



Why GGL?

METI in Japan approved GGL as PKS sustainability certificate as of 30th November, 2020 GGL Certificate is subject to CPO Mill (without plantation), Stockpile, Trading houses, and Power Plants, Around 200 Mills are in the commitment for the sustainability PKS sourcing



GGL has developed a set of requirements applicable to operators wishing to source, process and transport PKS into Japan as biomass input for energy production under the Japan's Feed in Tariff (FIT) system. The developed requirements want to provide a guarantee on: Legal Compliance (Outside Japan), Sustainable and legal sourcing, Fair working conditions, Elimination of child labor and Forced Labor, Workers' Rights to Organize and Bargain Collectively and finally information disclosure.

Subjects taking GGL Certification:

All parties included in PKS transaction shall have GGL audit, verification and/or certification, for instance:



CPO Mill → Stockpile → Stockpile's sales company (if any) → Trader → Buyer → Power Plant.

GGL Consultancy Process

- Apply for GGL to the company's Peterson Projects and Solutions.
- The Consultancy body makes contract and assist the overall procedure for the implementation and preparation for the certification
- GGL consultant makes on-site /remote consultancy
- GGL consultant makes a verification report to be used by the CB for their auditing and certification process.
- GGL consultant will also assist with training and resolution of the non-compliance as per GGL requirement.

Peterson Projects & Solutions
 AD Premier building 19th floor
 Jl. TB. Simatupang No. 5
 Ragunan, Pasar Minggu
 Jakarta 12550 • Indonesia
 T: +62 21 2270 8913
 E: marketing-Indonesia@onepeterson.com
 W: petersonindonesia.com

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|---------------------|----------------|-----------------------|--------------------|----------------------|---------------|
| Carbon Footprinting | Implementation | Life Cycle Assessment | Pest Control | Responsible Sourcing | Risk Analysis |
| EcO ₂ | AMDAL UKL-UPL | Due Diligences | Water Footprinting | Plastic Footprinting | PROPER KLHK |

GGL Certification Process

1) Application and Procedure

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| <ul style="list-style-type: none"> • Apply for GGL to the company's Control Union("CU") Subsidiary. |
| <ul style="list-style-type: none"> • The CU makes contract and manage the overall procedure for the certificate Ex) to inform Required documents, To make contract, To set the schedule of audit |
| <ul style="list-style-type: none"> • GGL Inspector makes On-line audit or On-site audit |
| <ul style="list-style-type: none"> • GGL Inspector makes audit report and submit such report to CU Headquarter in the Netherlands. |
| <ul style="list-style-type: none"> • CU HQ reviews the audit report and approves if the report has no issue. |

- The audit for inspection will be as follows.

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|--------------------------------|--|
| CPO Mill | <ul style="list-style-type: none"> - Onsite - sampling audit * If a stockpile purchases PKS from 100 CPO Mills, Square Root($\sqrt{\quad}$) will be applied and only 10 mills will have on-site audit. - CPO Mill with RSPO or any other certificates may be exempted from the audit. |
| Stockpile | - On-site Audit |
| Trader or Sales company | - Onsite or Remote Audit based on the submitted |

Depending on the application status, CU HQ(Netherland) will nominate additional GGL Inspectors in the subsidiaries.

2) Cost and time for GGL Certificate (Trader basis)

- Cost : Approximate U\$3,000 ~ U\$3,500 per company

- Period : 3~4 months after contracting with CU

- Renewal : Annual basis - For Stockpile, additional cost for on-site Audit is expected, and the exact cost will be decided by location, the number of Mills, and others.

Criteria of Inspection

- The following criteria is for CPO Mill and Stockpile.

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| • All volumes origination from the CPO mill shall be traceable |
| • The operator does not deliberately produce any waste or residues or expand the |
| • A management system is in place for all operations at the processing site. |
| • Relevant international, national, regional and local laws and regulations are complied |
| • Labour rights of workers and staff are safeguarded. |
| • Health and Safety of workers and staff are protected. |
| • Transparency and a grievance mechanism are established. |
| • Relevant documents and yearly summaries are stored for at least 5 years. |

Control Union Contact Information

Indonesia : AD premier building 8th floor, suite 05-06, Jl. TB. Simatupang No. 5, Ragunan, Pasar Minggu 12550 Jakarta Indonesia TEL : +62 21 22708984 Email : jakarta@controlunion.com

Malaysia (Klang) : B-3-1 Block B, Pusat Perniagaan, Prima Klang, Jalan Kota /KS1, 41000 Klang, Selangor, Malaysia TEL : +60 3 33771600 / 1700 Email : malaysia@controlunion.com

* There is C/U office in Lahad Datu and Pasir Gudang

