

Public Report Sustainable Forest Management System

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ORGANIZATION NAME: PT CITRA SUMBER SEJAHTERA SEJATI

TOTAL HECTARES: 9.862,1

SCOPE OF REGISTRATION: Sustainable Forest Management in 9.862,1 hectares of Plantation Forest in Riau Province

STANDARD/CRITERIA: IFCC SFM & ORGANIZATION Documented Management System

TYPE OF AUDIT: Surveillance 1

AUDIT START DATE: 9 March 2026

AUDIT END DATE: 12 March 2026

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

LEAD AUDITOR: Andri Wibisono

SIGNATURE:

AUDIT TEAM: Inggita Nuri Prihantini

SIGNATURE:

Agung Utama Lubis

SIGNATURE:

**WITNESSING AUDITOR/
TRANSLATOR (if any):** //

SIGNATURE: //

MAJOR CARS: 0

MINOR CARS: 0

SITE NAME (Legal Name):	ADDRESSES OF ORGANIZATION SITES VISITED including countries	Date of each site visit:
Site	Kecamatan Peranap, Kabupaten Indragiri Hulu, Provinsi Riau, Indonesia	9-11 March 2026
Head office	Jl. Soekarno Hatta, Komp. Mall SKA Blok E.61, Pekanbaru, Provinsi Riau, Indonesia	12 March 2026
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	
N/A		

Brief Description of the concession

PT Citra Sumber Sejahtera Sejati holds the following forestry concessions:

1. Decree of the Minister of Forestry of the Republic of Indonesia No. 68/Menhut-II/2007 dated February 23, 2007, covering an area of 15,360 ha located in Indragiri Hulu Regency, Riau Province.
2. Forest Utilization Business Permit based on Decree of the Minister of Environment and Forestry No. SK. 813/MENLHK/SETJEN/HPL.0/9/2021 dated September 21, 2021, covering an area of 15,360 ha, which changes the nomenclature from IUPHHK-HT to PBPH.

In its operations, the Organization maintains a 10-year management plan document in the form of a RKUPHHK-HTI for the 2018-2027 period, which was ratified by Decree of the Minister of Environment and Forestry No. SK. 123/MENLHK-PHPL/UHP/HPL.1/1/2018 dated January 22, 2018, concerning the Approval of the Industrial Timber Plantation Forest Product Utilization Work Plan (RKUPHHK-HTI) for 2018-2027 in the name of PT Citra Sumber Sejahtera.

There was no natural forest conversion within the concession after December 31, 2010. However, there were areas identified as non-cultivated forestry areas totalling 5,497.9 ha, consisting of 5,450.8 ha of oil palm plantations and 47.1 ha of residential areas. However, the organization retained these areas identified as non-cultivated forestry areas for inclusion in the plantation forest management as Forest Areas. Based on Circular Letter of the Indonesian Forestry Certification Cooperation (IFCC) Management Board Number 001/KSK/SE-BP/VIII/2024 dated August 1, 2024, concerning the Determination of the Scope of Certified Areas, the area for PT Citra Sumber Sejahtera Sejati is as follows:

- Permitted Area: 15,360 Ha (SK. 813/MENLHK/SETJEN/HPL.0/9/2021)
- Forest Area: 15,360 Ha
- Certified Area: 9,862.1 Ha (15,360 Ha - 5,497.9 Ha).

PT Citra Sumber Sejahtera Sejati has a layout of its work area, namely divided into Local Protection Areas and Other Protected Areas of 2,708 ha (17.63%), Staple Plants area of 8,984 ha (58.49%) and Livelihood Plant area of 3,668 ha (23.88%). The Local Protection Areas and Other Protected Areas of 2,708 Ha (17.63%) consist of River Boundaries of 1,813 Ha (11.80%), Germplasm Conservation Area of 100 Ha (0.65%), Wildlife Protection Area of 100 Ha (0.65%), Buffer Zone of 695 Ha (4.52%).

Geographically, PT Citra Sumber Sejahtera Sejati is located at 00°43'20" - 00° 51'30" S and 101° 53'45" - 102°00'35" E, based on government administration it is located in Peranap District, Indragiri Hulu Regency, Riau Province. The fostered village of PT Citra Sumber Sejahtera Sejati is Pauh Ranap Village, Peranap District, Indragiri Hulu Regency, Riau Province, with the following boundaries:

- North: KUD Serangge Permai;
- South: Bukit Batabuh Protected Forest;
- East: Seranggai Permai Cooperative and Cipta Bina Karya Cooperative;
- West: PT. Artelindo Wira Tama.

The organization's concession area features flat terrain (0–8%) covering 51.51%, sloping land (8–15%) at 37.87%, and undulating land (15–25%) at 10.62%, with an elevation ranging between 30–60 meters above sea level. It forms part of the Kwalaran River, Peladangan River, and Serangge River forest groups. According to the Schmidt-Ferguson climate classification, PT Citra Sumber Sejahtera Sejati falls under Type A climate, with a Q value of 14.3%. Geological mapping indicates that the concession lies within the Palembang formation (Qtpu; Tpm; Tpl) and the Telisa formation (Tmtu; Tmtl).

The dominant soil type is Red-Yellow Podsollic (PMK), entirely mineral in nature. For plantation development, the organization cultivates *Acacia mangium*, *Acacia crasscarpa*, and *Eucalyptus* sp.

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

Based on field verification and previous audit reports, the residents surrounding PT Citra Sumber Sejahtera Sejati are local communities. According to village monographs, the livelihoods of these communities are primarily dominated by oil palm farming.

The organization has made efforts to resolve disputes regarding land issues with surrounding communities. The Report on Potential Mapping and Conflict Resolution of PT Citra Sumber Sejahtera Sejati for Semester I of 2025 states that the conflict status is Low/Controlled. The Report on Land Conflict Resolution Efforts documents several activities carried out by PT Citra Sumber Sejahtera Sejati in three hamlets. On November 22, 2025, communication activities were conducted to notify that certain community claim areas overlapped with the concession. Communities were prohibited from expanding plantations, destroying company crops, or causing hotspots, and discussions were held regarding the basis of community claim rights. On September 1, 2025, further notification activities emphasized prohibitions against plantation expansion, crop destruction, fire hazards, and obstruction of the organization haul routes within the concession.

On February 26, 2025, additional activities reinforced prohibitions on crop destruction and hotspot creation, while discouraging encroachment and plantation activities within the concession. Community representatives were engaged to help convey these messages, ensuring that the community understood the importance of compliance and cooperation with PT Citra Sumber Sejahtera Sejati's forest management practices.

PT Citra Sumber Sejahtera Sejati only has one fostered village, namely Pauh Ranap Village. The organization has collaborated with them through a cooperation agreement in Livelihood Plants established in 2010. Evidence of the last program realization was documented in 2025. PT Citra Sumber Sejahtera Sejati also has made efforts to strengthen the local forestry-based economy and provide employment opportunities. In 2026, there were 27 employees, with more than half being local workers. Contractor data from February 2026 shows 16 local contractors engaged in planting, harvesting, administration, planning, public relations, and forest protection, with a majority of the contractor workers (64%) also coming from local communities.

According to the CSR Report for January–December 2025, the program realization included mechanisms for incentives and fair benefit sharing, such as honorarium for village administrators, community leaders, religious leaders, and traditional leaders, development of assisted villages, and empowerment of local customs. It also addressed mechanisms for social conflict solutions, including youth activities, sports, and support for national celebration proposals.

Description of the Ecological conditions of the concession

PT Citra Sumber Sejahtera Sejati has environmental management and monitoring documents, including reducing the operational impacts of forest management concerning the Agreement on the Results of the AMDAL. The 2018–2027 RKUPPHK serves as a reference for long-term management where there is the arrangement of areas, including those

with ecologically important functions, in accordance with Decree of the Minister of Environment and Forestry Number SK.123/MENLHK-PHPL/UHP/HPL.1/1/2018 dated January 22, 2018. The organization has committed to sustainable forest management reflected in the Sustainable Forest Management Policy 2.0 (SFMP). This policy includes a clear commitment to the High Carbon Stock Approach (HCSA) as stipulated by the HCSA Steering Committee.

The organization has identified key protected and threatened/endangered species through inventories and mapping of the distribution of protected flora and fauna, protected both by national laws and international regulations to maintain the High Conservation Value. The organization has mapped the status of animals and their distribution. Based on the study of key species in 2026, the species found were the sun bear, hornbill, sumatran elephant, and kempas.

The organization safeguards its concessions from operational damage and natural disturbances by deploying workforce teams for environmental monitoring, fire control, wildlife conflict management, and chemical spill responses. It protects of the designated protected areas through routine patrols, boundary markers, signage, and strict prohibitions against commercial exploitation, burning, logging, or hunting. To support ecosystem restoration without genetically modified species, it maintains a Natural Seedling Nursery dedicated to developing local, rare, and endemic plants for rehabilitation efforts. Furthermore, the organization avoids fire usage, implements an integrated, chemical-minimized pest and disease management system and enforces strict fire control procedures in compliance with national environmental regulations.

Reduced Impact Logging is applied in production activities by considering pre-harvest condition assessments and maintaining identified water body/water catchment vegetation within the harvested production area. The use of agricultural chemicals is in accordance with R&D needs and recommendations. The use of pesticides and other materials is appropriate and controlled (pesticides, herbicides) with correct methods, referring to the Integrated Pest and Disease Management SOP and Weed Control SOP.

Monitoring of soil physical and chemical parameters, including soil fertility, soil density, and soil erosion, is carried out periodically. In 2025, analysis results showed that these parameters were still below the threshold value. Monitoring of water quality and discharge in the Kelawaran River, Peladangan River, and Serangge River is conducted to control the impact of forest management operations on the balance and quality of water in downstream areas. The organization has developed an Environmental Management and Monitoring Evaluation as a monitoring and evaluation tool, which is reported to relevant agencies.

Results of the Public Consultation

Prior to carrying out the Surveillance 1 Audit, PT ACube TIC International conducted a public consultation starting 8 February 2026, asking stakeholders to provide feedback and information about PT Citra Sumber Sejahtera Sejati. The public consultation was uploaded to the PT ACube TIC International website (www.ajaindonesia.com), sent to parties by email or postal mail, and published in local newspapers. There was no input from the stakeholders.

The audit team also collected information from the mass media about PT Citra Sumber Sejahtera Sejati. The reported cases are considered part of the PT ACube TIC International audit process.

The Organization has identified all the requirements necessary for this certification process, which consists of legal aspects that include compliance with regulations and international rules and conventions. The management system has been built to cover all activities in the field of certification, which are registered for certification covering an area of 9.862,1 hectares

Organization progress record related to corrective action on findings of nonconformities in previous audit

The Recertification Audit result is 3 (three) non-conformity in Minor category. The Organization has made improvements and the non-conformities are closed.

No	Non-Conformities	Corrective Action Performed	Closed Out Surveillance Audit 1 in 2026
1	The water source (drilled well) used by contractor workers is used for toilets and also used as a source of drinking water. The quality of the water source has not been tested to become a source of drinking water. Indicator 5.3.4.2	Socialization has carried out in 19 March 2025 on the use of RO water for drinking water, all employees and contractors are not allowed to use drilled well water as drinking water. There was documentation of the results of the socialization to workers.	Based on field verification at the harvesting contractor's housing, there was the use of bottled drinking water with Test Result Certificate Number: 0191/BSPJI-Padang/LAB/III/2024, dated March 6, 2024, for the sample of AMIA ARTHA AQEZ Prim A Brand Mineral Water (19 Liter Gallon).
2	The Organization has not conducted a High Carbon Stock study but a HCSA risk assessment conducted in conjunction with the HCV Study in 2006 (in collaboration with IPB University). Indicator 7.1.3	The Organization has identified and calculated carbon emission sources consisting of: stationary source emissions, ambient air, felling, and motor vehicles.	The organization has made efforts in calculating carbon stocks in its concession areas by referring to SNI 7724:2019 concerning the measurement and calculation of carbon stocks of field measurements for land-based carbon stock estimation. Calculation estimates have been made on the carbon biomass of saplings, poles, trees in protected areas of river banks; dry mineral soil biomass; carbon biomass of staple plants and livelihood plants. The organization has identified emission sources, estimated emission levels, developed action plans, and implemented activities to reduce emissions.
3	PT Citra Sumber Sejahtera Sejati has not been able to show the process of extending the Temporary Storage	The Organization has made a letter of offer to compile the B3 Waste technical	The organization submitted an application for an extension of the Temporary Storage Permit for B3

	Permit for B3 waste which has expired since 2022. Indicator 7.2.7	document dated 14 March 2025.	waste through the integration of technical and technical details in environmental approval with the development that there is a draft document of Technical Details of PT Citra Sumber Sejahtera Sejati 2025 for technical details of B3 waste storage by PT Tiara Kreasi Utama.
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Findings on the certified client conformity with the certification requirements and description of critical issues in relation to the conformity.

The results of Surveillance 1 Audit were no non-conformity.

Conditions under which the certificate is issued

Certificate number AJA/IFCC-PEFC/FMC-HT/00025/VII/2016 is valid until 26 July 2028, provided that PT Citra Sumber Sejahtera Sejati maintains its Surveillance schedule and does not have potential major non-conformities at the next Surveillance.