list of contractor employees before work begins.</li> <li>Provide a sanction mechanism if there are loose pickers who are not registered with the contractor.</li> </ul>  |
| <p><b>Assessor Evaluation and Conclusion (filled by auditor):</b></p> <p><b>Verification June 27<sup>th</sup>, 2022</b><br/>The management unit has conducted root cause analysis, and determined corrective actions. Please show proof of improvement according to the submitted correction, including corrective action if one has already been done.</p> <p><b>Verification July 8<sup>th</sup>, 2022</b></p> <ul style="list-style-type: none"> <li>The company shows a harvest helper attendance document with the initials ALD.</li> <li>The company shows the document of the List of Names of Harvest Helpers Quoting Brondolan Cooperative Makmur Jaya which informs the names of harvesters and harvest helpers in Division 2.</li> <li>The company shows the Socialization of Employment Provisions, Company Policy and Code of Ethics documents to the outsourcing company/contractor which will be held on June 29<sup>th</sup>, 2022.</li> </ul> <p>Please show proof of improvement according to the auditor's response in the <b><u>correction column</u></b> and <b><u>corrective action column</u></b>.</p> <p>Based on root cause analysis, corrections, corrective actions and evidence shown by the company, some evidence of improvement is still needed. So it can be concluded that this discrepancy has not been fulfilled.</p> <p><b>Verification July 25, 2022</b></p> <ul style="list-style-type: none"> <li>The company shows a certificate of maternity examination from the Primary Clinic of PT ANJ Agri Siais with Number 03/CP/Anja Siais/VI/2022 dated June 1<sup>st</sup>, 2022. Based on the results of the pregnancy examination, workers with the initials ML (wife of harvest workers with the initials JHS) have entered 19 weeks gestation.</li> <li>Internal Memo Number 042/GM/ANJAS/IM/II/2022 concerning Employment Provisions for Outsourced Companies/Contractors dated February 10<sup>th</sup>, 2022. The document explains the monitoring and supervision of PT ANJ Agri Siais to outsourcing companies/contractors.</li> </ul> |



**Auditor's Response**

- Please add the latest information regarding the initial JHS Worker and Helper initials ALD as of July 15<sup>th</sup>, 2022. After being dismissed on June 15<sup>th</sup>, 2022, has ALD currently started working again and become a JHS Helper? If yes, please show a list of Multi-Business Cooperative contractor workers updated after July 15<sup>th</sup> and proof of ALD's participation in the BPJS program.
- If the ALD has not started working, please provide information on the reason why ALD has not been able to be used as a Helper until now, existing problems and further plans.

**Verification September 09<sup>th</sup>, 2022**

The management unit shows evidence of improvement in the form of:

List of Employees of the Makmur Jaya Cooperative for the period of July 15<sup>th</sup>, 2022, where until July 15<sup>th</sup>, 2022, workers with initials a.n JHS continue to work alone without using a helper. As for harvest helper with initials ALD, until now he has not started working again because he has not been registered with BPJS.

Based on the root cause analysis, corrections and corrective actions shown, **nonconformities are declared Fulfilled.**

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| <b>Verified by</b> | <b>:</b> | <b>Sabiah Dhiningtyas Utami &amp; Bayu Yogatama</b> |
|--------------------|----------|---|

3.4.4. Opportunity for Improvement

| No | Ref. Std. | Description   |
|----|-----------|---|
| 1  | 2.1.3     | <p><b>Legal or authorized boundaries are clearly demarcated and visibly maintained and there is no planting beyond these legal or authorized boundaries.</b></p> <p>Ensuring the numbering of the HGU stakes, the coordinates on the monitoring records of the HGU stakes and ensuring that the boundaries of the core area with plasma are clearly visible in the field.</p>   |
| 2  | 2.3.2     | <p><b>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.</b></p> <p>Ensure information on ownership/land claim rights of FFB supplying farmers.</p>  |
| 3  | 3.8.5     | <p><b>Documented procedures 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:</b></p> <ul style="list-style-type: none"> <li>a) Complete and up to date procedures covering the implementation of all 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>Ensure implementation of supply chain procedures (regarding separation of certified and uncertified own estate).</p> |
| 4  | 6.7.3     | <p><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.</b></p> <p>Ensure effectiveness of PPE socialization and monitoring.</p>  |
| 5  | 7.2.10    | <p><b>Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.</b></p> <p>The results of interviews with spray workers who were transferred to manual maintenance work, it was stated that since the covid-19 pandemic there has not been a special health examination and only a general health examination has been carried out, this is in line with information from management that special health checks for high-risk workers have not been carried out This is because special health checks are carried out by bringing in vendors from outside and there is a risk of Covid-19 transmission. In the 2022 ANJA-SIAIS Polyclinic Plan Management Program document determined by the Resident Doctor and approved by the General Manager, it is known that a special Health examination plan will be carried out simultaneously with periodic Health</p>   |

|                             |                 | <p>checks in July 2022.</p> <p>Based on the explanation above, the company has an opportunity for improvement by realizing special and periodic health checks in 2022 and carrying out follow-up actions if workers are found to have health problems while continuing to follow the health protocol.</p>   |                   |          |                      |          |                      |      |                             |       |                   |     |                        |                 |           |    |               |          |      |          |      |          |     |        |              |                 |
|-----------------------------|-----------------|---|-------------------|----------|----------------------|----------|----------------------|------|-----------------------------|-------|-------------------|-----|------------------------|-----------------|-----------|----|---------------|----------|------|----------|------|----------|-----|--------|--------------|-----------------|
| 6                           | 7.7.2           | <p><b>Peat areas within the managed area are inventoried, documented and reported to the RSPO Secretariat (effective from November 15, 2018).</b></p> <p><b>Procedural Note:</b><br/> <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).</b></p> <ul style="list-style-type: none"> <li>The company showed the Peat Inventory document and recorded communication regarding its submission to the RSPO via email on November 15, 2019 and a response was made on November 27, 2019 "which informed that RSPO is acknowledging the submission and noted that ANJ Group will update us should there be more accurate data available as well as the submission for uncertified area can be anticipated by 31 March 2020". Based on the review of the peat inventory document, the following details are known: <table border="1"> <tr><td>Planted Area (Ha)</td><td>7,973.80</td></tr> <tr><td>Planted on Peat (Ha)</td><td>4,461.42</td></tr> <tr><td>Unplanted Other (Ha)</td><td>2.83</td></tr> <tr><td>Unplanted Conservation (Ha)</td><td>79.01</td></tr> <tr><td>Average Depth (M)</td><td>1.5</td></tr> <tr><td><b>Total Peat (Ha)</b></td><td><b>4,543.26</b></td></tr> </table> </li> <li>Based on the results of the January 2021 soil type census conducted by GIS, there was a change in the area of peat to 3,651.71 Ha (Muck + Peat) with the following details: <table border="1"> <thead> <tr><th>Soil Type</th><th>Ha</th></tr> </thead> <tbody> <tr><td>Alluvial Clay</td><td>4,063.40</td></tr> <tr><td>Muck</td><td>2,379.72</td></tr> <tr><td>Peat</td><td>1,271.99</td></tr> <tr><td>RYP</td><td>194.11</td></tr> <tr><td><b>Total</b></td><td><b>7,909.22</b></td></tr> </tbody> </table> </li> </ul> <p>Based on the explanation above, the company has an improvement opportunity to submit peat inventory to RSPO using updated data.</p> | Planted Area (Ha) | 7,973.80 | Planted on Peat (Ha) | 4,461.42 | Unplanted Other (Ha) | 2.83 | Unplanted Conservation (Ha) | 79.01 | Average Depth (M) | 1.5 | <b>Total Peat (Ha)</b> | <b>4,543.26</b> | Soil Type | Ha | Alluvial Clay | 4,063.40 | Muck | 2,379.72 | Peat | 1,271.99 | RYP | 194.11 | <b>Total</b> | <b>7,909.22</b> |
| Planted Area (Ha)           | 7,973.80        |   |                   |          |                      |          |                      |      |                             |       |                   |     |                        |                 |           |    |               |          |      |          |      |          |     |        |              |                 |
| Planted on Peat (Ha)        | 4,461.42        |   |                   |          |                      |          |                      |      |                             |       |                   |     |                        |                 |           |    |               |          |      |          |      |          |     |        |              |                 |
| Unplanted Other (Ha)        | 2.83            |   |                   |          |                      |          |                      |      |                             |       |                   |     |                        |                 |           |    |               |          |      |          |      |          |     |        |              |                 |
| Unplanted Conservation (Ha) | 79.01           |   |                   |          |                      |          |                      |      |                             |       |                   |     |                        |                 |           |    |               |          |      |          |      |          |     |        |              |                 |
| Average Depth (M)           | 1.5             |   |                   |          |                      |          |                      |      |                             |       |                   |     |                        |                 |           |    |               |          |      |          |      |          |     |        |              |                 |
| <b>Total Peat (Ha)</b>      | <b>4,543.26</b> |   |                   |          |                      |          |                      |      |                             |       |                   |     |                        |                 |           |    |               |          |      |          |      |          |     |        |              |                 |
| Soil Type                   | Ha              |   |                   |          |                      |          |                      |      |                             |       |                   |     |                        |                 |           |    |               |          |      |          |      |          |     |        |              |                 |
| Alluvial Clay               | 4,063.40        |   |                   |          |                      |          |                      |      |                             |       |                   |     |                        |                 |           |    |               |          |      |          |      |          |     |        |              |                 |
| Muck                        | 2,379.72        |   |                   |          |                      |          |                      |      |                             |       |                   |     |                        |                 |           |    |               |          |      |          |      |          |     |        |              |                 |
| Peat                        | 1,271.99        |   |                   |          |                      |          |                      |      |                             |       |                   |     |                        |                 |           |    |               |          |      |          |      |          |     |        |              |                 |
| RYP                         | 194.11          |   |                   |          |                      |          |                      |      |                             |       |                   |     |                        |                 |           |    |               |          |      |          |      |          |     |        |              |                 |
| <b>Total</b>                | <b>7,909.22</b> |   |                   |          |                      |          |                      |      |                             |       |                   |     |                        |                 |           |    |               |          |      |          |      |          |     |        |              |                 |

**3.4.5. Noteworthy Positive Components**

| No | Description  |
|----|--|
| 1  | Management commitment to apply the principles of sustainable palm oil management.                              |
| 2  | The company has personal competence related to the fulfillment of sustainable palm oil certification standards |
| 3  | The company has obtained the RSPO certificate  |
| 4  | The company no longer uses pesticides with the active ingredient paraquat.                                     |
| 5  | The company has carried out domestic waste management using the 3R metho                                       |

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

| Public Issues<br>(Institution/ NGO/Community)   | Auditor Verification  |
|---|---|
| <p><b>Manpower and Transmigration Office of South Tapanuli Regency</b><br/> <b>Labor Inspection</b><br/> <b>June 14<sup>th</sup>, 2022</b></p> <p>Based on the results of the interview, information was obtained that the company had completed all the required requirements, for example routinely conducting the Manpower Mandatory Report online according to a predetermined schedule. The agency also added that the company has implemented the minimum wage applicable in South Tapanuli Regency and has a wage scale structure for all levels of workers. Then the workers have been registered with BPJS for employment and health in accordance with applicable legislation. Then, reporting and validation. During the past year there have been no negative issues related to child labor, forced labor, illegal workers, discrimination, sexual harassment, etc.</p> | <p>There are no negative issues that need to be verified from Manpower and Transmigration Office.</p> |
| <p><b>Labor Union of PT ANJ Agri Siais (SPSI in Mill unit and IPB3 in Estate unit)</b><br/> <b>Head of the Labor Union</b><br/> <b>June 14<sup>th</sup>, 2022</b></p> <p>Based on the results of the interview, information was obtained that during the year 2021 - June 2022 there were no issues regarding employment. Matters related to wages, overtime wages/premiums, BPJS, facilities and infrastructure provided by the company are considered sufficient for the lives of workers. The resource person also added information about the company's response quickly if there were complaints from workers related to industrial relations problems or facilities and infrastructure.</p> <p>Then, the resource person added that until now, the PKB is still in the negotiation stage, there are 10 articles that are still being discussed as of March 2022.</p>          | <p>There are no negative issues that need to be verified from Labor Union.</p>                        |
| <p><b>Employee Cooperative</b><br/> <b>Vice Chairman of the Employee Cooperative</b><br/> <b>June 14<sup>th</sup>, 2022</b></p> <p>Based on the results of interviews obtained information that:</p> <ul style="list-style-type: none"> <li>• Employee cooperatives are engaged in the business of providing nine basic commodities (<i>Sembako</i>).</li> <li>• Workers can also make savings and loans.</li> <li>• There is a mandatory deposit of IDR 20,000 per month.</li> <li>• Workers register as cooperative members voluntarily. The current total members are 1,122 workers and 49 staff.</li> </ul>   | <p>There are no negative issues that need to be verified from Employee Cooperative.</p>               |

| Public Issues<br>(Institution/ NGO/Community)   | Auditor Verification  |
|---|---|
| <ul style="list-style-type: none"> <li>RAT for fiscal year 2021 will be held in April 2022.</li> </ul>  |   |
| <p><b>Gender Committee</b><br/><b>Chair of the Gender Committee</b><br/><b>June 15<sup>th</sup>, 2022</b></p> <p>Based on the results of interviews obtained information that:</p> <ul style="list-style-type: none"> <li>The realization of the work program of the gender committee (especially <i>posyandu</i>) in 2021 has obstacles due to the prohibition on crowding from the local government regarding the spread of the Covid-19 virus.</li> <li>Female workers are entitled to menstrual leave with an examination mechanism at the clinic and maternity leave.</li> <li>Work programs that will be implemented in 2022 such as <i>posyandu</i>, health checks for pregnant women/new mothers and socialization regarding sexual harassment and the flow of complaints or complaints.</li> <li>There are no employment issues related to the gender committee such as sexual harassment, domestic violence and discrimination.</li> </ul>  | <p>There are no negative issues that need to be verified from Gender Committee.</p> |
| <p><b>Plant Protection Methods Section of the South Tapanuli Regency Agriculture Service</b><br/><b>June 14, 2022</b></p> <ul style="list-style-type: none"> <li>There was once an issue of complaints on customary land by the community, but the person concerned did not dare to carry out a field visit so that it was concluded that the land claim was without basis.</li> <li>The last Plantation Business Assessment was carried out in 2021.</li> <li>The company has partnered with the surrounding community through Plasma in Binasari and wholesale work agreements.</li> <li>PT ANJA SIAIS already has the facilities and infrastructure for fire prevention and control and has involved the community with the establishment of KTPA.</li> <li>PT ANJA SIAIS is one of the companies that are required to submit a report on the K index component.</li> <li>So far, there have been no complaints from the public either from operational disruptions or from existing partnerships.</li> <li>SIPERIBUN has not yet started running in South Tapanuli Regency, but the company has routinely sent reports on the development of its plantation business every 3 months.</li> <li>The company is expected to increase CSR related to the development of the surrounding community.</li> </ul> | <p>There are no negative issues that need further verification.</p>                 |

| Public Issues<br>(Institution/ NGO/Community)   | Auditor Verification  |
|---|---|
| <p><b>The Head of the Binasari Village and concurrently a Plasma Member of Koptan Sari.</b><br/><b>June 14, 2022</b></p> <ul style="list-style-type: none"> <li>• The person concerned is the head of the Binasari Village, besides that he is also a plasma member of Koptan Sari.</li> <li>• Regarding plasma management, all of which are carried out by PT ANJA SIAIS and the land owner only receives profit sharing every month, currently the debt with PT ANJA SIAIS has been paid off.</li> <li>• So far, there have been no complaints from the public regarding disturbances caused by the company's operational activities and land disputes.</li> </ul>          | <p>There are no negative issues that need further verification.</p> |
| <p><b>PT Alam Lestari Angkola Selatan</b><br/><b>June 14, 2022</b></p> <ul style="list-style-type: none"> <li>• The contractor has been working with the company for the last 3 years in the field of FFB transportation and maintenance (Manual Weeding and Mounding).</li> <li>• Workers from contractors are based on wholesale work agreements and have been registered by BPJS Health and Employment.</li> <li>• PPE for contractor workers is provided by the contractor and together with PT ANJ Agri Siais monitors its use and equipment.</li> <li>• So far, there have been no complaints either in the existing Cooperation or in the payment of bills.</li> </ul> | <p>There are no negative issues that need further verification.</p> |
| <p><b>Makmur Jaya Cooperative</b><br/><b>June 14, 2022</b></p> <ul style="list-style-type: none"> <li>• The contractor cooperates with companies in the field of FFB Transportation and Treatment (Treat Cleaning and Molding).</li> <li>• The system of work agreements and wages for employees is wholesale.</li> <li>• PPE for workers is provided by the contractor, in addition the contractor is required to register BPJS Health and Employment for its workers.</li> <li>• Contractor workers who serve as heavy equipment operators are also equipped with SIO.</li> <li>• So far there have been no complaints from the ongoing cooperation or payments.</li> </ul> | <p>There are no negative issues that need further verification.</p> |
| <p><b>UD Boru Namora</b><br/><b>June 14, 2022</b></p> <ul style="list-style-type: none"> <li>• The supplier has cooperated with the company in supplying FFB to the Mill.</li> </ul>  | <p>There are no negative issues that need further verification.</p> |



| Public Issues<br>(Institution/ NGO/Community)  | Auditor Verification  |
|--|---|
| <ul style="list-style-type: none"> <li>• The source of FFB is partly from their own plantations and partly from direct farmers.</li> <li>• The distance from the fruit collection location to the Mill is 3-4 hours.</li> <li>• The price of FFB is in accordance with the agreement between the price set by the Mill and the supplier.</li> <li>• FFB payment is made the next day after FFB delivery and so far there have been no complaints regarding the payment.</li> <li>• The accepted FFB criteria have been included in the SPK and are known by the supplier so that when there is a return of FFB this has become an agreement.</li> <li>• The company has carried out socialization of its policies and socialization related to ISPO/RSPO.</li> </ul>   |   |
| <p><b>National Land Agency of Tapanuli Selatan District.</b></p> <ul style="list-style-type: none"> <li>• The company has a Plantation Business Permit (IUP) and HGU. No extension of HGU</li> <li>• Mandatory reports to agencies have been routinely reported by companies including the Plantation Business Development Report and Firefighting Management Report.</li> <li>• No reports related to disputes and land claims received by the agency.</li> <li>• All operational areas of the company already have Land Permit (HGU) and there are no operational areas within the forest area.</li> <li>• Communication relations between agencies and companies are fairly well established.</li> </ul>  | <p>There are no negative issues that need further verification.</p> |
| <p><b>Labalasiak Village, Janji Matogu Village &amp; Previous Land Owner</b></p> <ul style="list-style-type: none"> <li>• There is no new compensation and planting on local people's land.</li> <li>• The unit of certification has never discriminated against one religion, ethnicity or race.</li> <li>• No complaints from village have been submitted to the unit of certification.</li> <li>• The unit of certification has contributed to community / Village.</li> <li>• There are no negative issues related to land fire and environment pollution or contamination, caused by company operational activities.</li> <li>• Company has given CSR. And If the local community needs company assistance, usually the village will submit a proposal requesting assistance to the unit of certification. And there are no difficulties related to this.</li> <li>• No land conflict with community</li> </ul> | <p>There's no negative issue needs to further verification</p>      |

| <b>Public Issues<br/>(Institution/ NGO/Community)</b>  | <b>Auditor Verification</b>                                    |
|--|--|
| <ul style="list-style-type: none"> <li>• No coercion in the compensation process.</li> <li>• No issues related to human rights</li> <li>• Company has socialized company's procedures and policies.</li> </ul>   |  |
| <p><b>Local Contractor (PK Transporter)</b></p> <ul style="list-style-type: none"> <li>• The agreement has been agreed by both parties.</li> <li>• agreement related to PK transporter.</li> <li>• Contractor provides PPE to workers.</li> <li>• There were no complaints regarding payments and payments in accordance with the work agreement.</li> <li>• Company has socialized related to RSPO</li> </ul> | <p>There is no negative issue related to local contractor.</p> |

|   |  |   |   |
|---|--|---|---|
| <b>4.0</b>  | <b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>   |   |   |
| <b>4.1</b>  | <b>Formal Sign-off of Assessment Findings</b>  |   |   |
|   | <p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center; vertical-align: top;"> <p><b>PT Austindo Nusantara Jaya Agri Siais</b><br/>General Manager</p>  <p><b>Sukrisdianto</b><br/>Friday, 9 September 2022</p> </td> <td style="width: 50%; text-align: center; vertical-align: top;"> <p><b>PT Mutuagung Lestari</b><br/>Lead Auditor</p>  <p><b>Rizliani Aprianita Hasibuan</b><br/>Friday, 9 September 2022</p> </td> </tr> </table> | <p><b>PT Austindo Nusantara Jaya Agri Siais</b><br/>General Manager</p>  <p><b>Sukrisdianto</b><br/>Friday, 9 September 2022</p> | <p><b>PT Mutuagung Lestari</b><br/>Lead Auditor</p>  <p><b>Rizliani Aprianita Hasibuan</b><br/>Friday, 9 September 2022</p> |
| <p><b>PT Austindo Nusantara Jaya Agri Siais</b><br/>General Manager</p>  <p><b>Sukrisdianto</b><br/>Friday, 9 September 2022</p> | <p><b>PT Mutuagung Lestari</b><br/>Lead Auditor</p>  <p><b>Rizliani Aprianita Hasibuan</b><br/>Friday, 9 September 2022</p>  |   |   |

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

| No | Institution/ NGO/ Community  | Address                  | Phone/ Email          | Form of Communication | Date of Contact | Response |    |
|----|--|--------------------------|-----------------------|-----------------------|-----------------|----------|----|
|    |  |                          |                       |                       |                 | Yes      | No |
| 1  | ANJA Siais POM:<br>- 5 grading operators<br>- 1 boiler operator<br>- 1 engine room operator<br>- 1 laboratory worker   | Tapanuli Selatan Regency | -                     | Direct interview      | 15 June 2022    | ✓        |    |
| 2  | Lembah Subur Utara Estate:<br>- 1 doctor<br>- 1 nurse<br>- 2 daycare workers<br>- 5 Temporary Garbage Dump (3R) workers<br>- 1 Composting Worker<br>- 5 workers (harvester and helper)<br>- 3 workers on manual weeding activity | Tapanuli Selatan Regency | -                     | Direct interview      | 15 June 2022    | ✓        |    |
| 3  | Lembah Subur Selatan Estate:<br>- 1 generator operator<br>- 2 daycare workers<br>- 3 workers (fertilizer applicator and foreman)<br>- 3 workers (harvester and helper)   | Tapanuli Selatan Regency | -                     | Direct interview      | 16 June 2022    | ✓        |    |
| 4  | Gender Committee   | Tapanuli Selatan Regency | -                     | Direct interview      | 15 June 2022    | ✓        |    |
| 5  | Labor Union SPSI PT ANJA Siais (Mill)  | Tapanuli Selatan Regency | -                     | Direct interview      | 14 June 2022    | ✓        |    |
| 6  | Labor Union IPB3 (Estate)  | Tapanuli Selatan Regency | -                     | Direct interview      | 14 June 2022    | ✓        |    |
| 7  | Employee Cooperative   | Tapanuli Selatan Regency | -                     | Direct interview      | 14 June 2022    | ✓        |    |
| 8  | Manpower and Transmigration Office   | Tapanuli Selatan Regency | -                     | By Phone              | 14 June 2022    | ✓        |    |
| 9  | WALHI  | -                        | informasi@walhi.or.id | Via email             | 6 June 2022     |          | ✓  |
| 10 | WWF  | -                        | supporter-            | Via email             | 6 June          |          | ✓  |

|    |  |                          |                       |                  |              |   |   |
|----|--|--------------------------|-----------------------|------------------|--------------|---|---|
|    |  |                          | service@wwf.or.id     |                  | 2022         |   |   |
| 11 | Sawit Watch  | -                        | info@sawitwatch.or.id | Via email        | 6 June 2022  |   | ✓ |
| 12 | AMAN   | -                        | rumahaman@aman.or.id  | Via email        | 6 June 2022  |   | ✓ |
| 13 | Plant Protection Methods Section of the South Tapanuli Regency Agriculture Service | Tapanuli Selatan Regency |                       | By Phone         | 14 June 2022 | ✓ |   |
| 14 | The Head of the Binasari Village and concurrently a Plasma Member of Koptan Sari   | Tapanuli Selatan Regency |                       | Direct interview | 14 June 2022 | ✓ |   |
| 15 | PT Alam Lestari Angkola Selatan  | Tapanuli Selatan Regency |                       | By Phone         | 14 June 2022 | ✓ |   |
| 16 | Makmur Jaya Cooperative  | Tapanuli Selatan Regency |                       | By Phone         | 14 June 2022 | ✓ |   |
| 17 | UD Boru Namora   | Tapanuli Selatan Regency |                       | Direct interview | 14 June 2022 | ✓ |   |
| 18 | National Land Agency   | Tapanuli Selatan Regency |                       | By Phone         | 14 June 2022 | ✓ |   |
| 19 | Labalasiak Village, Janji Matogu Village & Previous Land Owner                     | Tapanuli Selatan Regency |                       | Direct interview | 14 June 2022 | ✓ |   |
| 20 | PK Transporter   | Tapanuli Selatan Regency |                       | By Phone         | 14 June 2022 | ✓ |   |

**Appendix 2. Assessment Program**

**Remote Audit ASA-1.2**

| Date                         | 27 – 30 July 2021  |              |
|------------------------------|--|--------------|
| Time planned                 | Process / Clauses to be audited  | AUDITOR      |
| <b>Tuesday, 27 July 2021</b> |  |              |
| 08.00 – 09.00                | <b>Opening meeting</b><br>(auditee speech, company profile, introduction of PIC, etc)  | Team Auditor |
| 09.00 – 12.00                | <ul style="list-style-type: none"> <li>• Public consultation with Government Agencies in Tapanuli Selatan Regency, local communities, local contractor, FFB supplier, smallholder, worker union, and worker cooperative by phone</li> <li>• Document review and verification</li> <li>• Review on TBP, partial certification and basic info</li> </ul> | Team Auditor |
| 12.00 – 14.00                | <b>Break</b>   | Team Auditor |
| 14.00 – 16.00                | <ul style="list-style-type: none"> <li>• Video observation about operational activities in Mill &amp; Estate</li> <li>• Document review and verification</li> </ul>  | Team Auditor |
| 16.00 – 17.00                | Presentation of daily progress   | Team Auditor |
| <b>Friday, 30 July 2021</b>  |  |              |
| 08.0 – 12.00                 | Document review and verification   | Team Auditor |
| 12.00 – 14.00                | <b>Break</b>   | Team Auditor |
| 14.00 – 16.00                | Document review and verification   | Team Auditor |
| 16.00 – 17.00                | <b>Closing meeting</b>   | Team Auditor |



**On Site Audit ASA-1.2 + 1.3**

| DATE                           | 13 – 18 June 2022   |  |
|--------------------------------|---|--|
| PROGRAM                        | PROCESSES / CLAUSES TO BE AUDITED   | AUDITOR  |
| <b>Monday, 13 June 2022</b>    |   |  |
| 05.00 – 07.20                  | <b>CGK – KNO</b>  | <b>BYG, SMA, SDU</b>                               |
| 07.20 – 10.20                  | <b>Transit KNO</b>  | <b>All Auditor</b>                                 |
| 10.20 – 11.30                  | <b>KNO – FLZ</b><br><i>* Ms. Rizliani Aprianita flight from KNO</i>   |  |
| 12.00 – 17.00                  | <b>Sibolga – PT ANJ AGRI SIAIS</b>  | <b>All Auditor</b>                                 |
| <b>Tuesday, 14 June 2022</b>   |   |  |
| 08.00 – 09.00                  | <b>Opening Meeting</b> <ul style="list-style-type: none"> <li>Auditee Presentation (PIC Introduction, Company Profile, etc)</li> <li>Auditor Team Presentation (Introduction, Explanation of Audit Objectives, Scope of Audit, Audit Plan Discussion, Determination of Audit Samples, Transparency and Confidentiality)</li> </ul>  | <b>All Auditor</b>                                 |
| 09.00 – 12.00                  | <b>Stakeholder Interview</b> <ul style="list-style-type: none"> <li>External Stakeholders: Environmental Agency, Plantation Agency, Land Office, Manpower Office, Surrounding Villages, Plasma Cooperative Management, 3rd party suppliers and contractors <b>(By Phone)</b></li> <li>Internal Stakeholder: Labor Unions, Cooperative Management, Gender Committee.</li> </ul> <b>Document Review</b> <ul style="list-style-type: none"> <li>Legal and Social: (Statement Area and Production Data &amp; SCCS)</li> <li>Best Management Practice, Long Term Plan and OHS</li> <li>Employment and Transparency</li> <li>Environment, HCV, GHG &amp; Basic Info</li> </ul>                                    | <b>All Auditor</b>                                 |
| 12.00 – 14.00                  | <b>Break</b>  | <b>All Auditor</b>                                 |
| 14.00 – 16.00                  | <b>Continuing Stakeholder Interview and Document Review</b>   | <b>All Auditor</b>                                 |
| 16.00 – 17.00                  | <b>Submission of Daily Audit Progress</b>   | <b>All Auditor</b>                                 |
| <b>Wednesday, 15 June 2022</b> |   |  |
| 08.00 – 12.00                  | <b>Field Visit to Lembah Subur Utara Estate &amp; Binasari Farmer's Cooperative:</b> <ul style="list-style-type: none"> <li>Implementation of legal aspects (Legality of land ownership, Boundaries) and Management of HCV Areas.</li> <li>Implementation of environmental management aspects, waste management (Inspection of chemical warehouses, fertilizer warehouses, hazardous waste temporary warehouse, workshop, clinics, waste management facilities, etc.). Workers' facilities (Housing, Schools, Facilities for Worship, Clean water, etc.).</li> <li>Implementation of agronomic aspects (Harvest &amp; Transport, Fertilizer, Pesticide Application, IPM, EFB Application, etc.).</li> </ul> | <b>RAH</b><br><br><b>BYG/SDU</b><br><br><b>SMA</b> |
| 12.00 – 14.00                  | <b>Break</b>  | <b>All Auditor</b>                                 |
| 14.00 – 16.00                  | <b>Field Visit ANJA Siais POM:</b> <ul style="list-style-type: none"> <li>Supply Chain Flow (FFB Receipt, FFB Weighing, FFB Sorting, Processing Observation, CPO Despatch)</li> </ul>   | <b>RAH</b>   |

| DATE                          | 13 – 18 June 2022  |   |
|-------------------------------|--|---|
| PROGRAM                       | PROCESSES / CLAUSES TO BE AUDITED  | AUDITOR   |
|                               | <ul style="list-style-type: none"> <li>Safety and Health Aspects (Inspection of Chemical Warehouse, Hazardous Waste Warehouse, Workshop, Simulation of Fire Control Facilities, Management of Factory Waste / WWTP)</li> <li>Production Process, Procedure Implementation and Employment Aspect.</li> </ul>  | <p><b>BYG</b></p> <p><b>SMA/SDU</b></p>                   |
| 16.00 – 17.00                 | <b>Submission of Daily Audit Progress</b>  | <b>All Auditor</b>  |
| <b>Thursday, 16 June 2022</b> |  |   |
| 08.00 – 12.00                 | <p><b>Field Visit to Lembah Subur Selatan Estate</b></p> <ul style="list-style-type: none"> <li>Implementation of legal aspects (Legality of land ownership, Boundaries) and Management of HCV Areas.</li> <li>Implementation of environmental management aspects, waste management (Inspection of chemical warehouses, fertilizer warehouses, hazardous waste temporary warehouse, workshops, clinics, waste management facilities, etc.). Workers' facilities (Housing, Schools, Facilities for Worship, Clean water, etc.).</li> <li>Implementation of agronomic aspects (Harvest &amp; Transport, Fertilizer, Pesticide Application, IPM, EFB Application, etc.).</li> </ul> | <p><b>RAH</b></p> <p><b>BYG</b></p> <p><b>SMA/SDU</b></p> |
| 12.00 – 14.00                 | <b>Break</b>   | <b>All Auditor</b>  |
| 14.00 – 16.00                 | <p><b>Document Review</b></p> <ul style="list-style-type: none"> <li>Legal and Social: (Statement Area and Production Data &amp; SCCS)</li> <li>Best Management Practice, Long Term Plan and OHS</li> <li>Employment and Transparency/Environment,</li> <li>HCV, GHG &amp; Basic Info</li> </ul> <p><b>Stakeholder Consultation (if needed)</b></p>  | <b>All Auditor</b>  |
| <b>Friday, 17 June 2022</b>   |  |   |
| 08.00 – 12.00                 | <p><b>Document Review</b></p> <ul style="list-style-type: none"> <li>Legal and Social: (Statement Area and Production Data &amp; SCCS)</li> <li>Best Management Practice, Long Term Plan and OHS</li> <li>Employment and Transparency/Environment,</li> <li>HCV, GHG &amp; Basic Info</li> </ul>   | <b>All Auditor</b>  |
| 12.00 – 14.00                 | <b>Break</b>   | <b>All Auditor</b>  |
| 14.00 – 15.30                 | <b>Internal Meeting Auditor</b>  | <b>All Auditor</b>  |
| 15.30 – 17.00                 | <b>Closing Meeting</b>   | <b>All Auditor</b>  |
| <b>Saturday, 18 June 2022</b> |  |   |
| 06.30 – 10.30                 | <b>PT ANJ AGRI SIAIS - SIBOLGA</b>   | <b>All Auditor</b>  |
| 11.50 – 12.50                 | <b>FLZ – KNO (IW-1259)</b>   | <b>All Auditor</b>  |
| 12.50 – 16.45                 | <b>Transit</b>   | <b>BYG, SMA, SDU</b>                                      |
| 16.45 – 19.15                 | <p><b>KNO – CGK (GA-121)</b></p> <p><i>*Ms. Rizliani Aprianita stay at Medan</i></p>   |   |