

Public Report Sustainable Forest Management System

Ownership of this report and the information contained within remain the property of
AJA Europe



AJA EUROPE

PUBLIC AUDIT REPORT - SFM

TO BE SUBMITTED TO THE CLIENT, IFCC AND TO AJA EUROPE



CLIENT NAME: PT .Wananugraha Bimalestari

TOTAL HECTARES: 7,465 ha

SCOPE OF REGISTRATION: Sustainable Forest Management of 7,465 hectares of Plantation Forest in Riau Province

STANDARD / CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Additional Surveillance due to Covid-19 Pandemic (REMOTE)

AUDIT START DATE: February 18, 2021

In signing this document the Audit team confirms that they have had no involvement with the company under audit in terms of consultancy, training, direct employment etc. within the last 2 years and have no other involvement (financial, shareholding or commercial) that would constitute a Conflict of Interest

AUDIT END DATE: February 20, 2021

LEAD AUDITOR: Riyadi Sigit Pamungkas

SIGNATURE:

AUDIT TEAM: Priyo Handoko

SIGNATURE:

Agung Utama Lubis

SIGNATURE:

MAJOR CARS: 0

MINOR CARS: 0

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED including country	DATE OF EACH SITE VISIT:
PT Wananugraha Bimalestari	Nagodang District - Gunung Sahilan District, Kampar Regency, Riau Province, Republic of Indonesia	February 18 to 20, 2021
SITE NAME (Legal Name):	ADDRESSES OF ADDITIONAL SITES NOT VISITED BUT STILL COVERED BY THE REGISTRATION INCLUDING COUNTRY - TO BE COMPLETED IF CLIENT IS UNDER A SITE SAMPLING AUDIT PLAN	
NA		

Brief Description of the concession

PT Wananugraha Bimalestari obtained a Timber Forest Product Utilization Permit (IUPHHK) based on the Decree of Minister of Forestry No. 362/Menhut-II/2007 dated October 25, 2007 for an area of 7,465 hectares. It is in the form of Permanent Production Forest (HP) of 5,780 ha and Convertible Production Forest (HKP) of 1,685 ha located in Kampar Regency, with a validity of 100 years, unless returned by the permit holder or revoked by the Minister of Forestry and not extended.

There was no conversion of natural forest to plantation forest after December 31, 2010. Thus, the area registered for IFCC certification is 7,465 hectares.

The latest long-time period work plan of PT Wananugraha Bimalestari is The Revision of RKUPHHK-HTI for the period of 2019 to 2028, which was ratified through the Decree of the Minister of Environment and Forestry Number: SK1236/MenLHK-PHPL/UHP/HPL.1/2/2019 dated February 11, 2019. The spatial layout based on this document consists of Local Protection Areas and Other Protected Areas of 1,804 ha (24.17%), Staple Plant Area of 4,167 ha (55.82%) and Livelihood Plant Area of 1,494 ha (20.01%).

The concession is geographically located at at 00° 01' 49.39" to 00° 07' 50.04" South and 101° 22' 50.16" to 101° 30' 01.98" East. Administratively it is located in Gunung Sahilan District, Kampar Regency, Riau Province.

The boundaries of the work area are:

- north: PT RAPP Estate Teso;
- south: ex-PT Hutani Sola Lestari, Beringin Jaya Village.
- east: former area of PT Hutani Sola Lestari;
- west: PT Agro Agria Lestari (oil palm plantation), Suka Maju Village;

PT Wananugraha Bimalestari is located on dry land (mineral) at an altitude of 19 to 139 meters above sea level. The Management Unit has a flat topography (0-8%), and is part of the Kampar River watershed.

The cultivated species are *Eucalyptus sp.* and *Acacia mangium*.

Description of the socio-economic conditions of the concession and the concession's social programs

There is no customary community around the PT Wananugraha Bimalestari concession. Based on the RKUPHHK-HTI of 2019 to 2028, the majority of residents' livelihood is agriculture. Apart from the agricultural sector, the rest of the residents work in trading.

PT Wananugraha Bimalestari has made conflict resolution efforts with the surrounding community. Based on the results of the conflict potential assessment, the final score for the potential conflict of PT Wananugraha Bimalestari is 57.45%, which is categorized as 'alert'. Based on the provisions of potential mapping and conflict resolution, a conflict resolution approach that can be taken is the welfare approach.

PT Wananugraha Bimalestari has collaboration with village communities, but there has been no change in the cooperation agreements between the current audit and the previous audit. There are agreements in Livelihood Plant with a profit-sharing system and non-timber forest product utilization in the form of honeybees, protected area security, and Community of Fire Awareness.

PT Wananugraha Bimalestari has implemented a corporate social responsibility program for the surrounding community. Based on the CD Program Report of 2020, the activities carried out includes furniture and renovation assistance for elementary schools, assistance of marching band instruments, and assistance for the construction of a

kindergarten. Religious affairs assistances include mosque equipment procurement. There was also a program of cow cultivation, food assistance for villages and sports infrastructure. For the village, volleyball and basketball courts materials were given.

Description of the ecological conditions of the concession

PT Wananugraha Bimalestari has environmental documents (UKL UPL) and carries out environmental management and monitoring as its obligation in accordance with the Environmental Documents (UKL UPL), reporting every 6 months to the authorized government agency.

Environmental management and monitoring efforts in several aspects / fields are contained in environmental documents, namely UKL and UPL. Several aspects are managed and monitored, among others: physical and chemical components (macro-climate change, decreased soil fertility, water quality), biological components (natural vegetation or protected species, wildlife, plant pests and area disturbances) and socio-economic and cultural components (health or health performance, work safety or safety performance, job opportunities, business opportunities, education and community economy).

PT.Wananugraha Bimalestari has prepared a Toxic Hazardous Waste Management Procedure (B3) and implemented this. The procedure was created with the aim of providing guidance on the management of hazardous and toxic waste (B3) for the company in an effort to manage important environmental aspects.

PT.Wananugraha Bimalestari has identified through an inventory, plus there is a map of the distribution of fauna including protected, endemic, rare species, which is updated annually. The Management Unit has also carried out an inventory of flora in the Germplasm Conservation Area (KPPN) / KPSL in 2019 and mapped all trees, including protected, endemic, rare and threatened / endangered species in the KPPN area.

Rare and protected fauna species found in the concession area according to national regulations (PermenLHK No. P. 106 Year 2019) and international regulations (CITES, IUCN), are Sumatran elephants (*Elephas maximus*), Asian Tapir (*Tapirus indicus*), Sambar Deer (*Cervus unicolor*), etc.

PT.Wananugraha Bimalestari also has adequate infrastructure for handling forest disturbances, including documents related to forest protection issues along with the environmental damage sheet, which are kept in the K3L Section. Meanwhile, other documents to support forest protection reports and those related to claims issues are kept at the Public Relations Division. Documents resulting from reports to the Police (STPL) are kept at the Public Relations office, while a copy is kept at the K3L Section.

Results of the Public Consultation

Prior to carrying out the Additional Surveillance Audit, PT AJA Sertifikasi Indonesia conducted a Public Consultation commencing February 1, 2021, asking stakeholders to provide feedback and information about PT Wananugraha Bimalestari. The public consultation was uploaded to the PT AJA Sertifikasi Indonesia website (www.ajaindonesia.com), sent to parties by email or postal mail, and published in local newspapers. PT AJA Sertifikasi Indonesia did not receive any input from stakeholders during the public consultation.

The audit team also collected information from the mass media about PT Wananugraha Bimalestari, the reported cases being given material consideration as part of the PT AJA Sertifikasi Indonesia audit process.

The Management Unit has identified all the requirements required for this certification process, which consists of legal aspects that include compliance with international rules and regulations and conventions. A management system has been established to cover all activities in the area of certification, which is registered for an area of 7,465 hectares.



Findings on the certified client conformity with the certification requirements and description of critical issues in relation to the conformity.

Based on the results of the Additional Surveillance Audit of PT Wananugraha Bimalestari, no Non-Conformities of either a Minor or Major nature were identified by the audit team. PT Wananugraha Bimalestari's management system is operating effectively.

Conditions under which the certificate is issued

Certificate is valid until April 14, 2022, provided that PT Wananugraha Bimalestari does not have any problems at the next Recertification visit. If the non-conformities are not closed at the next Recertification, the certificate will be suspended until such time as AJA is able to perform a closeout visit.