

Roundtable on Sustainable Palm Oil Certification R S P O

[✓] Re-Certification

Name of Management Organisation : **Leidong West Mill, PT Maskapai Perkebunan Leidong West Indonesia subsidiary of Golden Agri Resources Ltd**
 Plantation Name : **PT Maskapai Perkebunan Leidong West Indonesia (Leidong West Selatan Estate and Leidong West Utara Estate) & PT Bumi Permai Lestari (Bukit Intan Estate and Bukit Mas Estate)**
 Location : **Village of Terentang, Sub District of Kelapa, District of Bangka Barat, Province of Bangka Belitung, Indonesia**
 Certificate Code : **MUTU-RSPO/041**
 Date of Certificate Issue : 16 May 2019 Date of License Issue : 16 May 2019
 Date of Certificate Expiry : 15 May 2024 Date of License Expiry : 15 May 2020

| Assessment | Assessment Date | PT. Mutuagung Lestari Auditor | Reviewed by | Approved by |
|------------|------------------------------|---|-----------------------|------------------------|
| RC | 25 February to 02 March 2019 | Sandra Purba, Rizliani Aprianita Hasibuan, Yudhi Yuniarto Tallutondok, Steve Mualim | Ganapathy Ramasamy | Octo HPN Nainggolan |

| Assessment | Approved by MUTUAGUNG LESTARI on: |
|------------|-----------------------------------|
| RC | 16 April 2019 |

PT Mutuagung Lestari • Raya Bogor Km 33,5 Number 19 • Cimanggis • Depok 16953 • Indonesia
 Telephone (+62) (21) 8740202 • Fax (+62) (21) 87740745/6 • Email: agri@mutucertification.com •
www.mutucertification.com

MUTU Certification • Accredited by Accreditation Services International
 on March 12th, 2014 with registration number **ASI-ACC-055**

TABLE OF CONTENT

FIGURE

| | |
|---|---|
| Figure 1. Location Map of PT Maskapai Perkebunan Leidong West Indonesia and PT. Bumi Permai Lestari | 2 |
| Figure 2. Operational Map of PT Maskapai Perkebunan Leidong West Indonesia - Leidong West Selatan Estate (LWSE) | 3 |
| Figure 3. Operational Map of PT Maskapai Perkebunan Leidong West Indonesia - Leidong West Utara Estate (LWUE) | 4 |
| Figure 4. Operational Map of PT Bumi Permai Lestari - Bukit Intan Estate (BINE) | 5 |
| Figure 5. Operational Map of PT Bumi Permai Lestari - Bukit Mas Estate (BMSE) | 6 |
| Abbreviations Used | 7 |

1.0 SCOPE of the CERTIFICATION ASSESSMENT

| | |
|---|----|
| 1.1 Assessment Standard Used | 9 |
| 1.2 Organisation Information | 9 |
| 1.3 Type of Assessment | 9 |
| 1.4 Location of Mill and Plantations | 9 |
| 1.5 Description of Area Statement | 10 |
| 1.6 Planting Year and Cycles | 10 |
| 1.7 Description of Mill and Supply Base | 11 |
| 1.8 Estimate Tonnage of Certified Product | 11 |
| 1.9 Other Certifications | 12 |
| 1.10 Time-Bound Plan | 12 |

2.0 ASSESSMENT PROCESS

| | |
|--|----|
| 2.1 Assessment Team | 20 |
| 2.2 Assessment Methodology, Assessment Process and Locations of Assessment | 20 |
| 2.3 Stakeholder Consultation and Stakeholders Contacted | 23 |
| 2.4 Determining Next Assessment | 23 |

3.0 ASSESSMENT FINDINGS

| | |
|--|----|
| 3.1 Summary of Assessment Report of the RSPO Certification | 24 |
| 3.2 Summary of Assessment Report of Supply Chain Requirement | 59 |
| 3.3 Conformity Checklist of Certificate and Logo Use | 68 |
| 3.4 Summary of RSPO Partial Certification | 69 |
| 3.5 Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components | 74 |
| 3.6 Summary of Arising Issues from Public, Management and Auditor Responses | 78 |

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 Maskapai Perkebunan Leidong West Indonesia and PT. Bumi Permai Lestari

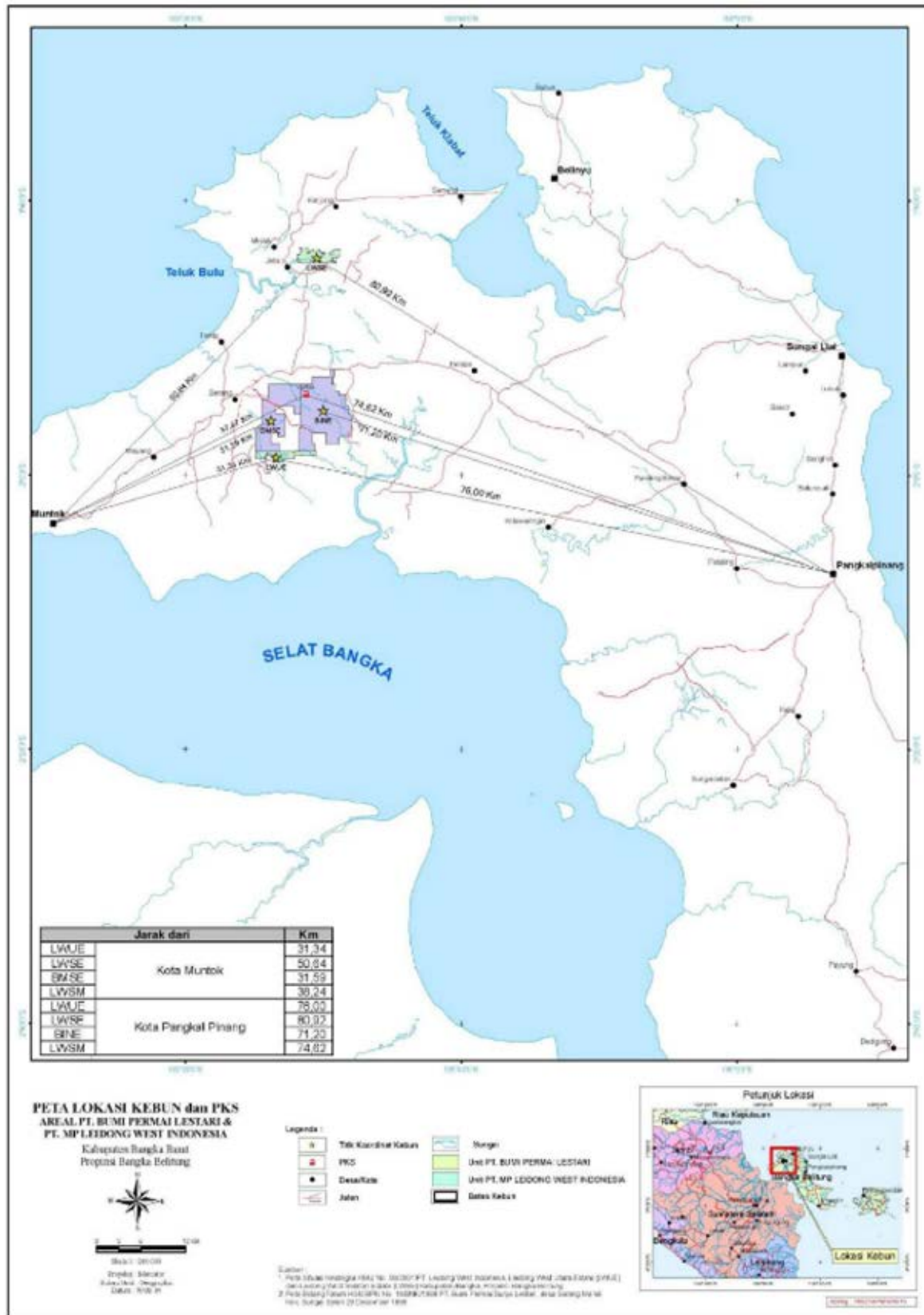


Figure 2. Operational Map of PT Maskapai Perkebunan Leidong West Indonesia - Leidong West Selatan Estate (LWSE)

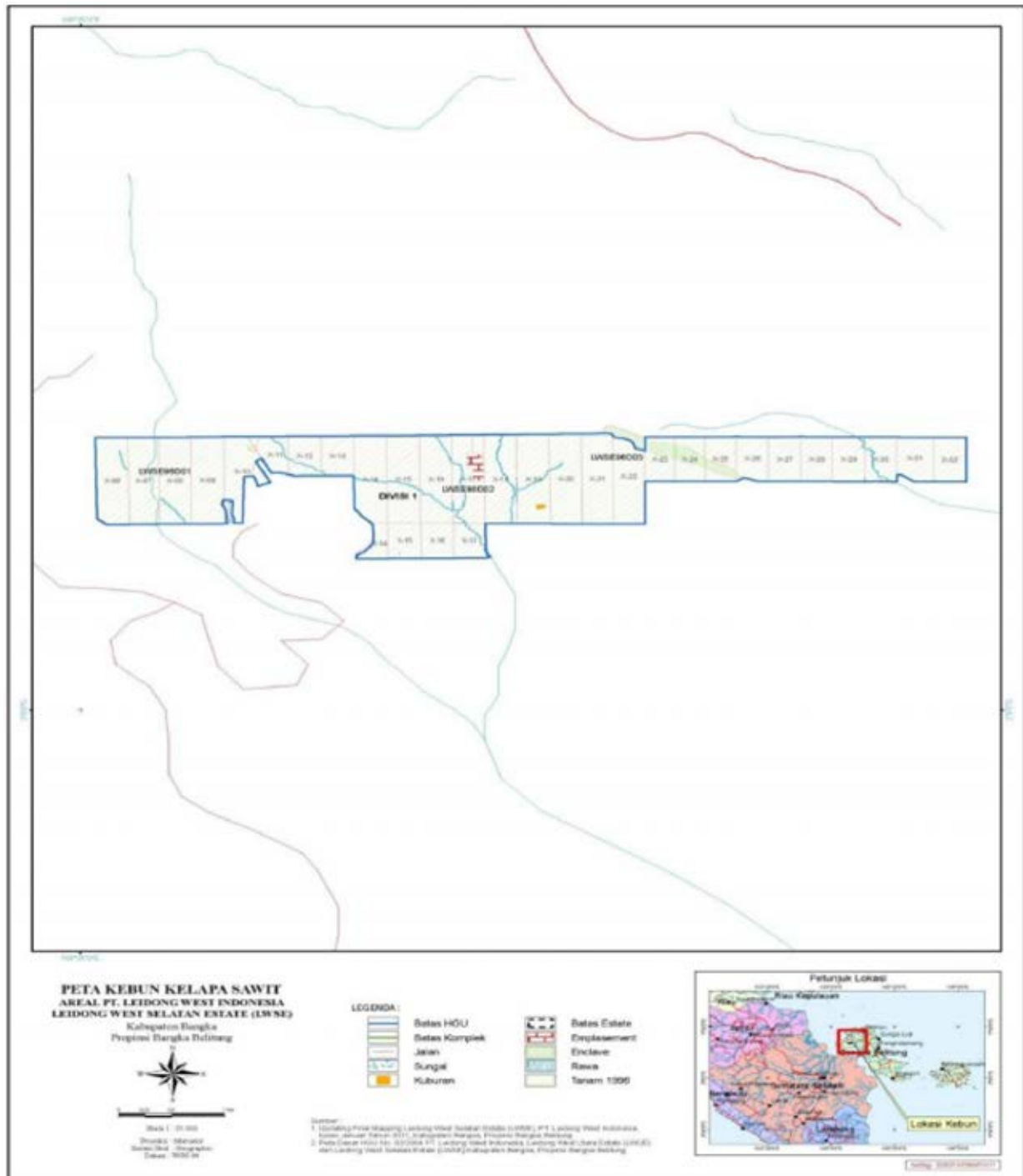


Figure 3. Operational Map of PT Maskapai Perkebunan Leidong West Indonesia - Leidong West Utara Estate (LWUE)

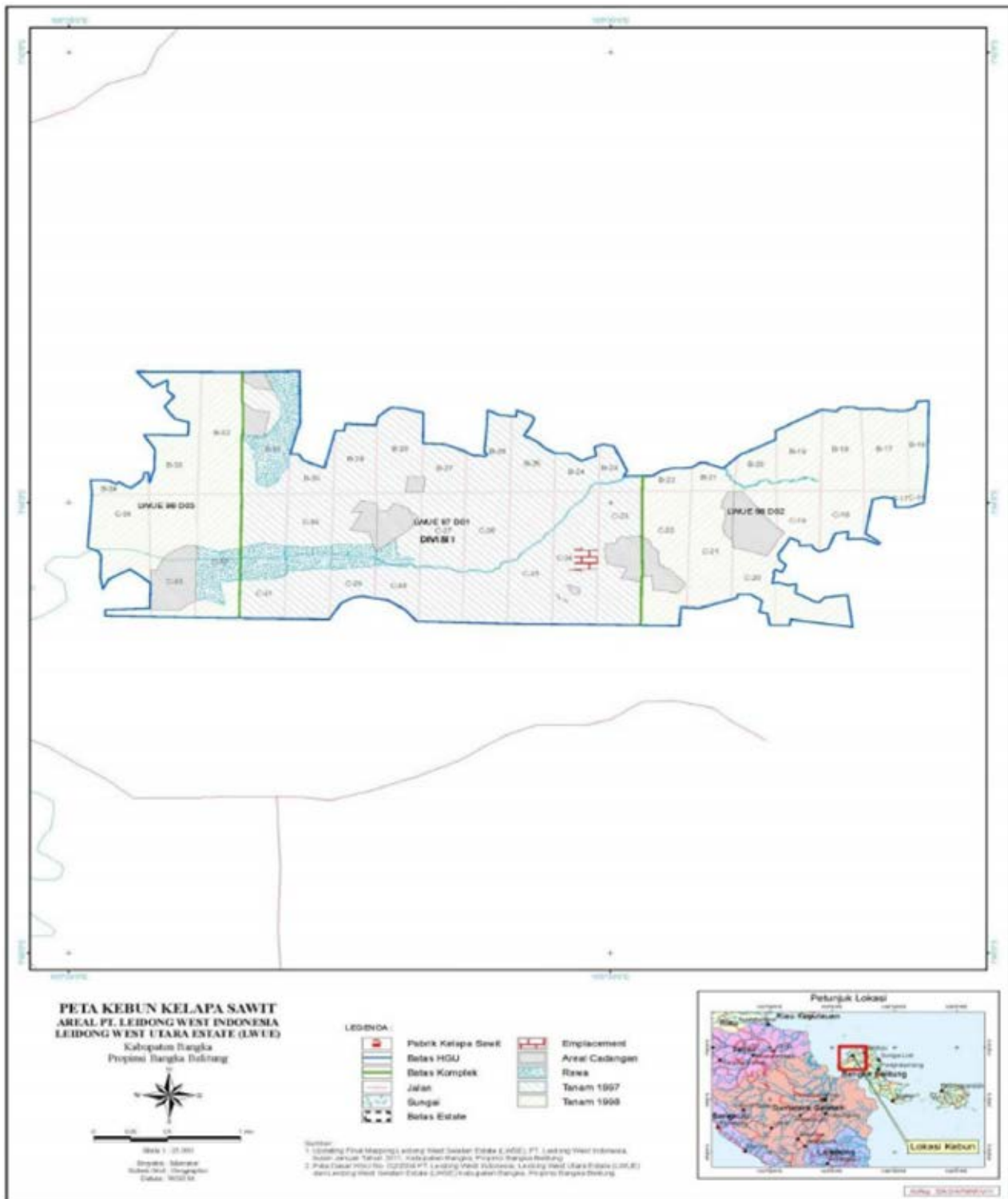


Figure 4. Operational Map of PT Bumi Permai Lestari - Bukit Intan Estate (BINE)

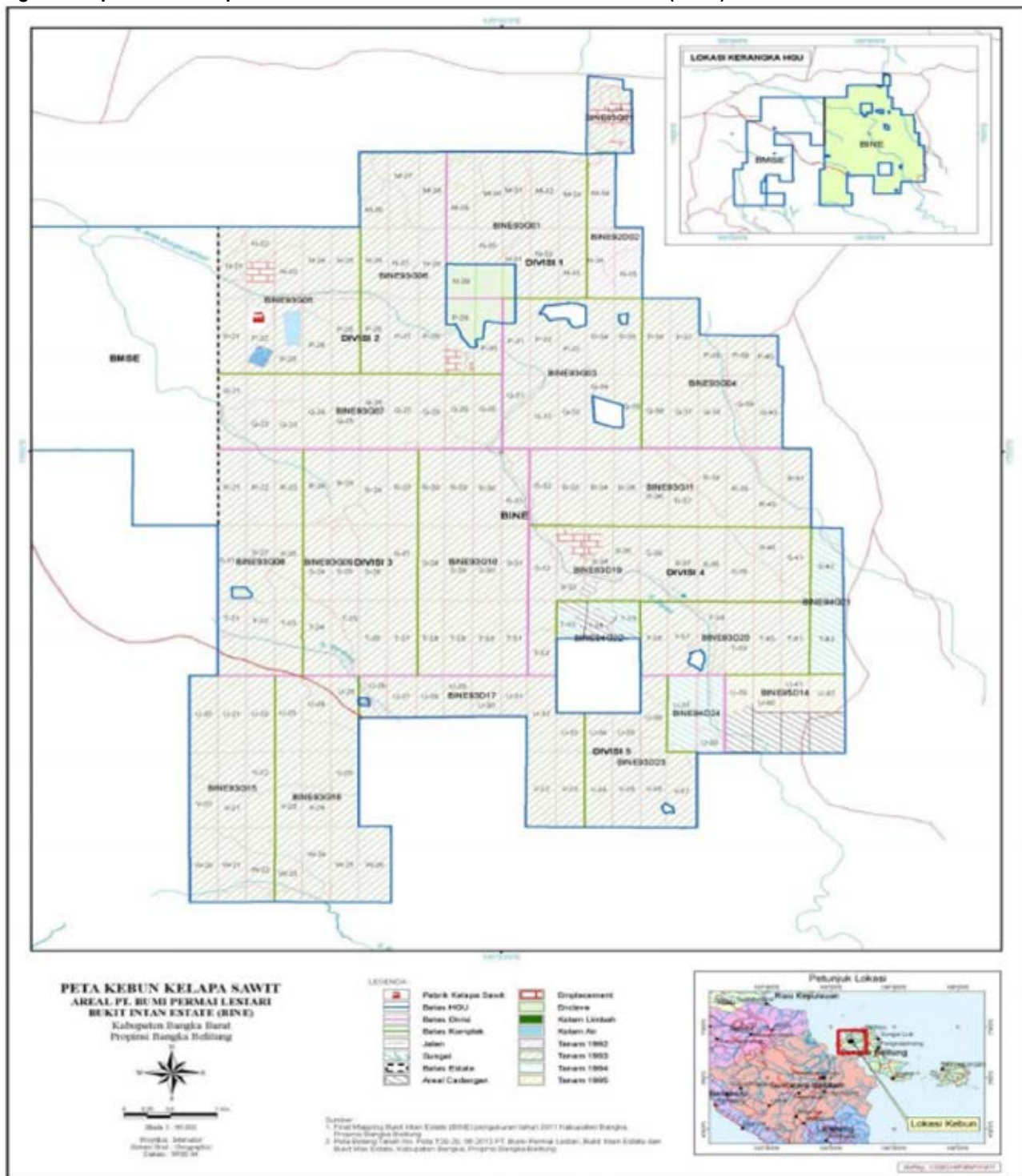
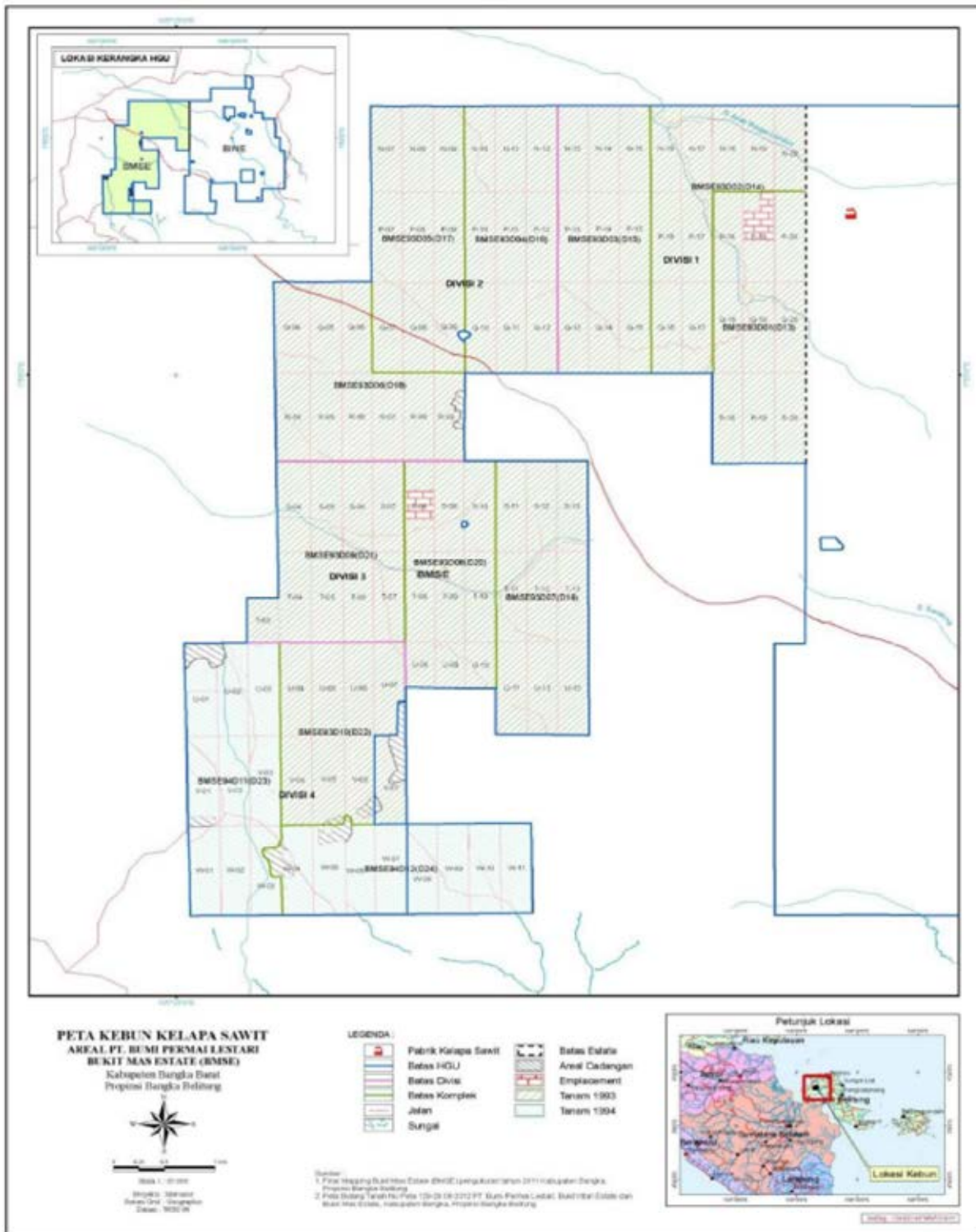


Figure 5. Operational Map of PT Bumi Permai Lestari – Bukit Mas Estate (BMSE)



Abbreviations Used

| | | |
|-------|---|--|
| ASA | : | Annual Surveillance Assessment |
| BPJS | : | Badan Penyelenggara Jaminan Sosial (Insurance) |
| BMSE | : | Bukit Mas Estate |
| BINE | : | Bukit Intan Estate |
| BOD | : | Biochemical Oxygen Demand |
| BPL | : | Bumi Permai Lestari |
| CEO | : | Chief Executive Officer |
| CH | : | Certificate Holder |
| CLA | : | Collective Labour Agreements |
| CPO | : | Crude Palm Oil |
| CSPK | : | Certified Sustainable Palm Kernel |
| CSPO | : | Certified Sustainable Palm Oil |
| CSR | : | Corporate Social Responsibility |
| DPLH | : | Dokumen Pengelolaan Lingkungan Hidup / Environmental Management Document |
| EBS | : | Empty Bunch Spreader |
| EFB | : | Empty Fruit Bunch |
| EHS | : | Environmental Health and Safety |
| EIA | : | Environmental Impact Assessment |
| FFB | : | Fresh Fruit Bunch |
| FPIC | : | Free Prior Inform and Consent |
| GAR | : | Golden Agri Resource |
| GHG | : | Green House Gas |
| GSEP | : | GAR Social and Environment Policy |
| HCV | : | High Conservation Value |
| HGU | : | Hak Guna Usaha (Land Use Title/Right) |
| HIRAC | : | Hazard Identification Risk Assessment and Control |
| IPM | : | Integrated Pest Management |
| ILO | : | International Labour Organization |
| ISCC | : | International Sustainability and Carbon Certification |
| ISO | : | International Standard Organisation |
| ISPO | : | Indonesia Sustainable Palm Oil |
| IUCN | : | International Union for Conservation of Nature |
| IUP | : | Plantation Permit/Licenses |
| KAN | : | Indonesian Accreditation Body |
| KER | : | Kernel Extraction Rate |
| LA | : | Land Application |
| LD | : | Lethal Dosage |
| LKUP | : | Laporan Kegiatan Usaha Perkebunan (Plantation Activity Report) |
| LWM | : | Leidong West Mill |
| LWUE | : | Leidong West Utara Estate |
| LWSE | : | Leidong West Selatan Estate |

| | | |
|-----------|---|--|
| MCMD | : | Management Commite for Mill Development |
| MoU | : | Memorandum of Understanding |
| MSDS | : | Material Safety Data Sheet |
| MUTU | : | Mutuagung Lestari |
| NGO | : | Non Government Organization |
| OER | : | Oil Extraction Rate |
| OFI | | Oportunity for Improvement |
| OHS | : | Occupational Health and Safety |
| OSH | | Occupational Safety and Health |
| OIA | : | Operational Internal Audit |
| PK | : | Palm Kernel |
| POM | : | Palm Oil Mill |
| POME | : | Palm Oil Mill Effluent |
| PSM | | Perkebunan Sinar Mas |
| PT BPL | : | PT Bumi Permai Lestari |
| PT MP LWI | | PT Maskapai Perkebunan Leidong West Indonesia |
| PPE | | Personal Protective Equipment |
| RC/PC | : | Regional Controller / Production Controller |
| RKL- RPL | : | Environmental Management and Monitoring Report |
| RSPO | : | Roundtable Sustainable Palm Oil |
| SCCS | : | Supply Chain Certification System |
| SIA | : | Social Impact Assessment |
| SMARTRI | | SMART Research Institute |
| SMD Ops | : | Senior Managing Directors Operation |
| SOP | : | Standard Operating Procedure |
| SPO | : | Sustainable Palm Oil |
| UKL-UPL | : | Upaya Pengelolaan & Pemantauan Lingkungan Hidup / Environmental Management & Monitoring Effort |
| VPA | : | Vice President Agronomi |
| VPA /VPM | : | Vice President Agronomy / Vice President Manufacture |
| WHO | : | World Health Organization |
| WTP | : | Water Treatment Plant |
| WWTP | : | Waste Water Treatment Plant |

| | | | |
|-------|---|---|-------------------|
| 1.0 | SCOPE of the CERTIFICATION ASSESSMENT | | |
| | | | |
| 1.1 | Assessment Standard Used | <ul style="list-style-type: none">Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016)RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module D / E for CPO Mill)RSPO Certification System for Principles and Criteria, 14 June 2017 | |
| | | | |
| 1.2 | Organization Information | | |
| 1.2.1 | Organization name listed in the certificate | PT Maskapai Perkebunan Leidong West Indonesia subsidiary of Golden Agri Resources | |
| 1.2.2 | Contact person | Ismu Zulfikar | |
| 1.2.3 | Organization address and site address | RSPO register company: 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535 Liaison Office : Sinarmas Land Tower 2, 30th Floor JL. MH Thamrin No 51 Kav 22 Jakarta 10350 Indonesia | |
| 1.2.4 | Telephone | +6221 50338899 ext 1184 | |
| 1.2.5 | Fax | +6221 50389999 | |
| 1.2.6 | E-mail | ismu-zulfikar@sinarmas-agri.com | |
| 1.2.7 | Web page address | www.goldenagri.com.sg | |
| 1.2.8 | Management Representative who completed the application for certification | Ismu Zulfikar (Head of Environmental Department) | |
| 1.2.9 | Registered as RSPO member | 1-0096-11-000-00 – 31 March 2011 | |
| | | | |
| 1.3 | Type of Assessment | | |
| 1.3.1 | Scope of Assessment and Number of Management Unit | Palm Oil Mill and supply base <ul style="list-style-type: none">Leidong West Mill, Leidong West Selatan Estate, Leidong West Utara Estate, Bukit Intan Estate and Bukit Mas Estate | |
| 1.3.2 | Type of certificate | Single | |
| | | | |
| 1.4 | Locations of Mill and Plantation | | |
| 1.4.1 | Location of Mill | | |
| | Name of Mill | Location | Coordinate |
| | | | LatitudeLongitude |

| | | | | | | |
|-------|---|---|---------------|----------------|-----------|------------|
| | Leidong West Mill | Village of Terentang, Sub District of Kelapa, Bangka Barat Regency, Province of Bangka Belitung, Indonesia | S 01° 54' 05" | E 105° 28' 35" | | |
| 1.4.2 | Location of Certification Scope of Supply Base | | | | | |
| | Name of Supply Base | Location | Coordinate | | | |
| | | | Latitude | Longitude | | |
| | Leidong West Selatan Estate (LWUE) | Village of Berang, Sub District of Simpang Teritip; District of Bangka Barat, Province of Bangka Belitung, Indonesia | S 01° 58' 24" | E 105° 26' 59" | | |
| | Leidong West Utara Estate (LWSE) | Village of Mislak, Tumbak Petar, Jebus and Ranggi Asam; Sub District of Jebus; District of Bangka Barat, Province of Bangka Belitung, Indonesia | S 01° 44' 17" | E 105° 29' 53" | | |
| | Bukit Intan Estate (BINE) – PT Bumipermai Lestari | Village of Terentang and Kacung, Sub District of Kelapa; District of Bangka Barat, Province of Bangka Belitung, Indonesia | S 01° 52' 33" | E 105° 30' 35" | | |
| | Bukit Mas Estate (BMSE) - PT Bumipermai Lestari | Villages of Ibul; Sub District of Kelapa; District of Bangka Barat, Province of Bangka Belitung, Indonesia | S 01° 54' 03" | E 105° 28' 05" | | |
| 1.5 | Description of Area Statement | | | | | |
| 1.5.1 | Tenure | | | | | |
| | • State | | 9,627.77 | Ha | | |
| | • Community | | | Ha | | |
| | Total HGU PT MP LWI: 1,389.25 ha; total HGU of PT BPL: 8,234.12 Ha; total HGB of PT BPL: 4,4 Ha | | | | | |
| 1.5.2 | Area Statement | | | | | |
| | • Total area | | 9,627.77 | Ha | | |
| | • Mature area | | 8,962.39 | Ha | | |
| | • Immature area | | - | Ha | | |
| | • Mill, Emplishment and Building | | 83.27* | Ha | | |
| | • Infrastructure (road) | | 262.92 | Ha | | |
| | • Reserve area (enclave within HGU) | | 109.88 | Ha | | |
| | • Trenches, swamp, river | | 53.60 | Ha | | |
| | • Occupation | | 19.57 | Ha | | |
| | • HCV | | 311.31** | Ha | | |
| | * Mill are located in BINE (land lease agreement) ** HCV area are consists of planted area (175.17 Ha) and not planted area (136.14 Ha). | | | | | |
| 1.6 | Planting Year and Cycles | | | | | |
| 1.6.1 | Age profile of planting year | | | | | |
| | Planting Year | Hectares (Ha) | | | | |
| | | LWUE (Ha) | LWSE (Ha) | BINE (Ha) | BMSE (Ha) | Total (Ha) |
| | 1992 | - | - | 85.28 | - | 85.28 |

| | | | | | | | |
|-------|--|----------------------------------|--------------------------------------|-----------------------------|---------------------------------|----------------------------|---------------------------|
| | 1993 | - | - | 4354.02 | 2534.01 | 6888.03 | |
| | 1994 | - | - | 156.68 | 482.76 | 639.44 | |
| | 1995 | - | - | 60.89 | - | 60.89 | |
| | 1996 | 627.12 | - | - | - | 627.12 | |
| | 1997 | - | 341.45 | - | - | 341.45 | |
| | 1998 | - | 320.18 | - | - | 320.18 | |
| | TOTAL | 627.12 | 661.63 | 4656.87 | 3016.77 | 8962.39 | |
| 1.6.2 | New Planting area after January 2010 | | - Ha | | | | |
| 1.6.3 | Planting Cycle | | 1 st Cycle | | | | |
| | | | | | | | |
| 1.7 | Description of Mill and Supply Base | | | | | | |
| 1.7.1 | Description of Mill | | | | | | |
| | Name of Mill | Capacity (tons/ hour) | FFB Processed (tons/year) | CPO | | Palm Kernel | |
| | | | | Out put (tons) | Extraction (%) | Out put (tons) | Extraction (%) |
| | Leidong West Mill | 60 | 263,392.77 | 54,764.73 | 20.72 | 16,158.84 | 6.14 |
| | <i>*Production data source from 12 months before assessment (Feb 2018 – Jan 2019)</i> <i>The discrepancy between FFB received and FFB processed amount of 56.89 ton is due FFB unripe from previous day</i> | | | | | | |
| 1.7.2 | Description of Certification Scope of Supply Base | | | | | | |
| | Name of Estate | Total Area (Ha) | Planted Area (Ha) | FFB (tons/year) | Yield (tons/ha/year) | Supplied to Mill | |
| | | | | | | FFB (tons/year) | % |
| | Leidong West Selatan | 642.73 | 627.12 | 17,903.32 | 28 | 17,903.32 | 100 |
| | Leidong West Utara | 746.52 | 661.63 | 15,878.16 | 23 | 15,878.16 | 100 |
| | Bukit Intan | 5,055.01** | 4,656.87 | 106,575.47 | 23 | 106,575.47 | 100 |
| | Bukit Mas | 3,183.51 | 3,016.77 | 81,580.73 | 27 | 81,580.73 | 100 |
| | TOTAL | 9,627.77 | 8,962.39 | 221,937.68 | 25.25 | 221,937.68 | 100 |
| | <i>*Production data source from 12 months before assessment (Feb 2018 – Jan 2019)</i> <i>** HGU and HGB (4.4 Ha)</i> | | | | | | |
| 1.7.3 | FFB description from other source | | | | | | |
| | Name of sources/Organization (RSPO certified / non-certified) | Type of Organization | Number of smallholders | Production Area (Ha) | Supplied to Mill | | |
| | | | | | FFB (tons/year) | | |
| | Bukit Permata (RSPO Certified) | PT Bumipermai Lestari | - | 1,973.45 | 36,722.83 | | |
| | Bukit Perak (RSPO Certified) | PT Bumipermai Lestari | - | 4,111.50 | 4,675.37 | | |
| | TOTAL | | | | 41,398.20 | | |
| | <i>*Source Production Data on 12 months before assessment (Feb 2018 – Jan 2019)</i> | | | | | | |
| 1.7.4 | Product categories | | | FFB, CPO, PK | | | |

| | | | | | | | | |
|--|--|-----------------------|--|-------------------|--|----------------------|----------------|---------------------|
| 1.8 | Tonnage of Product | | | | | | | |
| 1.8.1 | Past Annual Claim Certified Product | | Last Year Projected Certified Volume (MT) | | Last Year Actual Certified Volume (MT) | | | |
| | • FFB Processed | | 269,613.6 | | 263,392.77 | | | |
| | • CPO Production | | 56,661.34 | | 54,764.73 | | | |
| | • Palm Kernel (PK) Production | | 16,388.16 | | 16,158.84 | | | |
| | | | | | | | | |
| 1.8.2 | Product selling | | | | | | | |
| | Tonnage of selling product | | Actual selling product for last year (MT) | | | | | |
| | • CSPO sold as RSPO certified product | | 18,297.19 | | | | | |
| | • CSPK sold as RSPO certified product | | 16,158.84 | | | | | |
| | • CSPO sold under other scheme | | 36,216.27 | | | | | |
| | • CSPK sold under other scheme | | 0 | | | | | |
| | • CSPO sold as conventional | | 0 | | | | | |
| | • CSPK sold as conventional | | 0 | | | | | |
| | | | | | | | | |
| 1.8.3 | Estimate of Certified FFB Claim | | | | | | | |
| | Name of Estate(s) | | Total Area (Ha) | Planted Area (Ha) | FFB (tons/year) | Yield (tons/ha/year) | | |
| | Leidong West Selatan | | 642.73 | 627.12 | 17,988 | 28.5 | | |
| | Leidong West Utara | | 746.52 | 661.63 | 15,890 | 24 | | |
| | Bukit Intan | | 5,055.01 | 4,656.87 | 95,675 | 20.5 | | |
| | Bukit Mas | | 3,183.51 | 3,016.77 | 65,659 | 21.7 | | |
| | TOTAL | | 9,627.77 | 8,962.39 | 195,212 | 23.7 | | |
| | *Projected FFB production for 12 months of certificate (16 May 2019 – 15 May 2020) | | | | | | | |
| 1.8.4 | Estimate of Certified Palm Product Claim | | | | | | | |
| | Name of Mill | Capacity (tons/ hour) | FFB Processed (tons/year) | CPO | | Palm Kernel | | Supply Chain Module |
| | | | | Out put (tons) | Extraction (%) | Out put (tons) | Extraction (%) | |
| | Leidong West | 60 | 195,212 | 40,995 | 24 | 11,712 | 6 | |
| *Projected CSPO and CSPK production for 12 months of certificate (16 May 2019 – 15 May 2020) | | | | | | | | |
| 1.9 | Other Certifications | | | | | | | |
| | ISCC | | ISCC EU assessment by GutCert No. EU-ISCC-Cert-DE104-07781527 | | | | | |
| | ISPO | | ISPO certificate by Mutuagung Lestari No. MUTU-ISPO/049 valid from 5 February 2016 until 4 February 2021 | | | | | |
| 1.10 | Time Bound Plan | | | | | | | |
| 1.10.1 | Time Bound Plan for Other Management Units | | | | | | | |
| | Management Unit | | Estate (Supply Base) | Time Bound | Location | Status | | |
| | Mill | Time | | | | | | |

| | | Bound Plan | | Plan | | |
|--|---|------------|---|------|--------------------|-----------|
| | Pangkalan Panji (PT Sawit Mas Sejahtera) | 2013 | Sawit Mas Estate | 2013 | South Sumatera | Certified |
| | Bumi Sawit Mill (PT Bumi Sawit Permai) | 2013 | Bumi Sawit Estate | 2013 | South Sumatera | Certified |
| | Muara Kandis Mill (PT Djuanda Sawit Lestari) | 2013 | Muara Tawas Estate | 2013 | South Sumatera | Certified |
| | | | Muara Kandis Estate | 2013 | South Sumatera | Certified |
| | | | Muara Kandis Estate (HGU on progress – 574.58 Ha) | 2020 | South Sumatera | - |
| | | | Muara Tawas Estate (HGU on progress 73.78 Ha) | 2020 | South Sumatra | - |
| | | | Smallholder (KKPA Pandawa) | 2019 | South Sumatera | - |
| | | | Smallholder (Pandawa Plasma) | 2019 | South Sumatera | - |
| | Sungai Rungau Mill (PT Sumber Indah Perkasa) | 2013 | Sungai Rungau Estate | 2013 | Central Kalimantan | Certified |
| | | | Sungai Seruyan Estate | 2013 | Central Kalimantan | Certified |
| | | | Terawan Estate | 2013 | Central Kalimantan | Certified |
| | | | Tangar Estate | 2013 | Central Kalimantan | Certified |
| | | | Bukit Tiga Estate | 2013 | Central Kalimantan | Certified |
| | Bukit Perak EMIII (PT Bumi Permai Lestari) | 2013 | Bukit Perak Estate | 2013 | Bangka Belitung | Certified |
| | | | Bukit Permata Estate | 2013 | Bangka Belitung | Certified |
| | Tanjung Kembiri Mill (PT Forestalestari Dwikarya) | 2013 | Tanjung Kembiri Estate | 2013 | Belitung | Certified |
| | | | Tanjung Rusa Estate | 2013 | Belitung | Certified |
| | | | Tanjung Rusa Estate (HGU on process 48.81 Ha) | 2020 | Belitung | - |
| | | | Tanjung Rusa KKPA | 2019 | Belitung | - |
| | Sungai Buaya Mill (PT Sumber Indah Perkasa) | 2014 | Sungai Buaya Estate | 2014 | Lampung | Certified |
| | | | Smallholder (KKPA Gedung Aji Lama) | 2014 | Lampung | Certified |
| | | | Smallholder (KKPA Mesuji) | 2014 | Lampung | Certified |
| | Sungai Merah Mill (PT Sumber Indah Perkasa) | 2014 | Sungai Merah Estate | 2014 | Lampung | Certified |
| | | | Smallholder (KKPA Gedung Aji Baru) | 2014 | Lampung | Certified |
| | Kasuari Mill (PT Sinar Kencana Inti Perkasa) | 2020 | Cendrawasih Estate | 2020 | Papua | ST-1 |
| | | | Nuri Estate | 2020 | Papua | ST-1 |
| | | | Rajawali Estate | 2020 | Papua | ST-1 |
| | | | Mambruk Estate (PT Sumber Indah Perkasa) | 2020 | Papua | ST-1 |

| | | | | | |
|---|------|--|------|--------------------|-----------|
| Pekawai Mill (PT Agrolestari Mandiri) | 2018 | Kayung Estate | 2020 | West Kalimantan | ST-1 |
| | | Pekawai Estate | 2020 | West Kalimantan | ST-1 |
| | | Sungai Kelik Estate | 2020 | West Kalimantan | ST-1 |
| | | Nanga Tayap Estate | 2020 | West Kalimantan | ST-1 |
| | | Smallholder (Kayung Plasma) | 2020 | West Kalimantan | ST-1 |
| Kenanga Mill (PT Kencana Graha Permai) | 2014 | Kencana Estate | 2015 | West Kalimantan | Certified |
| | | Cendana Estate | 2015 | West Kalimantan | Certified |
| | | Kenanga Estate (PT Cahaya Nusa Gemilang) | 2020 | West Kalimantan | - |
| | | Delima Estate (PT Kencana Graha Permai) | 2020 | West Kalimantan | - |
| | | Gaharu Estate (PT Bangun Nusa Mandiri) | 2020 | West Kalimantan | - |
| | | Smallholder (Gaharu Plasma) | 2020 | West Kalimantan | - |
| | | Smallholder (Kencana Plasma) | 2020 | West Kalimantan | - |
| | | Smallholder (Kenanga Plasma) | 2020 | West Kalimantan | - |
| Perdana Mill (PT Binawit Abadi Pratama) | 2020 | Perdana Estate | 2020 | Central Kalimantan | ST-1 |
| | | Lenggana Estate | 2020 | Central Kalimantan | ST-1 |
| | | Semandau Estate | 2020 | Central Kalimantan | ST-1 |
| | | Muara Dua Estate | 2020 | Central Kalimantan | ST-1 |
| Kuayan Mill (PT Agrokarya Prima Lestari) | 2020 | Mentaya Estate | 2020 | Central Kalimantan | ST-1 |
| | | Kuayan Estate | 2020 | Central Kalimantan | ST-1 |
| | | Bukit Santuhai Estate | 2020 | Central Kalimantan | ST-1 |
| | | Tajur Beras Estate | 2020 | Central Kalimantan | ST-1 |
| | | Seranau Estate | 2020 | Central Kalimantan | ST-1 |
| | | Sungai Sambon Estate | 2020 | Central Kalimantan | ST-1 |
| | | Smallholder (Sungai Sambon Plasma) | 2020 | Central Kalimantan | - |
| | | Sapiri Estate (PT Buana Adhitama) | 2020 | Central Kalimantan | ST-1 |
| | | Bukit Dua Estate (PT Buana Adhitama) | 2020 | Central Kalimantan | ST-1 |
| | | Bukit Tunggal Estate (PT Buana Adhitama) | 2020 | Central Kalimantan | ST-1 |
| | | | | | |
| Belian Mill (PT Paramitra Internusa Pratama) | 2018 | Belian Estate | 2020 | West Kalimantan | ST-1 |
| | | Tengkawang Estate | 2020 | West Kalimantan | ST-1 |
| | | Kenari Estate (PT Bangun Nusa Mandiri) | 2020 | West Kalimantan | ST-1 |
| | | KerANJI Estate (PT Bangun Nusa Mandiri) | 2020 | West Kalimantan | ST-1 |

| | | | | | |
|---|------|--|------|--------------------|-----------------|
| | | Muara Tawang Estate (PT Kartika Prima Cipta) | 2020 | West Kalimantan | ST-1 |
| | | Kapuas Hulu Estate (PT Persada Graha Mandiri) | 2020 | West Kalimantan | ST-1 |
| | | Sungai Beran Estate (PT Persada Graha Mandiri) | 2020 | West Kalimantan | ST-1 |
| | | Smallholder (Belian KKPA) | 2020 | West Kalimantan | - |
| | | Smallholder (Tengkawang KKPA) | 2020 | West Kalimantan | - |
| | | Smallholder (Kenari Plasma) | 2019 | West Kalimantan | - |
| | | Smallholders (Kapuas Hulu KKPA) | 2020 | West Kalimantan | - |
| | | Kenanga Estate (PT Cahaya Nusa Gemilang) | 2020 | West Kalimantan | - |
| Sungai Kupang Mill (PT Sinar Kencana Inti Perkasa) | 2016 | Sungai Kupang Estate | 2020 | South Kalimantan | Main audit 2015 |
| | | Sungai Kupang KKPA | 2020 | South Kalimantan | |
| | | Senakin Estate | 2020 | South Kalimantan | - |
| Sungai Kikim Mill (PT Sawit Mas Sejahtera) | 2019 | Sungai Kikim Estate | 2020 | South Sumatera | - |
| | | Sungai Pangi Estate | 2020 | South Sumatera | - |
| | | Sungai Musi Estate | 2020 | South Sumatera | - |
| | | Sungai Saling Estate | 2020 | South Sumatera | - |
| | | Sungai Enim Estate (PT Bumi Sawit Permai) | 2020 | South Sumatera | - |
| | | Sungai Lematang Estate (PT Bumi Sawit Permai) | 2020 | South Sumatera | - |
| Tangar Mill (PT Mitra Karya Agroindo) | 2020 | Sulin Estate | 2020 | Central Kalimantan | - |
| | | Nahiyang Estate | 2020 | Central Kalimantan | - |
| | | Katayang Estate | 2020 | Central Kalimantan | - |
| | | Sungai Nusa Estate | 2020 | Central Kalimantan | - |
| | | Kajui Estate (PT Agro Lestari Sentosa) | 2020 | Central Kalimantan | - |
| | | Manuhing Estate (PT Agro Lestari Sentosa) | 2020 | Central Kalimantan | - |
| | | Sungai Ayawan Estate (PT Aditunggal Mahajaya) | 2020 | Central Kalimantan | - |
| Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa) | 2019 | Sungai Magalau Estate | 2020 | South Kalimantan | - |
| Jalemo Mill* | 2020 | Balasang Estate | 2020 | Central Kalimantan | - |

| | | | | | |
|---|------|------------------------------------|------|--------------------|-----------|
| PT Agro Lestari Sentosa | | Jalemo Estate | 2020 | Central Kalimantan | - |
| Sako Mill* (PT Adi Tunggal Mahajaya) | 2020 | Sulin Plasma | 2020 | Central Kalimantan | - |
| | | Sapiri Plasma | 2020 | Central Kalimantan | - |
| | | Sako Plasma | 2020 | Central Kalimantan | - |
| Padang Halaban Mill (PT SMART Tbk) | 2011 | Padang Halaban Estate | 2011 | North Sumatera | Certified |
| | | Penantian Estate | 2011 | North Sumatera | Certified |
| | | Adipati Estate | 2011 | North Sumatera | Certified |
| | | Kanopan Ulu Estate | 2011 | North Sumatera | Certified |
| Batu Ampar Mill (PT SMART Tbk) | 2012 | Batu Ampar Estate | 2012 | South Kalimantan | Certified |
| | | Batu Mulia Estate | 2012 | South Kalimantan | Certified |
| | | Sungai Panci Estate | 2012 | South Kalimantan | Certified |
| | | Sungai Panci KKPA | 2012 | South Kalimantan | Certified |
| Tanah Laut Mill (PT SMART Tbk) | 2012 | Tanah Laut Estate | 2012 | South Kalimantan | Certified |
| | | Kinta Pura Estate | 2012 | South Kalimantan | Certified |
| Langga Payung Mill (PT Tapian Nadenggan) | 2012 | Langga Payung Estate | 2012 | North Sumatera | Certified |
| | | Paya Baung Estate | 2012 | North Sumatera | Certified |
| | | Normark Estate | 2012 | North Sumatera | Certified |
| Hanau Mill (PT Tapian Nadenggan) | 2012 | Hanau Estate | 2012 | Central Kalimantan | Certified |
| | | Tasik Mas Estate | 2012 | Central Kalimantan | Certified |
| | | Tanjung Paring Estate | 2012 | Central Kalimantan | Certified |
| | | Langadang Estate | 2012 | Central Kalimantan | Certified |
| | | Medang Sari (PT Satya Kisma Usaha) | 2020 | Central Kalimantan | - |
| Semilar (PT Tapian Nadenggan) | 2013 | Semilar | 2013 | Central Kalimantan | Certified |
| | | Sei Rindu | 2013 | Central Kalimantan | Certified |
| | | Mandang | 2013 | Central Kalimantan | Certified |
| | | Puri | 2013 | Central Kalimantan | Certified |
| Jak Luay Mill (PT Tapian Nadenggan) | 2015 | Pantun Mas Estate | 2015 | East Kalimantan | Certified |
| | | Pantun Mas KKPA | 2020 | East Kalimantan | - |
| | | Jak Luay Estate | 2015 | East Kalimantan | Certified |
| | | Jak Luay KKPA | 2020 | East Kalimantan | - |
| | | Long Buluh Estate | 2015 | East Kalimantan | Certified |
| | | Bukit Subur Estate | 2015 | East Kalimantan | Certified |
| | | Bukit Subur KKPA | 2020 | East Kalimantan | - |
| Leidong West Mill | 2014 | Leidong West Utara Estate | 2014 | Bangka Belitung | Certified |

| | | | | | |
|---|------|---|------|------------------|-----------|
| (PT MP Leidong West Indonesia) | | Leidong West Selatan Estate | 2014 | Bangka Belitung | Certified |
| Muara Wahau Mill (PT Kresna Duta Agroindo) | 2014 | Muara Wahau Estate | 2014 | East Kalimantan | Certified |
| | | Gunung Kombeng | 2014 | East Kalimantan | Certified |
| Gunung Kombeng Mill (PT Kresna Duta Agroindo) | 2019 | Gunung Kombeng KKPA | 2020 | East Kalimantan | - |
| Rantau Panjang (PT Kresna Duta Agroindo) | 2020 | Rantau Panjang Estate | 2020 | East Kalimantan | - |
| | | Rantau Panjang KKPA | 2020 | East Kalimantan | - |
| Jelatang Mill (PT Kresna Duta Agroindo) | 2014 | Bangko Estate | 2014 | Jambi | Certified |
| | | Tiga Serumpun KKPA | 2020 | Jambi | - |
| | | Bukit Bungkul KKPA | 2020 | Jambi | - |
| | | Kubang Ujo Plasma | 2020 | Jambi | - |
| | | Pamenang Plasma | 2020 | Jambi | - |
| Pelakar Mill (PT Kresna Duta Agroindo) | 2017 | Pelakar Estate | 2020 | Jambi | ST-1 |
| | | Tiga Serumpun KKPA | 2020 | Jambi | - |
| | | Batang Merangin Estate | 2020 | Jambi | ST-1 |
| | | Batang Tembesi Estate | 2020 | Jambi | ST-1 |
| | | Kubang Ujo Plasma | 2020 | Jambi | - |
| Langling Mill (PT Kresna Duta Agroindo) | 2014 | Bangko Estate | 2014 | Jambi | Certified |
| | | Bangko Plasma | 2020 | Jambi | - |
| | | Bukit Bungkul KKPA | 2020 | Jambi | - |
| | | Batang Gading Estate | 2020 | Jambi | - |
| | | Batang Gading KKPA (PT Satya Kisma Usaha) | 2020 | Jambi | - |
| | | Pamenang Plasma | 2020 | Jambi | - |
| Sungai Bengkal Mill (PT Satya Kisma Usaha) | 2015 | Sungai Bengkal Estate | 2015 | Jambi | Certified |
| | | Sungai Bengkal KKPA | 2015 | Jambi | Certified |
| | | Muara Kilis Estate | 2015 | Jambi | Certified |
| | | Muara Kilis KKPA | 2020 | Jambi | - |
| Bukit Kapur Mill (PT SMART Tbk) | 2020 | Bukit Kapur Estate | 2020 | South Kalimantan | ST-1 |
| | | Sungai Cantung Estate | 2020 | South Kalimantan | ST-1 |
| Samsam Mill (PT Ivomas Tunggal) | 2009 | Samsam Estate | 2009 | Siak-Riau | Certified |
| | | Samsam Estate (HGU on progress – 29.09 Ha) | 2020 | Siak-Riau | - |
| | | Kandista Estate | 2009 | Siak-Riau | Certified |
| | | Kandista Estate (HGU on progress – 158.46 Ha) | 2020 | Siak-Riau | - |
| | | Palapa Estate | 2009 | Siak-Riau | Certified |

| | | | | | | |
|--|--|------|---|------|------------------|-----------|
| | Libo Mill (PT Ivomas Tunggal) | 2009 | Libo Estate | 2009 | Siak-Riau | Certified |
| | | | Nenggala Estate | 2009 | Siak-Riau | Certified |
| | | | Nenggala Estate (HGU on progress 419.9 Ha) | 2020 | Siak-Riau | - |
| | | | Sei Rokan Estate | 2009 | Siak-Riau | Certified |
| | | | Sei Rokan Estate (HGU on progress – 102.7 Ha) | 2020 | Siak-Riau | - |
| | Ujung Tanjung (PT Ivomas Tunggal) | 2009 | Ujung Tanjung Estate | 2009 | Siak-Riau | Certified |
| | | | Ujung Tanjung Estate (HGU on progress – 557.3 Ha) | 2020 | Siak-Riau | - |
| | Naga Sakti Mill (PT Buana Wiralestari Mas) | 2010 | Naga Mas Estate | 2010 | Kampar-Riau | Certified |
| | | | Naga Mas Estate (HGU on process – 253.39 Ha) | 2020 | Kampar-Riau | - |
| | | | Naga Sakti Estate | 2010 | Kampar-Riau | Certified |
| | | | Naga Sakti Estate (HGU on process – 59.79 Ha) | 2020 | Kampar-Riau | - |
| | | | Rama Bakti Estate | 2010 | Kampar-Riau | Certified |
| | Kijang Mill (PT Buana Wiralestari Mas) | 2010 | Kijang Mas Estate | 2010 | Kampar-Riau | Certified |
| | | | Kijang Mas Estate (HGU on process – 56.07 Ha) | 2020 | Kampar-Riau | - |
| | | | Kijang Kencana Plasma | 2010 | Kampar-Riau | Certified |
| | Ramarama Mill (PT Ramajaya Pramukti) | 2010 | Ramarama Estate | 2010 | Kampar-Riau | Certified |
| | | | Ramarama Estate (HGU on process – 318.76 Ha) | 2020 | Kampar-Riau | - |
| | | | Amartajaya Plasma | 2010 | Kampar-Riau | Certified |
| | Indra Sakti Mill (PT Meganusa Inti Sawit) | 2011 | Indra Lestari Estate | 2011 | Indragiri-Riau | Certified |
| | | | Indra Sakti Estate | 2011 | Indragiri-Riau | Certified |
| | | | Indragiri Plasma | 2011 | Indragiri-Riau | Certified |
| | | | Indrasakti Plasma | 2011 | Indragiri-Riau | Certified |
| | Bumipalma Mill (PT Bumipalma Lestari Persada) | 2012 | Bumi Lestari Estate | 2012 | Indragiri-Riau | Certified |
| | | | Bumi Palma Estate | 2012 | Indragiri-Riau | Certified |
| | | | Bumi Palma Estate (HGU on process 39.21 Ha) | 2020 | Indragiri-Riau | - |
| | | | Bumi Sentosa Estate | 2012 | Indragiri-Riau | Certified |
| | Sawita Mill (PT Sawitakarya) | 2018 | Sawita Estate | 2020 | South Kalimantan | ST-1 |
| | | | Pamukan Estate | 2020 | South Kalimantan | ST-1 |

| | | | | | |
|--------|--|-------------|------|------------------|------|
| | Manunggal) | Sawita KKPA | 2020 | South Kalimantan | ST-1 |
| | <p>*)under construction</p> <p>There are revision of time bound plan, the justification from top management is:</p> <ol style="list-style-type: none"> 1. Pelakar Mill and Rantau Panjang Mill is still process on disclosure & liability by RSPO, while Bukit Kapur Mill doesn't have land use title (HGU), the HGU is still on process. 2. Several associate smallholders (plasma) which refuses to follow the RSPO certification, but the management unit is still communicating with the plasma for the implementation of RSPO certification. 3. Sawita Mill had conducted pre assessment RSPO on 2015 and another entire Management Unit under PT Ivo Mas Tunggal has been RSPO certified. 4. Rantau Panjang Mill and Estate Unit (Rantau Panjang Estate & Rantau Panjang KKPA) are still in the process of HCV Remediation and Compensation Plan (RaCP) related to land clearing above November 2005 without HCV Identifications. In accordance to RSPO requirements, if RaCP proposal not yet approved by RSPO Secretariat. Thus certification target will be postponed year of 2020. 5. Kilis KKPA as FFB Supplier to Sungai Bengkal Mill are still in the process of HCV Remediation and Compensation Plan (RaCP) related to land clearing above November 2005 without HCV Identifications. In accordance to RSPO requirements, if RaCP proposal not yet approved by RSPO Secretariat. Thus certification target will be postponed year of 2019 <p>There is revision of time bound plan on 1 October 2017 for HGU on process in PT Ivomas Tunggal (Samsam Estate 29.09 Ha, Kandista Estate 158.46 Ha, Nenggala Estate 419.9 Ha, Sei Rokan Estate 102.7 Ha, Ujung Tanjung Estate 557.3 Ha); PT Rama Jaya Pramukti (Ramarama Estate: 318.76 Ha); PT Buana Wira Lestari (Naga Sakti Estate 59.79 Ha; Naga Mas Estate 253.39 ha and Kijang Estate 56.07 ha). For this area is planned for audit on 2020 because waiting for HGU.</p> | | | | |
| 1.10.2 | Progress of Associated Smallholders and Out growers for Certifiable Standard | | | | |
| | No smallholder scheme under PT MP LWI and PT BPL. | | | | |

| | |
|--------------|---|
| 2.0 | ASSESSMENT PROCESS |
| 2.1 | Assessment Team |
| RC | <p>1. Sandra Purba (Lead Auditor). Graduated from Forestry Faculty Bachelor Degree, majored in Forest Product Technology. Have experience working in industrial forest company, mining and oil palm plantations company for 6 (six) years as EHS and Sustainability Assistant. Has been certified as General OHS Expert, attend and passed the several trainings of management system (OHS, environment and quality management), has been attend the training of waste management, GHG verification and validator training, and conflict resolution and mapping training. Have been successfully passed the Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course, RSPO lead auditor training course and auditor of RSPO Next, SCCS LAT and SA8000. Involve in many audit activities of similar scheme (ISPO and MSPO) since April 2013 covering the Legal Aspect, Environmental aspect, Social Aspect, Health and Safety Aspect, conservation and Worker Welfare. During this audit, she verified legal compliance, social and SCCS.</p> <p>2. Rizliani Aprianita Hasibuan (Auditor). 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 Social, workers welfare, transparency.</p> <p>3. Yudhi Yuniarto Tallutondok (Auditor). Indonesian citizen, Bachelor of Fisheries, Padjadjaran University. Have experience of working over three years since 2013 as plantation operations staff in private palm oil plantation companies in Indonesia. Training have been followed including Auditor of Indonesian Sustainable Palm Oil (ISPO), Lead Auditor of Roundtable on Sustainable Palm Oil (RSPO) P&C, Lead Auditor of ISO 9001:2015, ISO 14001:2015, ISO 22000:2009, ISO 19011:2011, Social Accountability 8000, Basic Management Development Program Agronomy, Fire Anticipation on Land and Forest, Potential Mapping and Conflict Resolution in Production Forests, Awareness ISO 17021 and ISO 17065. Has participated in audit activities for the ISPO and RSPO scheme since 2017 for agronomy, OHS, labor, social and legality aspects. In this audit activity performs the assessment of Best Management Practices and OHS.</p> <p>4. Steve Mualim (Auditor). Indonesia citizen. Master of Environmental and Natural Resources Management. Has experience as Environmental management consultant (2012) and Sustainable palm oil assurance auditor since 2013. Has been attended several trainings e.g. : ISCC in house training, palm oil GHG emission, HCV management, ISPO lead auditor, RSPO lead auditor, labor and human rights issues, ISO 19011, and ISO 9001:2008. Has been conducted several audits for RSPO / ISPO scheme since 2013 for best management practices, conservation, and environmental management. Fluent in Bahasa and Chinese mandarin. At this time of audit, verified aspects of environmental management, HCV, and GHG.</p> |
| 2.2 | Assessment Methodology, Assessment Process and Locations of Assessment |
| 2.2.1 | Figure of person days to implement assessment |
| RC | <p>Number of auditors : 4 Auditors</p> <p>Number of days for Re-Cert at site: 6 days.</p> <p>Number of working days for Re-cert at site: 24 Working days.</p> |
| 2.2.2 | Assessment Process |
| RC | <p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by PT Maskapai Perkebunan Leidong West Indonesia and PT Bumi Permai Lestari to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module D for CPO Mill).</p> |

The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) *interview*, 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. Some opportunities for improvement of the results **RC** delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (**ASA-1.1**). Improvement of findings from assessment findings were observed by auditors at this **RC** assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **RC**.

The assessment program please find Appendix 2

2.2.3 Locations of Assessment
RC
Leidong West Palm Oil Mill (LWSM)

- **Security post and weigh-bridge station.** Observation and interview regarding to the FFB receive and CPO/PK delivery. 4 workers
- **Sortation.** Observation and interview with grading officer related to SOP, OHS and workers welfare. 3 workers
- **Boiler, engine room, sterilizer, clarification, press, nut-kernel.** Observation and interview related to OHS and worker welfare. 7 workers
- **WTP (Water Treatment Plant).** Observations and interviews related to water management, recording of water use, waste management and employment.
- **Hazardous Waste Storage.** Observation related to hazardous waste management and OHS implementation.
- **Workshop.** Observation and interviews related to the competence of workers, implementation OHS (including medical check up), employment, waste management and complaint mechanism.
- **Chemical storage.** Observation and interviews related to chemical and pesticide storage area, hazardous waste management, employment, and implementation OHS
- **Oil Warehouse.** Observations related to chemical storage, hazardous waste management, and OHS implementation.
- **WWTP (Waste-water Treatment Plant).** Observation and interview regarding work responsibilities, PPE, OHS Implementation and employment.

Leidong West Utara Estate (LWUE)

- **FFB Loading, Block C18.** Observation on harvesting, FFB transport, OHS, and welfare aspect.
- **Harvesting, Block C19.** Observation on harvesting, FFB transport, OHS, and welfare aspect.
- **Integrated Pest Management, Block C20.** Observation on pest and disease control
- **Circle and path spraying, Block B25.** Observation on spraying activity, OHS, and welfare aspect.
- **Boundary pole BPN 51, BPN 50, BPN 53, and BPN 52 block C18 div 1.** Observation for legal operational boundary
- **Landfill block C31 div 1.** Observation for domestic waste management.
- **Mixing area and ex agrochemical / fertilizer sack washing store.** Observation for ex agrochemicals waste management
- **Chemical Applicator rinse house and PPE store.** Observation related OHS and waste management
- **Harvester equipment store.** Observation for OHS
- **Diesel store.** Observation for OHS and material handling
- **Fertilizer store.** Observation for OHS and material handling
- **Generator set areas.** Observation related OHS and waste management
- **Chemical store.** Observation for OHS and material handling
- **Hazardous waste store.** Observation for OHS and material handling
- **Land fire facilities store and simulation.** Observation for land fire facilities and emergency response team
- **Daycare.** Observation related worker welfare and OHS
- **Betung riparian block C22 div 1.** Observation for HCV management

Leidong West Selatan Estate (LWSE)

- **Harvesting, Block X15.** Observation on harvesting, FFB transport, OHS, and welfare aspect.
- **Circle and path spraying, Block X12.** Observation on spraying activity, OHS, and welfare aspect.
- **Boundary pole BPN 14 block X18, BPN 15 block Y17, and BPN 05 block X21.** Observation for legal operational boundary
- **Bukit asam conservation areas block X21.** Observation for HCV management
- **Harvester equipment store.** Observation for OHS
- **Chemical Applicator rinse house and PPE store.** Observation related OHS and waste management
- **Diesel store.** Observation for OHS and material handling
- **Fertilizer store.** Observation for OHS and material handling
- **Generator set areas.** Observation related OHS and waste management
- **Chemical store.** Observation for OHS and material handling
- **Hazardous waste store.** Observation for OHS and material handling
- **Land fire facilities store and simulation.** Observation for land fire facilities and emergency response team
- **Daycare.** Observation related worker welfare and OHS
- **Landfill div 1.** Observation for domestic waste management.
- **Batu riparian block X18 div 1.** Observation for HCV management

Bukit Intan Estate (BINE)

- **Dispute Areal, Block S/T42.**
- **Clinic.** Observation on first aid mechanism, medical waste management and work accident record monitoring
- **Nursery.** Observation on nursery activity, OHS, and welfare aspect.
- **Land Application (LA), Block Q25.** Observation on the effluent application area, technical of waste drainage and monitoring the environmental impact.
- **Leidong West Transport (Workshop).** Observation on maintenance activities and interview with foreman related understanding of working procedure

Bukit Mas Estate (BMSE)

- **Harvesting, block N15/16, Div 1.** Observation and interview related to harvesting SOP, OHS and worker welfare. 8 workers.
- **Spraying, block of P14, Div 1.** Observation and interview related to SOP, OHS and worker welfare. 3 workers.
- **Enclave area, block V7, Div 4.** Observation to enclave area within HGU.
- **Barn Owl Box, Block N14, Div 1.** Observation related to IPM
- **Daycare Division 3 & 4.** Observation and interviews regarding worker facilities, employment, complaint mechanisms and domestic waste management.
- **Housing complex division 3.** Observation related worker welfare, facilities, and domestic waste management
- **Ground wells division 3.** observation regarding sources of clean water for workers
- **Chemical storage.** Observation and interviews related to chemical and pesticide storage area, hazardous waste management, employment, and implementation OHS.
- **Fertilizer storage.** Observation and interviews related to waste management, employment and implementation OHS.
- **Hazardous Waste Storage.** Observation and interviews related to hazardous waste management, OHS implementation, employment and complaint mechanism.
- **PPE Warehouse of Spraying team and mixing area.** Observation the conditions PPE of warehouse and PPE handling.
- **Workshop.** Observation and interviews related to the competence of workers, implementation OHS (including medical check up), employment, waste management and complaint mechanism.
- **Boundary pole BPN 258 block U07 div 4, BPN 260A block U7 div 4, BPN 260C block W11 div 4, BPN 260D**

| | |
|--------------|--|
| | <p>block W11 div 4. Observation for legal operational boundary</p> <ul style="list-style-type: none"> • Lambur riparian block N17 div 1. Observation for HCV management • Landfill block P15 div 1. Observation for domestic waste management |
| 2.3 | Stakeholder Consultation and Stakeholders Contacted |
| 2.3.1 | Summary of stakeholder consultation process. |
| RC | <p>The public consultation with stakeholders to PT Maskapai Perkebunan Leidong West – Leidong West Palm Oil Mill is done through :</p> <ul style="list-style-type: none"> • Public announcement at web website MUTU (www.mutucertification.com) and RSPO website on 14 January 2019 • Public consultation meeting with local stakeholder conducted by visits to (Ranggi Asam village, Tumbak Petar village, Terentang, and Kacung village) on February 26 2019 • Public consultation meeting with gender committee, local contractors and employee cooperative on 25 February 2019. • Public consultation with government agency of Tebo District (Environment Agency, Plantation Agency, Land Agency, Labor Agency) by interview on 26 February 2019. • Public consultation by email with NGO (Setara, Walhi, WWF) by email on 18 February 2019 <p>Numbers of input from stakeholders were clarified by PT Maskapai Perkebunan Leidong West</p> |
| 2.3.2 | Stakeholder contacted |
| | <i>Please find appendix 1</i> |
| 2.4 | Determining Next Assessment |
| RC | The next visit (ASA-1.1) will be determined 8-12 months after date of certificate (February -2020). |

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Leidong West Palm Oil Mill – PT. Maskapai Perkebunan Leidong West Indonesia and PT Bumi Permai Lestari, Golden Agri Resources Group operation consisting of one (1) mill and four (4) oil palm estates.

During the assessment, one (1) nonconformity were assigned against Minor Compliance Indicators; and zero (0) nonconformance against supply chain requirement for CPO mill and nine (9) opportunities for improvement were identified.

MUTUAGUNG LESTARI found that PT. Maskapai Perkebunan Leidong West Indonesia and PT Bumi Permai Lestari, Golden Agri Resources Group complied with the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module D for CPO Mill).

Therefore MUTUAGUNG LESTARI' auditors Recommends RSPO Certification of compliance is issued.

| Ref Std. | VERIFICATION RESULT of MUTU-Certification | |
|--|---|--|
| PRINCIPLE #1 COMMITMENT TO TRANSPARENCY | | |
| 1.1 | Growers and millers provide 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. | |
| 1.1.1 | <p>PT LWI and PT BPL have identified stakeholders who have an interest and affected by the plantation and mill operations. Can be shown the updated list of stakeholders in 2019, consisting of government agencies, assisted villages, community leaders, workers' organizations (SPSI and gender committees), local contractors and NGOs. The list of types of information that can be accessed by the public has been categorized into 2 types, namely public access and access with approval by management.</p> <p>The mechanism is regulated in the SOP-SMART-UMUM-SADP-I-004, which was approved on 1 July 2014, that certain documents (which can cause issues) are limited to the public, if there is a request for information on the document, will be provided after approval from top management.</p> <p>In the SOP, explained the period of submission of suggestions / information requests no later than 1 week after the letter was received (from Unit Head to the relevant Department). Response no later than 3 weeks after the letter is received. The company has conduct the dissemination to the surrounding community, for e.g. carried out on 15 November 2018 in Ibul, Terentang, Air Bulin, Dendang, Kacung, Tugang, Mislah, Tumbah, Pangkal, Jebus, Asam Rangi and Berang Village.</p> <p>Interviews with stakeholders are conducted during audit to local contractors and transporter, as well as to the village communities such as Rangi Asam Village, Terentang Village and Kacung Village, some of them not fully understand related to information request mechanism.</p> <p>The company considered to improve the socialization of information request procedures to the public and other stakeholders. OFI</p> | |
| 1.1.2 | All estates and mill can show the logbook for listing information requests and management responses to the auditor. | |

The logbook informs the type of information requested (if it is written there is a number of letter and date), the party requesting information, the address that receives the request, the date responded to and the contents of the response. There were no information requests during 2019 to LWUE, BMSE, BINE and LWSE.

Based on the interview, there is a letter requesting information from *Dinas Tanaman dan Pangan* District of Bangka Barat no.: 525/0811 / 2.3.1.1 / 2018 dated 12 October 2018 concerning requests for plantation business data and information, and letters submitted from *Dinas Penanaman Modal* number 570/1391 / 2.12.1.1 / 2018 dated 14 December 2018 regarding requests for quarter III and IV LKPM reports. The letters have been responded to by the company through sending reports to the relevant agencies.

Sighted the evidence of report submission to agencies, for e.g.:

- Land application and UKL UPL of PT MP LWI second semester of 2018 on 25 February 2019
- PT MP LWI LKPM report 2018 to BKPM on Feb. 27 2019
- Reports of P2K3 of estates and mill are sent to the Provincial Office of the Department of Labor in January 2019.
- PT BPL and PT MP LWI 2018/2019 WLTK reports are sent on July 17, 2019.

Status: Comply

1.2

Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.

The list of types of information that can be accessed by the public has been categorized into 2 types, namely public access and access with approval by management.

The mechanism is regulated in the SOP-SMART-UMUM-SADP-I-004, which was approved on 1 July 2014, that certain documents (which can cause issues) are limited to the public, if there is a request for information on the document, will be provided after approval from top management.

In the SOP, explained the period of submission of suggestions / information requests no later than 1 week after the letter was received (from Unit Head to the relevant Department). Response no later than 3 weeks after the letter is received. All of these documents are stored in the offices of each estate and mill, limited documents are kept in the Pangkal Pinang representative office and the Jakarta HO office.

Status: Comply

1.3

Growers and millers commit to ethical conduct in all business operations and transactions.

The company has a business ethics policy that explains: upholding integrity for employees, companies, business partners, shareholders and the community.

In addition, the Code of Integrity and Ethical Behavior of Employees is also explained in the Social and Environmental Policy (GEP) signed by the Head of Up-stream September 2015.

The policy of the company code of ethics has been explained and socialized to employees routinely every morning roll-call and displayed on the notice boards.

For external, can accessed through the company website and also has been listed in the document of agreements.

Status: Comply

PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

2.1

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

2.1.1

Based on public consultation with government agency, document verification, and field observation known that the company has complied with the applicable regulations, for example :

Environment

- The company has hazardous waste store facilities based on PP 101/2014
- The company has environmental impact assessment based on PP 27/2012
- Leidong West palm oil mill has land application permit based on decree on decree of Bangka Barat regent No. 188.45/274.A/2.12.1.1/2017 valid until 2022

OHS

- The company has undertaken prevention and control measures as listed in Safety Act no. 1 of 1970 Article 3, among others by monitoring the implementation of occupational safety and health, conducting accident investigations, hazard risk analysis, medical checkup, machine operation by persons authorized and socialized safe work practices. Based on the results of document review and interviews with factory workers, for example at boiler stations, it is known that boiler operators have licenses to operate boilers in accordance with Minister of Manpower Regulation No. 1 of 1988.
- The company routinely conducts periodic testing of tools and machines carried out every year, for example testing for boiler machines on February 7, 2019 by the Manpower Agency. The inspection results show that the boiler machine is in good condition and ready for use. further inspections are planned for February 7, 2020
- Based on document verification and field visit was known that the company has comply with article 3 of Safety Act No. 1 of 1970 such as providing PPE (ear muff) to employee at engine room, and monitoring air quality every six month (dust, noise level, etc).
- 3 Boiler operators have been trained and licensed with validity period until 2023, and there are 5 people who have licensed electric engineer with validity period until 2020.
- The CH has an Emergency Response Preparedness Team which is responsible for preventing and controlling fires. The firefighting team is ensured to have the ability to handle emergency conditions because they have been trained and routinely carry out fire extinguishing simulations every year such as fire and earthquake simulations carried out on September 24, 2018 at the mill yard by SPO Region. In addition, the CH also has an OHS Expert who is also responsible for the emergency events in each unit.
- All vehicle units owned by the company already have operational permits from the local government and annual routine testing has been carried out for example testing on May 12, 2018 which explains that all tools are in good condition and ready for use
- 37 tractor operators have been trained and licensed with validity period until 2023
- Based on the results of field observations, it is known that all tractors that operate and are used for evacuation have anti roll bars

Best Practices.

- The company has all of its pesticide registered under the 2016 national list of agriculture and forestry pesticide.
- The company does not use any restricted or prohibited pesticide.
- All pesticide users have been trained properly and use PPE while conduct spraying activity.
- Medical surveillance have been conducted twice a year for pesticide operator

Employment

Related to implementation of workers wages, referring to Bangka Belitung Governor Decree No. 188.44/831/DISNAKER/2018 dated on October 31, 2018 regarding to minimum wage of 2019 is IDR. 2.976.705,97 per month.

In legal aspect, the company has comply to the agrarian act no.: 5/1960, shown by the company has the land title for the total cultivated area, namely: Decree of Head of BPN No: 49/HGU/BPN/2004, on 11 August 2004 (PT MP LWI) and

decree of BPN RI No. 1/R1t/HGU/BPN RI/2013 on 9 September 2013 (PT BPL). Compliance against Plantation Act No.: 39/2014 Shown by owned IUT from the Head of the Central BKPM through the Decree of BKPM No: 610 / T / PERTANIAN / INDUSTRI / 2009 (PT MP LWI) and SPUP document No. HK.350/183/BUN.5/III/2001 dated 16 March 2001 (PT BPL).

2.1.2, 2.1.3, 2.1.4

The company has SOPs for Other Regulations and Requirements No. SOP / SMART / GENERAL / SADV / I / 002, dated July 1, 2014. Based on the document, it was explained that the identification of regulations carried out by the Sustainability Division Staff, then distributed to SPO officer. The SOP also explained that to ensure access to information on the development of regulations referred to, the SPO Officer PSM assisted by the relevant Department Staff fostered a relationship by communicating with the agency that issued the regulation / requirements. The SPO officer and OHS expert unit are coordinated by the SPO Officer Region to monitor regulations. Evaluation is carried out at least once a year.

The company has a compliance evaluation list dated February 21, 2019, including:

- Environment consists of 58 regulations
- License / Permit consists of 50 regulations
- HCV consists of 27 regulations
- OHS consists of 57 regulations
- Employment consists of 63 regulations

Social consists of 13 regulations

Status: Comply

2.2

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.

2.2.1

The total cultivated area based on the latest statement area is 9,627.78 ha. All of these areas already have land title documents, as follows:

The area managed by MP LWI is 1,389.24 ha Land rights owned by the company which consist of:

- Certificate of HGU No. 15 dated September 25, 2004 with an area of 746.52 Ha, valid until September 21, 2039.
- Certificate of HGU No. 16, September 25, 2004 with an area of 642.72 Ha valid until September 21, 2039.

Leidong West Mill (LWSM) are located within PT BPL's HGU, documents of lease land between PT Bumi Palma Lestari and PT MP Leidong West Indonesia are sighted, determined on October 17, 2001, over an area of 28.2 hectares used by PT MP LWI as a palm oil mill building site. There was an addendum to the agreement on January 17, 2011 which added the period of the agreement until October 17, 2021.

The area managed by PT BPL is 8,238.53 Ha, namely:

- Revised HGU Certificate No. 01 dated August 8, 1996 with an area of 8,234.13 Ha (previously 6,907.6 Ha) on behalf of PT Bumi Permai Lestari, valid until August 8, 2031.
- HGB Certificate No.01 dated 5 August 2005. Letter of Measure No: 01 / Terentang / 2005, dated 4 August 2005. Area of 44,000 m2.

2.2.2

The map that is completed with a scale and coordinate point for the entire of the HGU pole observed during audit.

The HGU poles maintenance program is explained in the SOP No.: SOP / SMART / CERS-EHSD / SADV / I / 004), 1 July 2014, stated that the monitoring and maintenance are carried out at least 1 x 6 months.

During field observations to the HGU boundary marker on LWSE and LWUE (PT MP LWI) for example at BPN51,

BNP50, BNP53, BNP52, BNP14, BNP15 and BNP05, and as well as in BMSE HGU boundaries (PT BPL) for example BNP260A, BNP 260C, and BNP 2016D show that the company only manages the area within its HGU. All HGU pole sampled are available in the field, maintained, legible and other boundaries such as trenches are maintained.

2.2.3, 2.2.4, 2.2.5, 2.2.6

There is no open and significant land dispute between the company and the community around.

There is an area that is currently still controlled by a community of 89 hectares in BINE and 20.88 hectares in BMSE, the status of the area is reserved for next compensation, currently it is still enclave in the HGU because the community is not yet willing to compensate.

For the license overlapping area with PT Timah covering an area of 785 hectares in BINE (planted area of blocks S39 and S40), until now the settlement is still a Draft Letter of agreement between both parties.

Maps showing the location of these areas can be shown by PT BPL in operational maps and maps of company statement areas.

The company has SOPs to resolve land disputes, as follows:

- SOP of Land Compensation No. SOP / NP / SMART / VII / D & L002 (dated July 1, 2010)
- FPIC procedure No.: SOP / SMART / SENS-CSR / SADV / I / 003 (dated 1 July 2014)
- SOP for Grievance Handling (SOP / SMART / SIGS-CSR / SADV / I / 003, issued 1 July 2014)
- The company has a policy of not using violence in operations, namely written in GAR's social and environmental policies published on September 5, 2015. In section 2.1.2 stated "To refuse the use of confrontation and intimidation in land disputes".

During field observations, the auditor did not find any paramilitary and mercenary use, this was in line with interviews with employees and communities around the plantation.

Status: Comply

2.3

Use of the land for oil palm does not diminish the legal rights, or customary rights, of other users, without their free, prior and informed consent.

2.3.1, 2.3.2, 2.3.3, 2.3.4

Until the recertification, the company didn't develop new areas and no new planting.

Based on the location permit and HGU, the company's area is State land with status for another purposes (APL), there are no customary rights and / or traditional rights in the HGU. There is a community arable area that has been compensated by the company, the entire compensation process was completed in 1996.

The company has an FPIC procedure in the SOP of Application of free, prior and informed consent, no.: SOP / SMART / SENS-CSR / SADV / I / 003 (dated 1 July 2014).

There is an enclave area within HGU area of 89 Ha in BINE and 20.88 ha in BMSE, the status is the community is not yet willing to be compensated.

Based on interviews with ex-owners of cultivated areas, in the village of Terentang and Kacung, it was stated that the process of land acquisition has been done according to agreed prices, there is no compulsion to the community to release the land.

Based on the document on recapitulation of land compensation payments, observed that compensation payments have been made by the company directly to the land owners, this is in line with the results of interviews with ex-landowners in Kacung and Terentang villages.

Status: Comply

PRINCIPLE #3 Commitment to long-term economic and financial viability

3.1

There is an implemented management plan that aims to achieve long term economic and financial viability.

3.1.1 and 3.1.2

The Company has management plan that contained in the document of Economic Feasibility Analysis in the period 2017-2021 which describes the production of FFB, CPO Production, Production Kernel, OER, KER, operating costs, the financial indicators (income vs. costs), etc.

The company has set a plan of replanting (2019-2024), is described in the following table:

| Unit | Years of Replanting | | | | | | Total |
|--------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | |
| LWUE | - | | - | - | - | 661.63 | 661.63 |
| LWSE | - | 627.12 | - | - | - | - | 627.12 |
| BINE | 762.87 | 747.11 | 789.25 | 793.39 | 755.96 | 808.30 | 4,656.88 |
| BMSE | 780.21 | - | 790.06 | 736.11 | 710.39 | - | 3,016.77 |
| Total | 1,543.08 | 1,374.23 | 1,579.31 | 1,529.50 | 1,466.35 | 1,469.93 | 8,962.40 |

Replanting program has been considering performance indicators such as yield/ha (<14 tons FFB/hectare), plant age (> 25 years), plant height (> 13 meters) and the density of plants per hectare (<100 trees/hectare). Type of seed that will be used is Dami Mas variety (produced by SMARTRI), this seed has been certified and registered by Government.

Status: Comply

PRINCIPLE #4 Use of appropriate best practices by growers and millers
4.1

Operating procedures are appropriately documented and consistently implemented and monitored.

4.1.1

The company has procedures for oil palm cultivation and palm oil processing which are available in Indonesian. Oil palm cultivation procedures include land clearing, water and soil conservation, integrated pest management, plant upkeep, harvesting and transportation whereas for palm oil processing procedures include FFB receipts, FFB grading, FFB processing, and CPO quality sampling.

The Company has a General Guidance on Security in Working with Pesticides with the number LAMP / VIII / TA-PGM / 03-PUKBP, including safe guidance in selecting pesticides, storing pesticides, and using pesticides eg: the selected pesticide formula must be in accordance with the pest one pesticide formula will only be effective against one particular type of pest.

The Company has SOP / SMART / MCMD / I / TM-MCC documents issued on December 6, 2013, authorized by the MCMD Chair and Head of Upstream. The procedure also includes personnel competencies and PPE standards for each section. Procedures include Standard Operating Procedures in MCC.

- SOP No. SOP / SMK3 / SMART / LH-10 on work accident management,
- SOP No. SOP / SMK3 / SMART / LH-19 about lock out and tag out.
- SOP No. SOP / SMK3 / SMART / LH-20 concerning the management of personal protective equipment.
- SOP No. SOP / SMK3 / SMART / LH-21 on the handling of high risk jobs

Based on interviews with management revealed that a copy of the procedure was in each unit. When the audit activity takes place, the company can show the entire procedure to the auditor.

The results of field observations and interviews with employees in the estate and mill revealed that each employee understood their respective working procedures, for example for harvester in LWUE, LWSE, BINE and BMSE can explain the criteria for fresh fruit bunches, cutting and arranging fronds, preparation of FFB at the fruit collecting point. While for mill employees in the engine room section can explain monitoring and checking tools and functions of

generators and turbines, employees can also explain the time of use between turbines and generators.

4.1.2 and 4.1.3

The company has an Internal Audit SOP with document number SOP/SMART/GENERAL/SADV/009. The procedure explains the work procedures which form the basis for plantation and factory operational activities that refer to the principles of sustainability

The results of interviews with management known that the implementation of internal audits is conducted annually on a regular basis covering the implementation of all estate procedures, administration of bank cash and trade payables, inventory, wage and personnel administration, vehicle assets, heavy equipment, machinery and follow-up previous internal audit reports.

When the audit activity takes place, the company can show the results of the internal audit document carried out on August - September 2018 by the Quality Management Department. The company has taken corrective action on internal audit findings and was declared fulfilled by the Quality Management Department.

4.1.4

The company has an SOP to verify FFB received at mill, namely in SOP no.: PT MP.LWI-LWSM / SOP / 25 (SOP RSPO Product Supply Chain Model Identity Preserved), valid since Jan 17, 2019. The SOP explains that LWSM POM only receive FFB from sources specified in the list, namely RSPO certified sources. At the time of recertification audit is verified that there are 4 FFB sources included in the scope of the certificate and 2 sources of FFB certified outside the scope.

| |
|-----------------------|
| Status: Comply |
|-----------------------|

4.2

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

4.2.1; 4.2.2 and 4.2.3

The company has a fertilizer procedure with the number SOP/SMART/MCAR/IX/TA-PPK. The procedure explains that fertilizer recommendations must be made based on the results of analysis of leaf and soil samples. Based on the company's Palm Oil Cultivation Guidelines, it is explained that leaf sampling and analysis are carried out once a year and soil sampling is carried out every five years.

During the audit activity the company shows the following documents on the results of soil and leaf analysis:

- Results of soil analysis by SMARTRI Analytical Laboratory on March 2014 for 12 soil samples (BINE), January 2015 for 12 soil samples (BMSE), March 2016 for 66 soil samples (LWUE) and October 2015 for 12 soil samples (LWSE). Test parameters include moisture content, cadmium, lead, oil content, exchange cation, calcium, magnesium, iron, manganese, aluminum, potassium, cation exchange capacity, and base saturation.
- Results of leaf analysis by SMARTRI Analytical Laboratory on June 2018 for 39 leaf samples (BINE), March 2018 for 19 leaf samples (BMSE), and June 2018 for 10 leaf samples (LWUE). Test parameters include N, P, K, Mg, Ca, B, Cu, and Zn.
- Based on interview with the management representatives and SMARTRI Analytical Laboratory revealed that the LWSE unit would be replanted in 2020 so that leaf sampling activities were not carried out because fertilization activities would not be carried out in the entire LWSE area.

Based on the results of leaf samples analysis in 2018, the company issued fertilizer recommendations for the first semester of 2019 for example for Bukit Intan Estate as follows: Urea with a plan of 322.65 tons; RP 4.00 tons; TSP 210.10 tons; MOP 523.40 tons; Dolomite 3.55 tons; Kieserite 203.90 tons; Borate 14.31 tons; CuSO₄ 3.96 tons; and Zn SO₄ 276.10 tons.

During the audit activity the company can show fertilization monitoring that explains the application dosage, application tonnage, and fertilizer use/tons FFB, for example: Leidong West Selatan Estate realization of fertilization in 2018 (January – December Period) for HGFB with a total application of 6.29 tons; MOP 240.90 tons; Kieserite 57.00 tons;

Dolomite 0.65 ton, CuSO₄ 4.06 and TSP 114.80 tons.

4.2.4.

The company shows the waste utilization document with the following details:

1. Liquid Waste.

The company does not use liquid waste because mill and estate are not in the same area. In addition > 90% of the plantation area is peat soil.

2. Empty Bunch

The company use factory solid waste as organic fertilizer such as empty bunch. During the audit, the company showed empty bunch application documents for the January-November period. From the document it is known that up to now the company has applied 1,056 tons for empty bunch.

3. Fiber and shell are used as boiler fuel.

| |
|-----------------------|
| Status: Comply |
|-----------------------|

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1

The company has a PT MP Leidong West Indonesia and PT Bumi Permai Lestari Soil Analysis Report with a scale of 1: 75,000 dated May 1, 2015. The document equipped with legend soil map units, roads, rivers, cities, estate boundary and division boundary.

4.3.2

The company has a management strategy for planting in slope areas contained in the Procedures for Oil Palm Cultivation. The document describes the management area on sloping area, among others: conservation terrace (for slopes 0 - 2°), terrace with a width of 4 meters (for slopes of 6° - 12°), terrace with a width of 3 – 3.5 meters (for slopes of 20° - 25°), planting cover crops and empty fruit bunch applications.

Based on field observations at LWUE, LWSE, BINE and BMSE revealed that there were no sloping areas in PT MP Leidong West Indonesia and PT Bumi Permai Lestari, this was in accordance with the company's topographic map which stated that the entire area in PT MP Leidong West Indonesia and PT Bumi Permai Lestari was a flat area.

4.3.3

The company shows the realization of road maintenance in the form of Road Maintenance Maps for the period January - December 2018 with a scale of 1: 50,000. The map explains the progress of road maintenance using rubble. From the map it is known that for the years 2018 to December the road that has been maintained reaches 6,503.94 meters.

Based on the results of field observations it is known that the company has made improvements to roads and bridges to facilitate the transportation of FFB

4.3.4 and 4.3.5

Based on the verification of the company's semi-detailed land survey report document, it was found that there was no identification of land with peat classification in the company's operational area.

4.3.6

Strategies for fragile and other problem soils are included in the semi-detailed soil survey report. The report describes the level of land suitability along with the actions that need to be taken to raise the level of land suitability. Based on the report it is known that the limiting factors in land in the company's operational areas include low nutrient content, steep slope land, sandy soil, low-flood lands and peat soils.

Some recommended strategies include:

- Increasing the organic content of the soil through recycling nutrients, namely the application of EFB and POME, laying the frond in the joint and between the staples.

- Carry out fertilization based on the results of leaf and soil analysis that is carried out regularly.
- Making a terrace system on steep slopes, planting *Munauna bracteata* and laying the frond parallel to the direction of the contour,
- Application of water management to low-lying areas and flood-prone areas, through the creation of drainage systems, piezometer monitoring, land subsidence monitoring (subsidence) and water level monitoring

The results of the study of land type map documents and field observations in BINE, BMSE, LWSE and LWUE known that there are no fragile types of soil in the company's operational area. peat land is the dominant type of land in the area of the company

Status: Comply

4.4

Practices maintain the quality and availability of surface and ground water.

4.4.1

Water sources identification and conservation plan are listed on 2019 water management document and HCV management plan. These document describe the water source identification, POM water usage monitoring & efficiency, and catchment area protections for examples Batu, Betung and Lambur river.

Field visits on at Batu riparian block X28 and Betung riparian block C22 for examples, found that companies managed riparian by marked the buffer zone (throughout 50 m bothsides on riparian), perform revegetation with vetiver, and signboard placement. There is no indications chemical activities (spraying) on both riparian areas.

Company also conducted regular water quality testing every semester for Betung and Lambur river. Based on workers interview on estate LWUE and LWSE housing shown that drinking water for them originated from refill water and clean water access for workers were provided by artesian well, which company also conduct regular testing for this well water. Based on second semester 2018 testing results shown that surface water quality on all estate (PT BPL and PT LWI) are still comply with standard quality for examples BOD on Betung river are 2 mg/l, COD on Lambur river 16 mg/l. Based on stakeholder consultation with Ranggi Asam villager and Tumbak Petar villagers it was known there is no negatif issue related water contamination / pollution caused by company operational activities

4.4.2

Company has identified and shown the maps for river flowa and riparian on 1:20000 scale. HCV identification document shown there is some river flow on PT BPL and PT LWI estate such as Batu river (located in LWSE), Betung river (located in LWUE), and Lambur river (located in BINE/BMSE).

Company provided procedures for water courses protections and conservations listed on procedures SOP/SMART/BCOS-EHSD/SADV/II/2004. Field visit during audit, for examples on Lambur riparian block N17 (BMSE) acquired information that company shown proper ways for maintain and protect the catchment area for example manual weeding and marking the chemical boundary border. Meanwhile document review and field visit during audit found there is no replanting activities for all estate (LWUE, LWSE,BINE, BMSE).

4.4.3

Mill effluent produced by Leidong West POM processed at waste water treatment plant based on procedure SOP/SPO/SMART/LH-09, until it complying to standards before it discharged to Bukit intan estates as land applications based on decree of Bangka Barat regent No. 188.45/274.A/2.12.1.1/2017 valid until 2022.

Waste water quality testing document review shown for Sept 2018 - January 2019 all of waste water testing parameters are compliant to the standards quality, for examples BOD on January 2019 are 3660 mg/l, and all of waste water management and monitoring has been reported to related institutions for regular basis per 3 month. Field visit on effluent pond during audit found there is no leakage indications and these area are managed well.

4.4.4

Water usage monitoring for Leidong West mill was done periodically and recorded, for example on December 2018 FFB processed 20494 mt, process water usage 9,418 m³, and water usage eficiency was 0,46 m³/mt FFB processed.

Observations on Lediong West mill water treatment plant found monitoring for raw and process water usage was done by officer periodically, and flowmeters at inlet/outlet serves normally.

Procedure for Mill water usage and monitoring are provided and has been listed on procedure

SOP/SMART/MCMD/I/TM/PKS. Standards of water usage for FFB process also has established, and recorded on 2018 budget projected 0.821 m³/mt FFB processed.

Status: Comply

4.5

Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.

4.5.1 and 4.5.2

The company has an integrated pest management procedure that explains how to control pests in biology, chemistry and manually. In addition, the company also has a Cultivation Guidebook which also explains related to Pest and Disease control. In the book, an early warning system is explained, for example, periodic detection for leaf eater caterpillar and rat censuses are done every 2 months.

The company is committed to implementing integrated pest management (IPM), this is demonstrated by utilizing beneficial plants and natural predators such as *Tyto alba*. In this case, the company shows documents related to planting and maintenance of beneficial plants for the period of 2018, for example, in LWUE has installed 48 barn owl box while BMSE has installed 307 barn owl box with a ratio of 1:30. Based on observations of rat census monitoring data for the period October 2018 - January 2019, it was found that there was no attack of rats above the threshold, so that in this case the use of natural predators was quite effective in suppressing rats.

The interview with the management revealed that the company routinely conducted training for IPM employees, for example IPM training conducted on April 17, 2018 at the BINE Longhouse and was attended by 80 employees. Documentation, material and attendance lists are available during the audit activity.

During the audit activity, the company shows pest monitoring documents period of December 2018 for LWUE, LWSE, BINE and BMSE. Based on document verification, it was found that there were no pests that exceeded the threshold.

The results of field observations in LWUE, LWSE, BINE and BMSE are known that the company has installed barn owl box and conducted monitoring every week. The results of interviews with management representatives are known that observations were made on several aspects, for example: the presence of owl, and traces of vomit.

Status: Comply

4.6

Pesticides are used in ways that do not endanger health or the environment

4.6.1; 4.6.2 and 4.6.5

The company has a policy on safety in using chemicals listed in the procedures for managing hazardous material, hazardous waste and procedure for weed, pests and diseases control with the number LAMP/VIII/TA-PGM/03-PUKBP. In the procedure, it is explained about the use of PPE for employees and management of used pesticide containers.

Based on interviews with management revealed that to avoid the development of resistance, the company used a rotation spraying system and use different types of pesticides in each rotation. During the audit, the company showed a chemical justification document for the period of 2018 at LWUE, LWSE, BINE and BMSE by identifying trade names, active ingredients, active ingredients, LD50, WHO classification, Type, shape, character, application method, function and justification.

The company also has a pesticide use program contained in the annual budget document, while the realization is reported in the Estate Manager's monthly report. The document explains the trademark and active ingredients of pesticides, target weeds, dosages per hectare, monthly use of materials and recapitulation, and the extent of application.

Based on field observations and interviews with pesticide applicators on LWUE and LWSE are known as follows:

- Employees have understood work procedures that are safe in using chemicals such as spraying techniques, target

weeds for each pesticide, use of PPE and actions taken when poisoning occurs.

- Regular employees get direction from supervisor before work and also get regular internal training by the company.
- The company provides facilities for mixing pesticides, storing work tools and PPE as well as places for bathing employees when completing the application of pesticides.
- Employees bring food from home, the company in this case provides clean water and soap to clean hands before eating and the location of the place to eat must be different from the location of the application of pesticides.
- The company provides PPE for each employee free of charge and if broken will be given a replacement PPE with the provision of returning the broken PPE.
- Supervisors always carry a first aid kit that will be used as first aid when there is a work accident. The results of checking are known that the contents of the first aid kit are complete and ready to use.

4.6.3

The company has a plan to reduce the use of pesticides in controlling pests and diseases. In this case the company has implemented pest control in an integrated manner by utilizing natural predators and beneficial plants. The results of interviews with management and field visits revealed that the company utilizes *Tyto alba* as a natural predator for rat pests and beneficial plants as a host plant for predators of leaf eater caterpillar.

4.6.4

The company shows the Pesticide List document in the 2018 Classification that identifies trademarks, active ingredients, LD 50 (mg / kg), WHO classification and product classification.

The company has a policy to minimize the use of Paraquat dichloride listed in the Internal Memo from Director on August 13, 2016. In the memorandum, it is explained that The company is committed to no longer using pesticides with the active ingredient Paraquat dichloride since 2016.

The results of the pesticide use document study show that the company no longer use pesticides made from Paraquat dichloride from 2015 to 2018.

Based on field observations and interviews with pesticide applicators on LWUE and LWSE revealed that spraying activities used Glyphosate, while the results of physical verification in the chemical warehouse are in accordance with the inventory records at Leidong West Utara Estate, it is known that pesticides are available with Basta, Garlon, Agristik, Lindomin, and Amiphosate.

4.6.6

Procedure of pesticides storage and material handling has presented in document SOP/SMART/HESS-EHSD/SADV/I/006 about agrochemical storage.

Based on field observation on agrochemicals storage on LWSE, LWUE, and BMSE, it was found a complete series of MSDS, in accordance to the current stock. Specific pesticides mixing site has also available. Water which had used for sprayer washing and pesticides mixing process was properly reused. The storage has also equipped with pesticides records, proper risk symbols, PPE, first aid.

All of ex pesticides/agrochemicals containers were kept on temporary hazardous and toxic storage. Furthermore, based on field observation to LWUE, LWSE, and BMSE housing complex, it could be concluded that there were no ex pesticides or hazardous material containers used for household purposes.

In the management and storage of pesticides, the company has referred to the Government Regulation (PP) No. 74 of 2001, for example based on field observations known that the company has its own pesticide storage area equipped with hazardous material symbols and MSDS. The results of field observations and interviews with pesticide applicators are also known that employees have been given an understanding of MSDS.

4.6.7 and 4.6.9

The company shows training documents to employees and scheme smallholder related to the use and handling of

pesticides as follows:

- Training on spray techniques and handling of pesticides on April 17, 2018 is located at Estate office. Documentation, material and attendance lists are available during the audit activity.
- Training on spray techniques and handling of pesticides on September 3, 2018 is located at Estate office. Documentation, material and attendance lists are available during the audit activity.

Based on field observations and interviews with pesticide applicators on LWUE and LWSE are known as follows:

- Employees have understood work procedures that are safe in using chemicals such as spraying techniques, target weeds for each pesticide, use of PPE and actions taken when poisoning occurs.
- Regular employees get direction from supervisor before work and also get regular internal training by the company.
- The company provides facilities for mixing pesticides, storing work tools and PPE as well as places for bathing employees when completing the application of pesticides.
- Employees bring food from home, the company in this case provides clean water and soap to clean hands before eating and the location of the place to eat must be different from the location of the application of pesticides.
- The company provides PPE for each employee free of charge and if damaged will be given a replacement PPE with the provision of returning the damaged PPE.
- Supervisors always carry a first aid kit that will be used as first aid when there is a work accident. The results of checking are known that the contents of the first aid kit are complete and ready to use.

4.6.8

Based on the document verification, field observations, and management interviews, known that the company did not apply the application of pesticides through the air.

4.6.9

The company has provided training in handling pesticides to employees. This is indicated by the recording of the spraying training and integrated pest control on April 17, 2018 at Longhouse BINE. The training was attended by 80 employees from the LWUE, LWSE, BMSE and BINE estate. When the audit activity takes place, the company can show documentation, material and attendance lists of trainees.

4.6.10

Company possess procedure for Toxic and Hazardous waste including ex agrochemicals management presented on procedures SOP/SMART/LEMS-EHSD/SADV/I/002. These procedure stated that all ex chemicals containers were kept on temporary hazardous storage at mill/estates. Training for workers and staff regarding hazardous & toxic material handling have been conducted on March 2018 for PT BPL and PT LWI workers representatives.

Based on interview with sprayer team found that workers recognized how to properly disposed waste materials and workers have been trained by company about waste and hazardous materials handling. Field visit on toxic & hazardous waste storage on Leidong West Mill found company showed proper ways for ex agrochemical disposal. Monitoring evidence for agrochemical usage and ex agrochemicals container stored in storage are available and verified by auditors.

4.6.11

The company shows the results of the employee health examination conducted on July - October 2018 by Doctor Edi Rahman. Examination was carried out for 82 employees who were chemical workers and high-risk workers. Examination includes physical examination, Spirometry, and cholinesterase. From the results of the examination it was found that all employees who were declared healthy to work.

4.6.12

The company's commitment not to employ pregnant and lactating women has been outlined in the Circular No: 02 / VPA-1 / I / 2009 dated January 13, 2009, stating that the company banned female workers from carrying out spraying work.

The company already has a checklist of spray workers who are not pregnant or breastfeeding, which is conducted once a month by medical officers at the clinic. For example, in the December 2018 period it was discovered that no spray female employees were pregnant and breastfeeding.

Based on interviews with workers in spraying activities in LWUE and LWSE, known that workers have understood the prohibition of pregnant and lactating women to work in spray activities, if any are pregnant or lactating workers transferred to manual care activities and not related to agrochemicals.

| |
|-----------------------|
| Status: Comply |
|-----------------------|

4.7

An occupational health and safety plan is documented, effectively communicated and implemented.

4.7.1

Policy on OHS of CH has issued by the President Director on December 1, 2013. The policy indicates company commitment towards OHS implementation through:

- To communicate policy and OHS procedures to all employees and stakeholders which have interest.
- To comply with government OHS related regulations.
- To ensure implementation of OHS as a part of operational process.
- To identify, appraising, and control of continuous improvement in order to avoid work accident.
- To manage and monitor OHS indicators and conducting a continuous improvement.

The results of field observations and interviews with estate and mill employees are known that the company has routinely conducted socialization regarding the company's OHS policy. The employee explained that the socialization was carried out during the morning briefing before work and the installation of OHS warning boards in several strategic places that were easily seen by employees.

The work plan of the OHS Program for January to December 2019 covers the areas of extension & training, supervision field, evaluation field; Field of research, Health Sector; PIC; Cost Forecast, Timeline of completion (Jan - Dec 2019) and description. Based on interview result the workers are given guidance through socialization, warning boards and morning briefings before the work. Based on the above explanation, the workers has known about OHS policy.

Evidence of OHS work program implementation has recorded in training report, medical check-up report, records of purchasing of OHS related equipment's (PPE, first aid kit, fire extinguisher, hydrant, etc.), OHS Committee monthly meeting notes and three-monthly OHS Committee reports. Furthermore, Evaluation of OHS program, achievements and its monitoring was presented in OHS Committee monthly meeting notes and three-monthly OHS Committee reports. Based on observation Bukit Intan Estate and Leidong West Mill, it was found first aid box, and fire extinguishers stations were satisfactory maintained. Regular checklist monitoring were also available. Moreover, simulation of hydrant were considered satisfactory.

4.7.2.

Certificate holder has showed the document of Hazard Identification, Risk Assessment and Control (HIRAC) for the period of January-December 2019. The HIRAC has covers all working activities on the mill and estates. The analysis has covers risk hazard identification, sources of hazard risk, frequency (routine, non-routine, emergency), potential risk identification (sources and impacts), control management, risk analysis of severity level and value level. Crosscheck to the field, the compliance of application of product requirements which presented in MSDS and HIRADC document. For example, based on observation towards pesticide applicator in LWSE and LWUE, it was found that respirator used by applicators were in accordance with MSDS and HIRADC requirement.

During audit activities the company can show documents related to the results of high-risk employee health checks carried out on April 3, 2018. Employee health checks include audiometry and spirometry. The results of the interview with the employee revealed that the employee had obtained information on the results of the medical examination, the company also kept records of the results of medical examinations in the estate/mill office and the doctor as the person in charge

During the audit activity, the auditor conducts interviews at stations with high noise levels such as engine room operators and boiler operators

The results of the interview indicated that there were no employee complaints because the company always provided PPE that was in accordance with the standards to protect employees from high noise exposure. Further explained that if the PPE is damaged it can be replaced with a new one. The company also routinely conducts annual health checks for employees with a high level of work risk. The company routinely checks the PPE used by employees every day before work so that the company can guarantee that all employees who work have used PPE in accordance with applicable regulations.

4.7.3

The Company has conducted several training and socialization related to OHS, for example as follows:

- First aid officer internal training held on April 18, 2018 took place at the BINE Longhouse. Training by Secretary of OHS Committee and attended by employees as many as 25 people. Material, documentation and attendance list are available during audit activities.
- First aid officer internal training held on April 26, 2018 took place at the BINE Longhouse. Training by Secretary of OHS Committee and attended by employees as many as 25 people. Material, documentation and attendance list are available during audit activities.
- First aid officer internal training held on January 25, 2019 took place at the BINE Longhouse. Training by Secretary of OHS Committee and attended by employees as many as 60 people. Material, documentation and attendance list are available during audit activities.

The company has included every employee in a training program to improve employee skills in accordance with the applicable legal requirements. During the audit activity, the company can show mill and estate training certificates and licenses.

The company has shown document of PPE distribution to all workers in estates and mill, which signed by Assistants, Chief of OHS Committee and the respective workers. Based on field observations and interviews with harvesters, pesticide applicators and mill operators, they have been equipped with PPE in accordance with procedures owned by the company for example, PPE for harvesters such as helmets, glasses and boots. Further explained that, workers can apply for the replacement by providing the damaged PPE to the foreman and the foreman will check and apply to Assistant to provide new PPE for the workers.

4.7.4

- **Bukit Intan Estate**
The company shows the Decree of the Head of the Manpower and Transmigration Agency of Bangka Belitung Province with number 560/79/1.13.01/2016 dated August 11, 2016 concerning the Approval Letter of Bukit Intan Estate OHS Committee Structure in 2016. BINE has OHS Expert on behalf of Edi Rahman. Minister of Manpower Decree of the Republic of Indonesia with number KEP.P.822/NAKER-BINWASK3/V/2017 concerning Appointment of OHS Expert on behalf of Edi Rahman. The decision is valid for 3 years up to May 29, 2020.
- **Bukit Mas Estate**
The company shows the Decree of the Head of the Manpower and Transmigration Agency of Bangka Belitung Province with number 188.4/006/P2K3/DISNAKER/2018 dated April 26, 2018 concerning the Approval Letter of Bukit Mas Estate OHS Committee Structure in 2018. BMSE has OHS Expert on behalf of Phantom. Minister of Manpower Decree of the Republic of Indonesia with number KEP.P.7614/NAKER-BINWASK3/V/2018 concerning Appointment of OHS Expert on behalf of Phantom. The decision is valid for 3 years up to May 31, 2021
- **Leidong West Utara Estate**
The company shows the Decree of the Head of the Manpower and Transmigration Agency of Bangka Belitung Province with number 188.4/017/P2K3/DISNAKER/2018 dated July 31, 2018 concerning the Approval Letter of Leidong West Utara Estate OHS Committee Structure in 2018. LWUE has OHS Expert on behalf of Ade Irawan. Minister of Manpower Decree of the Republic of Indonesia with number KEP.P.14372/NAKER-BINWASK3/VII/2018

concerning Appointment of OHS Expert on behalf of Ade Irawan. The decision is valid for 3 years up to July 6, 2021

- **Leidong West Selatan Estate**

The company shows the Decree of the Head of the Manpower and Transmigration Agency of Bangka Belitung Province with number 188.4/007/P2K3/DISNAKER/2018 dated April 25, 2018 concerning the Approval Letter of Leidong West Selatan Estate OHS Committee Structure in 2018. LWSE has OHS Expert on behalf of Habib T. Lubis. Minister of Manpower Decree of the Republic of Indonesia with number KEP. 4294/NAKER-BINWASK3/VI/2017 concerning Appointment of OHS Expert on behalf of Habib T. Lubis. The decision is valid for 3 years up to June 5, 2020

- **Leidong West Mill**

Leidong West Mill has OHS Expert on behalf of Acep Irwandi with registration number 3495/PK3/AJ/15/2015/P1 is valid for 3 years until 28 December 2018. Minister of Manpower Decree of the Republic of Indonesia with number KEP.P.1557/NAKER-BINWASK3/IX/2016 concerning Appointment of OHS Expert on behalf of Acep Irwandi. The decision is valid for 3 years up to September 8, 2019. The company shows a license extension document for OHS Committee Structure in 2018 to the Director General of Manpower Development and Supervision dated October 6, 2018. Until the audit activity takes place, the company is on renewal of the Appointment Decree for OHS committee. The company in this case has the opportunity to ensure the progress of the issuance of the latest Appointment Decree. **OFI**

Minutes of Guiding Committee of Occupational Safety & Health meetings were held on November 5 (BINE); December 7 (BMSE); November 23 (LWUE); December 7 (LWSE) and October 3 (LWIM), 2018. The materials discussed were among others: inventory of OHS issues, application of OHS norms, OHS inspections, work accident investigations and analyzes, training and counseling, emergency response, job risk analysis in 2018, risk analysis and OHS program preparation in 2019, preparation of National OHS months, and preventive maintenance at several stations at Mill. The meeting of OHS committee has been conducted every month.

4.7.5.

Certificate holder already has procedures in case of accident and emergency along with its instructions, CH show the following documents:

- Preparedness and emergency preparedness SOP no document: SOP / SMART / GENERAL / SADV / I / 005 dated July 1st, 2014. In the SOP has been explained about the purpose, scope, definition. There is also a flow chart of the preparedness and explanation of the flow and the flow chart of emergency simulations and explanations.
- SOP for accident handling and occupational diseases no document SOP / SMART / HESS-EHSD / SADV / I / 005. Explain the stages of handling in case of accident, accident reporting.

Based on interview with mill and estate workers are known that the company already know the procedure about OHS. To facilitate evacuation in the event of an emergency, the company has established an evacuation route. The evacuation route is available in offices, housing and mill. Besides that, it has been equipped with maps and other markers and adequate sign boards. To the visitors who come will be socialize safety induction as a guide health and safety in the visit process.

Based on field observations and interviews with harvesting and upkeep foremen at estate revealed that the foremen had attended first aid officers training conducted on April 26, 2018 and January 25, 2019 at BINE Longhouse. The foremen could explain each of the uses of first aid kit items, further explained that routine first aid checks are carried out every month.

4.7.6

The company has registered all of its employees as member of government scheme on health and workforce insurance (BPJS Ketenagakerjaan and BPJS Kesehatan). Permanent worker daily and/or monthly basis got Insurance on work accident (JKK), old age benefit (JHT), dead insurance (JKM), retirement insurance (JP) and health insurance (JKS). Meanwhile for piece-worker, the company has only responsible for work accident insurance and dead insurance. However, most of non-permanent workers were family member of permanent workers (as wife). Hence, its health

insurance was under their husband. Record of insurance payment for example:

- Employment insurance for January 2019 period of Leidong West Mill, Bukit Intan Estate, Bukit Mas Estate, Leidong West Utara Estate and Leidong West Selatan Estate has been paid on February 14th 2019. Payment receipt has been verify by auditor.
- Health insurance for February 2019 period of Leidong West Mill, Bukit Intan Estate, Bukit Mas Estate, Leidong West Utara Estate and Leidong West Selatan Estate has been paid on February 8th 2018. Payment receipt has been verify by auditor.

The company routinely disseminates information to contractors to fulfill social responsibilities to workers related to health and workforce insurance (*BPJS Ketenagakerjaan* and *BPJS Kesehatan*) in accordance with the contents in the Work Agreement (SPK) for example for PT Satrindo Jaya Agropalma and which has provided health and workforce insurance to 153 employees.

Based on the results of verification of work accident monitoring documents in 2018 and interviews with employees at mill and estate it is known that in 2018 there are only accidents with minor categories in workplace so that there are no claims for workplace accidents in 2018.

4.7.7

The company has records of work accidents for estate and mill for the period January - December 2018. Records of work accidents use the LTA method. From the results of document verification, it was found that there was 10 work accident at Leidong West Selatan Estate with values of FR 53 and SR 74.

Status: Comply

4.8

All staff, workers, smallholders and contractors are appropriately trained.

4.8.1 and 4.8.2

The company has the following 2018/2019 employee training program:

- Training of diesel generator operators.
- Training of lift aircraft
- Fire training
- Fertilization
- Integrated Pest Management
- Training on the use of chemicals
- OHS policy socialization
- MSDS socialization
- SOP and work intruction socialization
- Socialization of the prohibition on burning waste
- Control of hazardous waste, agrochemical
- Socialization of HCV areas and protected animals
- Etc

During the audit activity, the company showed the document on the realization of employee training conducted in 2018 for example :

- Spraying training and integrated pest control on April 17, 2018 at Longhouse BINE. The training was attended by 80 employees from the LWUE, LWSE, BMSE and BINE estate. When the audit activity takes place, the company can show documentation, material and attendance lists of trainees.
- Internal first aid officer training and Use of First Aid Box on April 26, 2018 at Longhouse BINE. The training was attended by 60 employees from the LWUE, LWSE, BMSE and BINE estate. When the audit activity takes place, the company can show documentation, material and attendance lists of trainees.
- The emergency response simulation on September 24, 2018 is located in the factory yard. The simulation was attended by 18 process employees. When the audit activity takes place, the company can show documentation, material and attendance lists of trainees.

The results of interviews with workers such as harvesting, spraying, warehouse staff were told that they had received training or socialization regarding their duties and responsibilities. The training program prepared includes all workers including workers which exposed to high noise levels. The training include in training of OHS policy Socialization and SOP and work intruction socialization.

Based on interview with contractor such as Kernel Transporter dan FFB transporter known that contractor and their employees has been given training or socialization by the company related OHS such as use of PPE and worker insurance. In addition, all FFB, kernel dan CPO transport driver has had driving lincensed.

| |
|-----------------------|
| Status: Comply |
|-----------------------|

PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity
5.1

Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.

5.1.1

PT LWI estate, LWI mill, and PT BPL has established EIA that consist of repsectively UKL/UPL for LWUE/LWSE, *Dokumen Pengelolaan Lingkungan Hidup* for LWI mill, and ANDAL for BMSE/BINE.

EIA for LWI mill an estate covered activites for 9000 ha estates, 60 tonne/hour mill capacity, Meanwhile PT BPL (BINE and BMSE) also provides ANDAL documents approved by Agricultural Miniseter based on decree No. 046/ANDAL/RKL-RPL/BA/II/1996 covered 14000 ha estate activities

These documents explained the impact that probably caused by the company's operations such as land acquisition, construction of roads, infrastructure development, processing mills development, land preparation, crop management, oil palm planting, development, etc. EIA documents also discribes environmental management and monitoring plan that should be done by the company.

Based on document review shown that PT BPL were established addendum for new Environmental impact assessment regarding some operational areas are not covered in current EIA. Meanwhile BINE, BMSE, LWUE, LWSE has planned to conduct replanting activities since 2nd semester 2019.

Therefore EIA addendum for PT BPL and aspect impact assessment, environmental monitoring/management plan regarding replanting activities on PT BPL / PT LWI will be observed on next audit. **OFI**

5.1.2 & 5.1.3

There is no new development, new mill capacity expanding, replanting activities or other related activities that required company to develop new EIA. Protocols for environment management and monitoring are listed on RKL/RPL document, meanwhile implementation for monitoring/management has been described yet on regular environment management/monitoring implementation report per semester.

Results of monitoring for periods 2nd semester 2018 shown that company has managed all potentials impact as per required on RKL/RPL for examples for air emmisson, noise, surface water quality, water biota, and etc. All parameters are still comply with standard quality, except noise on some mill station. Regarding this company has provides PPE for operator that working on high noise station.

Evaluation and review for current monitoring and management plan has been done by SPO officer on July 2017. Based on review shown that current environmental management plan that implemented by company are still reliable with actual company conditions, therefore there is no changes regarding environmental management plan / monitoring.

| |
|-----------------------|
| Status: Comply |
|-----------------------|

5.2

The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced

5.2.1

PT LWI and PT BPL estates shown HCV assessment for the entire area of operations which done by the RSPO Approved Assessor on 2010. The process of HCV identification conducted by using HCV identification guides in Indonesia on June 2008. These identifications indicates there is HCV 1.1, 4.1, 1.3, 5, and 6 presence on PT LWI and PT BPL covered areas resectively : 101.99 ha areas for PT LWI and 209.32 ha for PT BPL (BINE & BMSE). All of indicates HCV areas was mapped by 1:20000 scale and this HCV identifications covered all estates/mill operational areas including surrounding landscape and RTE species.

Meanwhile this HCV identifications shown there is no species categorized on IUCN redlist, and based on Indonesia national regulation there is some protected species such as *Nepenthes*, and *Muntiacus muntjak*.

5.2.2 & 5.2.3

Related to HCV and protected species presence, PT LWI and PT BPL has established HCV management plan 2019 that includes appropriate management and monitoring to maintain HCV attributes and RTE species ofr examples : species monitoring, HCV areas security including illegal hunting monitoring, HCV socialization, and HCV area revegetation.

Related to RTE species, company had RTE species protections policy listed on SMART policy on 25 June 2015 stated that all workers including contractors are not allowed to hunt, to raise, and killed all RTE species. Evidence for workforce educations related to RTE species are available and verified by auditors team, for examples on March 2018.

To provide protection against such RTE species, management unit has made the hunting ban signboard, patrolling, rehabilitation of riparian as habitat and report to relevant agencies (Nature Conservation Agency). PT LWI and PT BPL also conduct regular inspection for HCV/RTE species protection, last inspection was done on January 2019 indicates there is no wild hunting and no wild animal traps presence on HCV areas.

Based on field visit on LWUE, LWSE, and BMSE workers housing found there is no RTE species reared by workers, interview with harvester on LWUE, LWSE also found that workers were understood regarding company policy for RTE species protections.

Field visit on HCV areas Bukit Asam block X21 LWSE shown that company provides HCV areas information signboards and protected species, signboard for hunting ban and marking conservation areas as species corridors.

5.2.4

Company have established HCV management plan, and implemented it well. Regularly patrols record shown company has been monitored wild species presence, illegal fishing, hunting, and other illegal activities related HCV area conditions. All of records for monthly patrols on each estate are available and verified by auditors. For example patrols summary results for January 2019 on LWSE found *Halcyon smyrnensis*, and *varanus salvator*, meanwhile wild species trap is not presence and there is no HCV area interruption by illegal activities.

The result of monitoring also reported to government institution every six month listed on RKL/RPL report. As the results of 2018 monitoring output, company has plan feed back into the management plan 2019 for examples updating protected species signboard reference on each estate with new regulations PermenLH no 20/2018.

5.2.5

HCV identification results showed that there are community areas that contain HCV as a sacred area of Bukit Asam and Bukit Selam. Each unit has made an agreement with the village's representatives to protect HCV area, for example, a letter of agreement on February 24, 2016 between the managers of Leidong West Selatan Estate with Village Chief of Berang to protect the sacred areas of Bukit Asam. Field visit on bukit asam conservation areas block X21 shown that the Leidong West Selatan Estate has protected the sacred areas of Bukit Asam that crosses the area of the estate operational.

| |
|-----------------------|
| Status: Comply |
|-----------------------|

5.3

Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.

5.3.1

Company (estate and mill) has waste register list presented on waste identification document and environmental aspect evaluation that listed on document F/SMART/LEMS-EHSD/SADV/001/001. Both of this document explained each operational aspect, the polluton source and pollution management as well, for examples regarding chemical

activity→ex agrochemical containers→temporary hazardous waste and regarding workers housing→domestic waste→landfill.

5.3.2 & 5.3.3

Document review and field observation found that Company shown proper management ways for Ex chemical containers, medical waste, and other hazardous / non hazardous waste disposal, based on procedures and based on waste identification and management document.

Ex chemicals and their containers including hazardous waste are disposed responsibly based on procedure SOP/SMART/LEMS-EHSD/SADV//002. Inventory for all chemicals usage and it containers are available on chemicals storehouse / temporary hazardous storage. Meanwhile all ex chemicals containers kept on temporary hazardous storage at Leidong West Mill and the company has a permit for hazardous and toxic waste storage issued by decree of Bangka Barat regent No. 188.45/288.B/2.12.1.1/2017 valid until 2022.

PT Leidong West Indonesia has working agreement and sent all toxic and hazardous waste to PT Valten Cahaya Anugerah as Bangka Belitung Province licensed collectors. Observation during audits at mill temporary hazardous&toxic waste storage shown that all of hazardous waste are compliant with the periods in permit (< 180 days). The last hazardous waste disposal are conducted on January 19 2019 by PT Valten Cahaya Anugerah and disposal manifest for each hazardous waste were verified by auditors.

Field observation on LWUE & LWSE workers housing for example found that companies managed settlements/housing domestic waste by provide landfill on each estate and sort the organic/an-organic waste. Besides that, company has trained the landfill PIC with proper environment management training. This landfill areas were also located far away from water sources and complemented with open/closing dates and coordinates.

Status: Comply

5.4

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

5.4.1

PT LWI and PT BPL has assess and estimated the direct energy use such as fuel usage including third parties contractors. Company shown commitment to reducing fossil fuel by renewable energy usage. Shell and fiber usage have been monitored per month and realization of fossil fuel usage during December 2018 are 6774 litre. During Jan-Dec 2018, fiber and shell usage for boiler resulting average energy efficiency for diesel fuel are 20.04 l/mt CPO, for electricity are 91.57 kWh/mt CPO.

Status: Comply

5.5

Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situations, as identified in the ASEAN guidelines or other regional best practice.

5.5.1

Zero burning activities for land preparation are listed on procedures SOP/SMART/MCAR/IV/TA-PLB and GAR Environmental policy related zero burning activities 2015. Document review and field verification shown that company are not conduct any new development, clearing or replanting since ASA-1.

Status: Comply

5.6

Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.

5.6.1 & 5.6.2

As a part of emission reducing plan, the company has identified the emissions source and the management steps which are described in emission source identification. In addition, company also identified GHG sources included mitigation plan for reducing it.

All waste including emissions and pollutions sources from Mill and estate are identified and recorded on waste and pollution identification 2019 document. Fossil fuel reducing have been implemented by fiber and shell usage. Realization of renewable energy have been monitored on monthly report for fiber and shell usage. Meanwhile, company has regular monitoring programme related air emission including monitoring for smoke density and opacity, results of 2nd semester 2018 for this parameters respectively for boiler 1 e.g. 89 mg/m3 and 20 % (below threshold limit).

5.6.3

Calculation of GHG and its monitoring has conducted by SADV department. GHG emission calculated using RSPO palm GHG calculator v 3.0.1. Summary of GHG emission for Leidong West mill and its supply base are listed as follows :

Summary of Net GHG Emissions year 2018

| Product | tCO ₂ e/t product |
|---------|------------------------------|
| CPO | 0.87 |
| PK | 0.87 |

| Description | Unit | Value |
|----------------------------|------|-----------|
| Total Planted Area | Ha | 15,726.38 |
| Total Planted Area on peat | Ha | 0 |
| Conservation Area | Ha | 427.37 |
| OER | % | 20.89 |
| KER | % | 6.19 |

Notes : total planted areas and Conservation area are included other supply base i.e PT BPL that consist of BMSE, BINE, BPPE, BPTE

Mill Emission and Credit

| Description | tCO ₂ | tCO ₂ e/t FFB |
|--|------------------|--------------------------|
| POME | 35134.87 | 0.13 |
| Fuel Consumption | 362.75 | 0 |
| Grid Electricity Utilisation | 0 | 0 |
| Credit | 0 | 0 |
| Export of excess electricity to housing & grid | 0 | 0 |
| Sale of PKS | 0 | 0 |
| Sale Of EFB | 0 | 0 |
| Total | 35497.62 | 0.14 |

Plantation/Field Emissions and Sinks

| Description | Own | | | Group | | |
|--|------------------|-----------------------|--------------------------|------------------|-----------------------|--------------------------|
| | tCO ₂ | tCO ₂ e/ha | tCO ₂ e/t FFB | tCO ₂ | tCO ₂ e/ha | tCO ₂ e/t FFB |
| Land Conversion | 36058.71 | 9.88 | 0.03 | 68064.61 | 6.9 | 0.53 |
| CO ₂ Emission from fertilizer | 3638.3 | 1.03 | 0 | 5696.4 | 0.53 | 0.04 |
| N ₂ O Emissions | 4804.8 | 1.25 | | 5165.95 | 0.48 | 0.04 |
| Fuel Consumption | 696.08 | 0.2 | | 1236.62 | 0.11 | 0.01 |
| Peat Oxidation | 0 | 0 | | 0 | 0 | 0 |
| Sinks | | | | | | |
| Crop Sequestration | -34178.87 | -9.36 | -0.02 | -64516.22 | -0.5 | -6.54 |
| Sequestration in conservation area | -5.06 | -0.11 | 0 | -640.25 | 0 | -0.06 |
| Total | 11013.97 | 2.89 | 0.01 | 15007.11 | 0.11 | 1.43 |

Palm oil Mill Effluent (POME) Treatment

| | |
|-------------------------------|----------|
| Divert to compost | 0.00 % |
| Divert to anaerobic digestion | 100.00 % |

POME Diverted to Anaerobic Digestion:

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

Based on document review for examples: pesticides usages monitoring, diesel fuel monitoring, HCV identification and etc. found that accurate data has been put into the RSPO palm GHG Calculator. Meanwhile this GHG calculation using options No 1 (apply full version).
GHG calculation on 2018 shown net emission of GHG are decreasing compared to 2017 net GHG (0.87 tCO₂e/t Product vs 1.82 tCO₂e/t Product), this indicates company has implemented well plan to reduce emission.

| |
|-----------------------|
| Status: Comply |
|-----------------------|

PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills

6.1
Aspects of plantation and mill management, including replanting, that have social impacts are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate the continuous improvement.

6.1.1, 6.1.2
There is no changes to SIA documents. The company has conducted Social Impact Assessments such as :
- **PT BPL:** The initial social impact assessment carried out in 2014 by PT SMART was conducted by interview and FGD methods. The study areas in 5 villages were: Dendang Village, Air Bulin Village, Kacung Village, Tugang Village, and Pangkal Beras Village.
- **PT LWI:** The initial social impact assessment carried out in 2012 by PT SMART was conducted by interview and FGD methods. The study areas in 7 villages were: Berang Village, Ibul Village, Jebus Village, Mislak Village, Ranggi Asam Village, Terentang Village and Tumbak Petar Village.

These document was explained of negative and positive impact of plantation and mill operation related social aspect, where the SIA Assessment also includes livelihoods, culture, religion, health, education, and others.

The preparation of Document SIA is done by involving the all affected parties. The evidence of affected involvement shown by :
- **PT LWI :** record of public consultation on 11 May 2012 attended by affected parties.
- **PT BPL :** record of the respondent of the PT BPL SIA Survey in the Attachment to SIA Identification as many as 48 participants and the list public consultation that was attended by 33 participants on October 17, 2014

6.1.3 ; 6.1.4
The company has a social impact management and monitoring plan 2018, for example :

| Type of impact | Management Plan | Monitoring Methode |
|--|---|--|
| Public unrest related to poor communication relations | Application of SOP for communication and consultation and socialization of the SOP. | Secondary data checking and interviews |
| Pollution of river water due to mud entering the river flow when construction of the | Prevention and monitoring of infrastructure for trench washing activities and socialization of risk reduction programs for the entry of mud into river flows. | Secondary data checking and interviews |

| | | |
|-------|--|--|
| road. | | |
|-------|--|--|

The company has demonstrated examples of SIA management plans that have been implemented, for example socialization of communication SOPs and implementation of surface water quality test results.

Based on interviews with representatives of Terentang Village, Kacung Village, and Rangi Asam Village there were social issues or negative perceptions from the community such as: Lack of local workers recruited by companies, CSR realization that was considered lacking, there was no realization of partnership cooperation in the form of plasma, and clarity about the boundaries of the HGU. This was also added from the results of interviews with the West Bangka Regency Agriculture Office regarding social issues in the communities. Regarding this, the company has reviewed the management and monitoring of social impacts carried out in 2018.

The results of the document verification of the Review Report on the Management and Monitoring of Social Impact Plans have included the results of minutes with affected parties regarding issues / negative perceptions related to the above matters. Based on the results of the review, improvements to the management and monitoring plans prepared for the 2019 period has been including negative impacts / perceptions as follows:

PT LWI

- Public unrest related to poor communication relations, and
- Community expectation related to increase assistance from the company

PT BPL

- Social jealousy related to the recruitment of labor by the local community
- Perceptions about communication between the company and the community
- Perceptions about CSR assistance given by the company is felt to be not optimal
- Community's assumption that the company's operations enable pollution due to liquid waste on the Lagok River.

Based on the explanation above, it was concluded that the results of the review of the management and monitoring plan did not cover all the issues or negative perceptions of the communities, namely the demand for realization of partnership cooperation in the form of plasma and clarity on the boundaries of the HGU. **NC 2019.01.**

6.1.5

Company not yet has scheme /associated smallholder.

| | |
|--|--|
| Status: Non-Conformity No.2019.01 with Minor Category | |
|--|--|

6.2

There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.

6.2.1

PT LWI and PT BPL have identified stakeholders who have an interest and affected by the plantation and mill operations. Can be shown the updated list of stakeholders in 2019, consisting of government agencies, assisted villages, community leaders, workers' organizations (SPSI and gender committees), local contractors and NGOs.

The company has SOP Communication and Consultation Documents (SOP / SMART / GENERAL / SAD VI / 004 Issued July 1, 2014). This procedure contains guidelines for planning, implementing, regarding communication and consultation between stakeholders. The SOP is also include with procedure for implementation, responses, and delivery of information to stakeholders, as well as flowcharts that explain in detail the steps for implementing activities, along with related documents.

The company has conduct the dissemination to the surrounding community, for e.g. carried out on 15 November 2018 in Ibul, Terentang, Air Bulin, Dendang, Kacung, Tugang, Mislah, Tambah, Pangkal, Jebus, Asam Rangi and Berang Village.

Interviews with stakeholders are conducted during audit to local contractors and transporter, as well as to the village communities such as Ranggi Asam Village, Terentang Village and Kacung Village, some of them not fully understand related to information request mechanism. It has been note as OFI in Ind 1.1.1.

6.2.2, 6.2.3

Records of communication and consultation with stakeholders are recorded in communication and consultation log books, which are placed in each of estate and mill. There was no request for information during the past year, there was an incoming letter from the surrounding village in the form of a request for assistance.

Based on interviews with sampling villages bordering PT BPL, namely Kacung and Terentang village, mentioning that communication with companies is not going well. It was told that there were aspirations that had been conveyed to the company in June 2018 (community demonstrations in the Joint Village Head Forum), the issue were related to the demand for smallholder development, transparency of the HGU boundaries, employee recruitment to involve villages and CSR programs to be given in cash IDR 55,000 / Ha. The company has responded to these aspirations during hearings with various parties carried out by Commission I of DPRD Bangka Belitung on April 23, 2018 and July 16, 2018.

The person in charge to communicate and consultation with community and other stakeholder is Manager of units (estate and mill) and Legal staff.

Status: Comply

6.3

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

6.3.1; 6.3.2

SOP for Handling Complaints and dissatisfaction with No. SOP / SMART / GIMS-SCMD / USDV / I / 001 dated 1 July 2014 with the latest revision 11 April 2017. In the SOP it was explained that the Social officer / administration head received a letter of complaint and dissatisfaction directly from the informant or not directly through the suggestion box. Information and data entered are recorded in the Complaint and Dissatisfaction registration form.

The company has socialized the complaints mechanism to surrounding communities along with the dissemination of mechanisms to obtain information. For the 2018 period carried out on 15 November 2018 in Ibul, Terentang, Air Bulin, Dendang, Kacung, Tugang, Misliah, Tumbuh, Pangkal, Jebus, Ranggi Asam and Berang Villages. The socialization was attended by representatives from the village and the community, for example by the village head, head of sub village, government agencies, BPD, community leaders and village staff. As well as workers, interview results with workers known that they already know the complaint mechanism.

Protection of whistleblowers is contained in the complaints mechanism which states that the Company guarantees the whistleblower's anonymity with the aim of reducing the risk of revenge.

Based on document verification of complaint logbook, known that there was no complaint in BINE, BMSE and mill in 2018-2019. There were 3 complaints in LWUE period January – December 2018 and has been responded by the company.

Status: Comply

6.4

Any negotiations concerning compensation for loss of legal or customary 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.

6.4.1, 6.4.2, 6.4.3

Until the recertification, the company didn't develop new areas and no new planting.

Based on the location permit and HGU, the company's area is State land with status for another purposes (APL), there are no customary rights and / or traditional rights in the HGU. There is a community arable area that has been compensated by the company, the entire compensation process was completed in 1996.

The company has an FPIC procedure in the SOP of Application of free, prior and informed consent, no.: SOP / SMART / SENS-CSR / SADV / I / 003 (dated 1 July 2014).

The company has Land Compensation SOP (SOP / NP / SMART / VII / D & L002 dated 1 July 2010), in the procedure have explained mechanisms for identifying legal rights, customary rights and traditional rights, as well as calculation and compensation payments mechanisms.

Based on interviews with ex-owners of cultivated areas, in the village of Terentang and Kacung, it was stated that the process of land acquisition has been done according to agreed prices, there is no compulsion to the community to release the land.

| |
|-----------------------|
| Status: Comply |
|-----------------------|

6.5

Pay and conditions for employees and for employees of contractors always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.

6.5.1

Minimum wage based on the Decree of Bangka Belitung Governor Decree No. 188.44/831/DISNAKER/2018 dated on October 31, 2018 regarding to minimum wage of 2019 is IDR. 2.976.705,97 per month.. Wages in 2018 have been adjusted since January 1, 2017. Based on document verification, field observation, interview with workers (manuring workers, harvester, spraying team, mill workers) there's no indication about the force labor. In addition, they get the wage suitable with the wage minimum regulation. Interview with Labor Union, said that wages and overtime paid are in accordance with applicable regulations.

6.5.2

Work agreement (contract) between worker and company describes about type of work and salary, duty and responsibility, work hour, health and medical, work termination, and others. Contract is written in Indonesian Language and workers are understood the substance of the contract. For example ; contract 0147/LWSM/PKWT-PT4A/XII/2018 dated December 24, 2018 and valid until March 24, 2019. In the contract has ben describes about rights and obligations of workers. Based on interview to workers in sampled estate, its verified that the workers has been aware regarding to the changes of employment administration.

Company also has collective labour agreement (CLA) between company and labour union for period year 2016 – 2018 which is endorsed by Manpower and Transmigration Agency in Kotabaru District. The collective labour agreement is regulated about company and worker responsibilities, recruitment process, promotion and demotion, work time management, payment system, social insurance, contract termination, and so on. The results of interviews with management and labor union conveyed that the CLA (Collective Labor Agreement) had expired. During the Re-Certification audit, it was also conveyed that CLA was still in the negotiation stage. Based on the documents showed by management, there are changes and additions to the contents of the article in the draft CLA addendum dated 11 May 2018 which is still in the discussion stage. Ensure the follow-up of mediation with the workers (OFI).

6.5.3

Observations on housing and interviews with workers and residents of housing, known that the company has provided housing facilities, worship facilities, sports, daycare, and education. Observation showed that the houses provided by the company is in good condition. For clean water sources, delivered from water sources from reservoirs or well. For electricity sourced from generators. For health facilities, the company provides a clinic and a doctor. In addition, the company also provides landfill for domestic waste management.

6.5.4

The results of interviews with housing residents known that there are mobile traders who sell basic necessities that enter the residential area at least once in two days. In addition, the distance from housing to traditional markets can be reached by motorbike \pm 15-30 minutes.

| |
|-----------------------|
| Status: Comply |
|-----------------------|

6.6

The employer respects the right 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.

6.6.1

Management of PT BPL and PT LWI has a policy that respects the rights of all employees to form and join a community of Labor Union which is contained in the Circular Letter No.094/CEO2-SE/12/2010 dated December 14, 2010 and available in bahasa. Based on interview with the committee of workers, there was no force for the worker to join the labor union.

As a form of implementation of association freedom, labor union have been formed in the company and have been recorded in the Manpower Agency with No. 045.2 / 07 / III.10 / 2009. The Company showed the management composition of the Work Unit of Labor Union called Agriculture and Plantation Unions (PUK SPSI-PP. PT BPL / LWI period 2018-2022 based on Decree No. 152 / PC-FSPSI / BB / I / 2018 dated January 1, 2018.

Minor 6.6.2

There are meeting record between Labor Union and Management unit and also meeting record between Labour union and its member, such as:

- Minutes of meeting on September 12, 2018 with the topic of PPE
- Minutes of meeting on November, 10 2018 with the topic of the obligation to use PPE, and CLA discussion that will be held on 14 November 2018.
- Minutes of meeting on November, 14 2018. In the minutes it was explained that the labor union would first study the draft of CLA renewal and would inform the company of the time and place for negotiations.

Status: Comply

6.7

Children are not employed or exploited.

6.7.1

Company has the policy regarding minimum age for worker regulated on GAR's Social and Environmental Policy signed by Head of Upstream, CEO-Downstream&Comercial, Executive Director&CFO; Managing Director of Sustainability & Strategic Stakeholder Engagement.

The results of verification of the labor list document, known that there are no workers under the age of 18 years. Likewise with field visits, no underage workers were found. Interviews with workers and worker representatives also stated that the minimum age limit for workers is 18 years. There are also warnings about the prohibition on the use of workers under 18 years of age which are displayed in the locations of plantation offices and housing complex.

Status: Comply

6.8

Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.

6.8.1; 6.8.2; 6.8.3

on GAR's Social and Environmental Policy signed by Head of Upstream, CEO-Downstream&Comercial, Executive Director&CFO; Managing Director of Sustainability & Strategic Stakeholder Engagement. The policy assured equal opportunities for all workers, and embrace diversity, regardless of ethnicity, religion, disability, gender, political affiliation, sexual orientation, or union membership workers, and ensure that all workers are protected from discrimination in all stages of the employment relationship.

The results of interviews with workers and workers' representatives were also conveyed that the company provided equal treatment to each worker and there were no issues related to discrimination against workers or the community in obtaining employment. The results of verification of the labor list document, known that workers come from various tribes (Java, Batak, Malay, Lombok, Palembang etc.) and the majority (above 50%) come from the surrounding village,

for example Terentang Village, Ibul Village, Berang Village, Dendang Village, etc. The percentage of workers from surrounding villages as follows

- Mill: 63% of the total workers are local residents
- LWUE: 71% of the total workers are local residents.
- BINE: 76% of the total workers are local residents.
- BMSE: 83% of the total workers are local residents.
- LWSE: 90% of the total workers are local residents.

The company also announces if there are job vacancy in the company that are posted / displayed on village offices which are indicated by: Minutes of notification of job vacancies on December 5, 2018 where notifications are posted at Terentang, Ibul and Kacung village offices. There is also a photo documentation.

Company kept the personal file of each worker. Based on interview with management, the recruitment is conducted based on the company requirement. Worker promotion, mutation or demotion is done through the employee performance assessment. Company has provide the assessment documents, promotions and the employee appointments. For example : Work Agreement No. 0147/LWSM/PKWT-PT4A/XII/2018. The company can show documentation of job applications completed with the results of the assessment and the results of the health examination.

| | |
|-----------------------|--|
| Status: Comply | |
|-----------------------|--|

6.9

There is no harassment or abuse in the work place, and reproductive rights are protected.

6.9.1 ; 6.9.2

Company has the Policy to prevent sexual harassment and abuse on Internal CEO 2 No. 003/CEO2-SE/01/2011 dated January, 10 2011.

Based on interview with workers, gender committe and labor union, known that policy to prevent all forms of abuse and sexual harassment have been disseminated by company troughout gender committee. Every complaint related to women's issues is conveyed and resolved through a gender committee.

Based on the interviews with female workers in daycare, spraying workers and interviews with gender committee, explained that all of the female workers are obtained leave entitlement to give birth for three months (H2) and the right to rest for female workers who experienced menstruation for 2 days (H1). The mechanism of giving H1 is done by first checking in the clinic. Based on the H1 and H2 attendance data, known that there were no female worker taking leave of H1, but only took leave of H2. For example :

- Record of birth leave at BINE division 1 on April – June 2018
- Record of birth leave at LWSE on June – August 2018

Minor 6.9.3

SOP for Handling Complaints and dissatisfaction with No. SOP / SMART / GIMS-SCMD / USDV / I / 001 dated 1 July 2014 with the latest revision 11 April 2017. In the SOP it was explained that the Social officer / administration head received a letter of complaint and dissatisfaction directly from the informant or not directly through the suggestion box. Information and data entered are recorded in the Complaint and Dissatisfaction registration form. Protection of whistleblowers is contained in the complaints mechanism which states that the Company guarantees the whistleblower's anonymity with the aim of reducing the risk of revenge.

Results of interview with labor unions and gender committees, known that company has special complaint mechanisms through gender committees. If there are complaints related to women's issues submitted through the board of the gender committee. Interviews with female workers are known they understand the specific complaint mechanism through the gender committee. Based on the interviews with the Gender Committee, during 2018 there were no complaints related to the sexual harassment or violence to all employees.

| | |
|-----------------------|--|
| Status: Comply | |
|-----------------------|--|

6.10

Growers and mills deal fairly and transparently with smallholders and other local businesses.

6.10.1; 6.10.2; 6.10.3; and 6.10.4

The company does not accept FFB from outside suppliers or smallholder, while the company does not have a schemes smallholder. Thus there is no supply of FFB and FFB pricing by the company.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

The company showed the document on the realization of the CSR program to the community around the plantation in the period of 2018 as follows:

- Assistance for mosque management fees
- Assistance for volleyball and soccer equipment proposals at Terentang Village
- Assistance for traditional celebration at Pangkal Beras and Terentang Village
- Assistance for AL Kautsar bus transportation
- Assistance for 1 set of Rajek sub village soccer net.
- Assistance for repair Box Culvert at Tumbak Petar village on January 2018
- Assistance for birthday celebrations of Mislak Village on May 2018
- Etc

The results of interviews with contractors from Tumbak Petar Village who are also community leaders, said that the company had realized some assistance such as assistance for basic needs during Eid al-Fitr, mosque assistance, clean water, religious assistance, etc. The company also cooperates with local contractors as a form of local community development to improve people's lives. For example agreement No. LWI/LWUE/SPKL-L/Januari-2019/001-Transport TBS on January 2, 2019.

6.11.2

There is no shcheme /associated smallholder . All suppliers come from the core plantations, namely PT MP LWI and PT BPL

Status: Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1; 6.12.2 & 6.12.3

Based on review on the labor list document of PT LWI and PT BPL, known that there was no illegal worker. The entire workers have their position based on the signed work contract or appointment letter. Interview with labor union revealed that there is no force or illegal labor who work in company. Moreover, company does not hire illegal or force labor or contract substitution.

Based on field visit in factory and field visit, there was no indication the use of illegal or forced labor. And based on the field visit, there is no indication the use of child labor and no harvesters accompanied by wife or children (force to work).

Status: Comply

6.13

Growers and millers respect human rights

6.13

The company has a Social and Community Engagement Policy set on November 10, 2011 which was approved by the President Director, point 6 stated that the company respects Human Rights (HAM). In addition, in 2015 there was a GAR Social and Environmental Policy signed by Head of Upstream, CEO of Downstream & Commercial, Executive Director & CFO; Managing Director of Sustainability & Strategic Stakeholder Engagement. In point 3 the Work Environment and Industrial Relations states that the Company respects Human Rights for all employees.

The results of interviews with employees (estate and factories), labor unions, contractor known that they already know about Human Rights Policy and during Re-certification there is no information related to human rights violations in the company's operational areas.

| | | |
|--|-----------------------|--|
| | Status: Comply | |
| PRINCIPLE #7 Responsible development of new plantings | | |
| 7.1 A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations. | | |
| 7.1.1, 7.1.2, 7.1.3 Certificate holder do not conduct any new development since November 2005. Planting year for BINE, BMSE, LWUE, and LWSE are consist of year 1992-1998. Current EIA and SIA were able to seen on indicator 5.1 and 6.1 | | |
| | Status: Comply | |
| 7.2 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. | | |
| 7.2.1 and 7.2.2 The management unit is not performed expanding and developing the plantations area after November 2005. The results of the document study and interviews with management showed that the planting has done last in 1998. The results of the document study and field visits showed the planting year in Bukit Intan Estate, Bukit Mas Estate, Leidong West Utara Estate, and Leidong West Selatan Estate consists from 1992 to 1998 | | |
| | Status: Comply | |
| 7.3 New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values. | | |
| 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.3.5 Certificate holder do not conduct any new development since November 2005. Planting year for BINE, BMSE, LWUE, and LWSE are consist of year 1992-1998. PT MP Leidong West Indonesia and PT Bumi Permai Lestari are subsidiaries of Golden Agri Resources and has been submit Disclosure of Liability to RSPO on 29 August 2014 with Zero Liability. Land Use Change Analysis (LUCA) also has been submitted on 11 April 2016 and review progress was done on 24 October 2016. Current HCV identification and management plan are able to seen on indicator 5.2 | | |
| | Status: Comply | |
| 7.4 Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided. | | |
| 7.4.1 and 7.4.2 The management unit is not performed expanding and developing the plantations area after November 2005. The results of the document study and interviews with management showed that the planting has done last in 1998. The results of the document study and field visits showed the planting year in Bukit Intan Estate, Bukit Mas Estate, Leidong West Utara Estate, and Leidong West Selatan Estate consists from 1992 to 1998. | | |
| | Status: Comply | |
| 7.5 No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions. | | |
| Until the recertification, the company didn't develop new areas and no new planting. Based on the location permit and HGU, the company's area is State land with status for another purposes (APL), there are no customary rights and / or traditional rights in the HGU. There is a community arable area that has been compensated by the company, the entire compensation process was completed in 1996. | | |
| The company has an FPIC procedure in the SOP of Application of free, prior and informed consent, no.: SOP / SMART / SENS-CSR / SADV / I / 003 (dated 1 July 2014). | | |

| | | |
|---|---|--|
| | Status: Comply | |
| 7.6 | 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 free, prior and informed consent and negotiated agreements. | |
| | <p>Until the recertification, the company didn't develop new areas and no new planting.</p> <p>Based on the location permit and HGU, the company's area is State land with status for another purposes (APL), there are no customary rights and / or traditional rights in the HGU. There is a community arable area that has been compensated by the company, the entire compensation process was completed in 1996.</p> <p>The company has an FPIC procedure in the SOP of Application of free, prior and informed consent, no.: SOP / SMART / SENS-CSR / SADV / I / 003 (dated 1 July 2014).</p> <p>The company has Land Compensation SOP (SOP / NP / SMART / VII / D & L002 dated 1 July 2010), in the procedure have explained mechanisms for identifying legal rights, customary rights and traditional rights, as well as calculation and compensation payments mechanisms.</p> | |
| | Status: Comply | |
| 7.7 | Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice. | |
| 7.7.1 and 7.7.2 | <p>Certificate holder do not conduct any new development since November 2005. Planting year for BINE, BMSE, LWUE, and LWSE are consist of year 1992-1998. Zero burning policy for current operational activities has been described on indicator 5.5</p> | |
| | Status: Comply | |
| 7.8 | New plantation developments are designed to minimise net greenhouse gas emissions. | |
| 7.8.1 & 7.8.1 | <p>Certificate holder do not conduct any planting or new development since January 2015. Current GHG calculation for existing operational areas are able to seen on indicator 5.6.3.</p> | |
| | Status: Comply | |
| PRINCIPLE #8 Commitment to continuous improvement in key areas of activity | | |
| 8.1 | Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations. | |
| | <p>Environmental aspects</p> <p>Company has implemented waste management plan as a part of emission reducing plan by fossil fuel substitution with shell and fiber. Details renewable usage monitoring has been described on indicator 5.4.</p> <p>Agronomy</p> <p>The company is conducting a trial of the "Smart Nursery Project" which is a nursery system that utilizes solar cell technology to produce electricity as an energy source to power a water pump engine. Another advantage of this nursery system is the use of pot-tray on the pre nursery that can suppress the use of plastic because it can be used multiple times and drip irrigation systems where water and fertilizer go directly into each polybag (main nursery) so it will save water.</p> <p>LWSM is currently developing E-Fact application as a substitute for FFB consigne letter for administration of FFB delivery to the mill which aims to reduce paper usage, ease product traceability and facilitate data input to the system.</p> <p>Labour</p> <p>Company has the opportunity to ensure that core work is carried out by permanent workers (P & C 2018). OFI</p> | |
| | Status: Comply | |

3.2. Summary of Assessment Report of Supply Chain Requirement
3.2.1 General Chain of custody requirements for the supply chain

| Clause | Requirement |
|------------|---|
| 5.1 | Applicability of the general chain of custody requirements for the supply chain |
| 5.1.1 | <p>The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.</p> <p>Audit are conducted to palm oil mill (Leidong West Mill), which legally owned the product and conduct the physically handling except to the product transport. The certified CPO and PK from this mill are delivered to Bangka Bulking station transported by trucks. CSPO transportation handled by PT Satrindo Jaya Agropalma and CSPK transportation handled by PT EMKL TIGA BERDIKARI, both outsourced transporter has been bounded by the agreement.</p> <ul style="list-style-type: none"> - Agreement letter no.: 001/LI/LWSM/01/2019-PK dated 2 Jan 2019 between PT MP Leidong West Indonesia and PT EMKL Tiga Berdikari, valid until 31 Dec 2019 - Agreement letter no.: 001/LWI/LWSM/II/2017-CPO dated 2 Jan 2017 between PT MP Leidong West Indonesia and PT Satrindo Jaya, valid until 31 Dec 2019. |
| | Status: Comply |
| 5.1.2 | <p>Traders and distributors require a license obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.</p> <p>Leidong West POM is not traders nor distributors, audit are carry out to the palm oil mill which only sell its product (CPO and PK).</p> |
| | Status: Comply |
| 5.1.3 | <p>Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.</p> <p>Leidong West Mill has registered as RSPO member under GAR (1-0096-11-000-00) and also registered in palm trace as PT. MP Leidong West Indonesia - Leidong West Palm Oil Mill, sub license id : CB66231, palm trace member id : RSPO_PO1000001372.</p> |
| | Status: Comply |
| 5.1.4 | <p>Processing aids do not need to be included within an organization's scope of certification.</p> <p>Leidong West Mill did not have any processing aids both of tools and/or material at site.</p> |
| | Status: Comply |
| 5.2 | Supply chain model |
| 5.2.1 | <p>The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.</p> <p>Leidong West Mill applied the SCC module D - Identity Preserved, the claim of product since 16 May 2018 conducted under IP.</p> |
| | Status: Comply |
| 5.2.2 | |

| | |
|--|--------------------------------|
| The site can use one (1) or a combination of supply chain models as audited and certified by the CB. | |
| Leidong West Mill only applied the SCC module D - Identity Preserved, the claim of product since 16 May 2018 conducted only under IP. | |
| | Status: Comply |
| 5.3 | Documented procedures |
| 5.3.1 | |
| The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified. | |
| Leidong West mill has set the SOP for RSPO SCCS implementation, namely SOP no.: PT MP.LWI-LWSM/SOP/25 (SOP Supply Chain Product RSPO Model Identity Preserved), valid since 17 Jan 2019. All element of required in the SCCS system and standard has been written in these SOP, such as: Personnel involve and critical control point as well as its responsibility, for e.g.: <ul style="list-style-type: none"> - Security: check and monitor the FFB supplier in accordance with the list, check the condition of the CPO and PK trucks, ensure the installation of seals on each CPO and PK truck - WB clerk: checks the completeness of FFB, CPO and PK and input shipping documents into the system, ensuring raw material comes from certified estates, ensuring product delivery documents has include product traceability codes. - Production clerk: provides raw material data, production, shipping and stock data and submits to Adm. Head of Mill for preparation of the RSPO mass balance report Other things that describes in the SOP: <ul style="list-style-type: none"> • Change in supply chain model and flushing method if there is a mixture of products • Validation of product quality and quantity reports and calculation of mass balance reports in real time basis • Registration of transactions in RSPO Palm trace (announcement of shipping and remove) by the Dept. of Sales per delivery received by buyer. • SCCS documentation and document control. Observed during field visit to security post and WB station and confirmed during interview to personnel, it was known that they are aware of the SOP, it was told that the training of SCCS has been done regularly twice a year. | |
| | Status: Comply |
| 5.3.2 | |
| The site shall have a written procedure to conduct annual internal audit | |
| Leidong West Mill has had procedure for Internal Audit (SOP/SMART/UMUM/SADV/I/2009, dated 1 July 2014), as a guideline to conduct internal audit for all aspect (P&C and SCCS). In the clause of 1.2 stated that SOP of internal audit is in order to acknowledge effectiveness and compliances with applicable certification system requirements. Clause of 2.2.1 stated that an internal audit conducting annually (once a year) and possible to perform additional audit in within. The mill provide the latest internal audit report, held on 12-18 Nov 2018 by trained internal auditor, the audit conducted referring to the latest RSPO SCCS system and standard, there is no non-conformance identified. | |
| | Status: Comply |
| 5.4 | Purchasing and goods in |
| 5.4.1 | |
| The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier | |
| Leidong West Mill do not purchase any of RSPO certified oil palm from outsider, it only sale its product. | |
| | Status: Not Applicable |
| 5.4.2 | |
| The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents | |
| Mechanism for handling non-conforming oil palm products and/or document are specified in SOP <i>Penanganan Keluhan dan</i> | |

Ketidakpuasan (SOP/SMART/SIGS-CSR/SADV/I/003, 1 July 2014). This procedure is general applied to all complaints aspects, including non-conforming products from customer/buyer.

In relating to non-conformance of product and / or document, the buyers or suppliers can submit the complaint by email and/or by phone to the marketing department, which will then be forwarded to the relevant departments for investigation and verification. Subsequent actions will be determined based on the results of the verification.

Status: Comply

5.5 Outsourcing activities

5.5.1

In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mill cannot outsource processing activities like refining or crushing.

The mill are outsourced its product transporting to the third parties. CSPO transportation handled by PT Satrindo Jaya Agropalma and CSPK transportation handled by PT EMKL TIGA BERDIKARI, both outsourced transporter has been bounded by the agreement.

- Agreement letter no.: 001/LI/LWSM/01/2019-PK dated 2 Jan 2019 between PT MP Leidong West Indonesia and PT EMKL Tiga Berdikari, valid until 31 Dec 2019
- Agreement letter no.: 001/LWI/LWSM/I/2017-CPO dated 2 Jan 2017 between PT MP Leidong West Indonesia and PT Satrindo Jaya, valid until 31 Dec 2019.

Mechanism related to outsource or contractors handling specified in the SOP *Pengendalian Kontraktor* (SOP/SMART/UMUM/SADV/I/006, issued 1 July 2014). This procedure is applicable to all outsource/contractors activities to look carefully at Sustainability aspects in their operation.

Interview with mill manager, told that the transporter only handle the product trucking upon mill request from mill to the destination set, while the product still legally owned by the mill.

Status: Comply

5.5.2

Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:

- a. The site has legal ownership of all input material to be included in outsourced processes;
- b. The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.
- c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.
- d. d) The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance

The mill are outsourced its product transporting to the third parties. CSPO transportation handled by PT Satrindo Jaya Agropalma and CSPK transportation handled by PT EMKL TIGA BERDIKARI. The Mill has ensuring:

- a) The transporter only handle the product trucking upon mill request from mill to the destination set, while the product still legally owned by the mill.
- b) Both outsourced transporter has been bounded by the agreement:
Agreement letter no.: 001/LI/LWSM/01/2019-PK dated 2 Jan 2019 between PT MP Leidong West Indonesia and PT EMKL Tiga Berdikari, valid until 31 Dec 2019
Agreement letter no.: 001/LWI/LWSM/I/2017-CPO dated 2 Jan 2017 between PT MP Leidong West Indonesia and PT Satrindo Jaya, valid until 31 Dec 2019.
- c) Document control system to ensure outsources activities through their own procedure. SOP/SMART/UMUM/SADV/I/006, issued on 1 July 2014 related to Contractor Handling Mechanism.
- d) Both in SOP and contract document has been stated that the outsourced transporter has to comply with all

| | |
|--|-------------------------------------|
| sustainability aspects in its operation. | |
| | Status: Comply |
| 5.5.3 | |
| The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products. | |
| Transporter contact and address detail written in agreement letter, PT Satrindo Jaya Agripalma (for CSPO) and PT. EMKL Tiga Berdikari (for CSPK) address in Sub district of Kelapa – Bangka Barat. | |
| | Status: Comply |
| 5.5.4 | |
| The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products | |
| There is no new contractors and transporter since ASA-4. | |
| | Status: Comply |
| 5.6 | Sales and goods out |
| 5.6.1 | |
| The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form: The name and address of the buyer | |
| The detail of buyer and product information are listed in the document of product delivery (delivery order) and sales contract. For example: | |
| <ul style="list-style-type: none"> - CSPO DO document no.: 2650/CPO/1250//19/T001 sold to PT Bumi Permai Lestari – Bulking, address in Menteng, Jakarta Pusat, DKI Jakarta, Indonesia, total volume 5,000 MT, delivery date: 2 Jan 2019, claim as RSPO IP. - CSPK DO document no.: 2650112322, delivery date: 9 Jan 2019, sold to PT Sumber Indah Perkasa, address in DKI Jakarta – Indonesia, volume: 400 MT, SCC model: RSPO IP. | |
| Based on the document verification on DO document, it was seen that the seller of product (CSPO and CSPK) produced from BINE and BMSE is BPL Mill, the LWSM considered to ensure that the name of product owner/seller written in the sales document is LWSM since both estate are it supply bases. OFI | |
| | Status: Comply |
| 5.7 | Registration of transactions |
| 5.7.1 | |
| Supply chain actors who: | |
| <ul style="list-style-type: none"> • are mills, traders, crushers and refineries; and • take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable | |
| <ul style="list-style-type: none"> • The audit are conducted to palm oil mill namely Leidong West Mill • Leidong West Mill has been registered on Palm Trace with registered member ID: RSPO_PO1000001372, and all product transaction (CSPO and CSPK) has been reported and registered in RSPO IT Platform. | |
| | Status: Comply |
| 5.7.2 | |
| The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform: | |
| <ul style="list-style-type: none"> • Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures. | |

- Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually.
- Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.
- Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.

All the transaction of product (shipping and remove) has been reported (shipping confirmation and removing) and can be traced in the RSPO palm trace, detail transaction since 16 May 2018 – 25 Feb 2019:

- **CSPO**: 5 transactions confirmed as shipping (sold under RSPO IP), for example transaction id no.: TR-41e93738-8577 on 15 Feb 2019, buyer reference no.: 2650/CPO/1250/19/T001, volume: 4994.93 MT (SC Model: IP). Two (2) transactions reported remove from certified stock (sold under ISCC), for example transaction id: ST-TR-a908d2f3-d70a, on 20-09-2018, total 11,457.01MT.
- **CSPK**: as much as 50 transactions confirmed shipping as RSPO SC – IP, for example, transaction id: TR-ddfd6b3cce70, on 4 Feb 2019, buyer reference: DIC/1250/051218/0001, volume 100 MT.

Status: Comply

5.8

Training

5.8.1

The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff

The SCCS implementation training held twice a year, for 2019, the training planned to be done on January and June, it was specified in the socialization and training program of Leidong West Mill 2019.

Status: Comply

5.8.2

Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements. Training shall be specific and relevant to the task(s) performed

The latest training of SCCS held on 24 Jan 2019, involving security, WB operator, and production clerk, Adm Head, Assistant of process and mill manager. Total participants is 8 person. Observed during field visit to security post and WB station and confirmed during interview to personnel, it was known that they are aware of the SOP, it was told that the training of SCCS has been done regularly twice a year.

Status: Comply

5.9

Record keeping

5.9.1

The organization shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements

Leidong West Mill has had maintain accurate, complete and up-to-date for the FFB receives, process and CPO & PK production from its supply bases (certified sources only).

Auditor are verified the record of SCCS implementation since Feb 2018 up to Feb 2019, for example: CSPO/CSPK DO document, FFB receive document, and Mass Balance Report of LWSM 2018/2019. All those document are stored in mill office and able to access by the auditor.

Status: Comply

5.9.2

Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock

The Certificate Holder has had procedure of Record and Document Handling (SOP/SMART/UMUM/SADV/I/001, issued 1 July 2014). In the clause of 2.4.12.e mentioned that all records shall be kept within 10 (ten) years.

Status: Comply

5.9.3

The organization shall be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.

The mill only applied IP Model on RSPO SCCS, the estimated volume of certified product has been set for the next 12 month (16 May 2019 – 15 May 2020), namely:

| | Actual production since 16 May 2018 – 23 Feb 2019 | Projection of ASA 4 (16 May 2019 – 15 May 2020) |
|------|---|---|
| FFB | 184,552.60 | 195,212 |
| CSPO | 45,351.92 | 40,995 |
| CSPK | 13,245.08 | 11,712 |

Status: Comply

5.10

Conversion factors

5.10.1

Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website (www.rspo.org); RSPO Rules for Physical Transition of Oleochemicals and its Derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries

Leidong West Mill has are palm oil mill which convert FFB as raw material to CPO and PK. The mill has set the conversion rate for both product based on actual ratio of raw material and product produced which is set based upon actual daily production. For the past 12 months (Feb 2018 - Jan 2019), the average conversion rate of CPO (OER) is 20.72% and for PK (KER) is 6.14%.

Status: Comply

5.10.2

Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.

The mill has set the conversion rate for both product CPO and PK based on actual ratio of raw material and product produced which is set based upon actual daily production.

Status: Comply

5.11

Claims

5.11.1

The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.

The mill not use the CSPO trademark both on product sales document and/or in its promotion activities. Trademark license no.: 1-0096-11-100-00.

Status: Comply

5.12

Complaints

5.12.1

The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.

| | |
|---|--------------------------|
| Mechanism for handling non-conforming oil palm products and complaints are specified in SOP <i>Penanganan Keluhan dan Ketidakpuasan</i> (SOP/SMART/SIGS-CSR/SADV/II/003, issued on 1 July 2014). This procedure is general applied to all complaints aspects, including complaints and non-conforming products from customer/buyer. | |
| | Status: Comply |
| 5.13 | Management review |
| 5.13.1 The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken The management review related to SCCS implementation are done in annually, the latest review held on 3 Sept 2018. | |
| | Status: Comply |
| 5.13.2 The input to management review shall include information on: <ul style="list-style-type: none"> • Results of internal audits covering RSPO Supply Chain Certification Standard. • Customer feedback. • Status of preventive and corrective actions. • Follow-up actions from management reviews. • Changes that could affect the management system. • Recommendations for improvement. | |
| Based on minute of latest management review, known that all information required above has been reviewed, namely: <ul style="list-style-type: none"> - The review of internal audit result and status → there is no NCR identified on the latest internal audit - Customer feedback → no feedback from the customer during the past 12 months, the mill has provide the logbook to record all feedback and complaint submitted by customer. - Changes that could affect the management system and recommendations for improvement → the mill are developing a new application/program namely E-fact application used to replace FFB delivery note in order to simplified and facilitate the entry data of FFB to the system. | |
| | Status: Comply |
| 5.13.3 The output from the management review shall include any decisions and actions related to: <ul style="list-style-type: none"> • Improvement of the effectiveness of the management system and its processes. • Resource needs. | |
| Based on minute of latest management review, known that all information required above has been reviewed, namely: <ul style="list-style-type: none"> ✓ Innovation of SCCS implementation → the new program namely E-fact application used to replace FFB delivery note in order to simplified and facilitate the entry data of FFB to the system has been implemented as project. ✓ The SOP of SCCS – IP has been revised adjusted to the latest standard and system ✓ No additional resources needed. | |
| | Status: Comply |

3.2.2 (Module D) CPO Mills – Identity Preserved Requirements

| Clause | Requirement | | | | | | | | | | | | | | | | |
|---|---|---|--|---|--|-----|-----------|------------|---------|------|-----------|-----------|--------|------|-----------|-----------|--------|
| D1 | Definition | | | | | | | | | | | | | | | | |
| D.1.1 | | | | | | | | | | | | | | | | | |
| A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from plantation/ estates that are certified against the RSPO Principles and Criteria (RSPO P&C), or against the Group Certification scheme. Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. If a mill process certified and uncertified FFB without physically separating them, then only Module E is applicable. | | | | | | | | | | | | | | | | | |
| Since ASA-4 up to RC, Leidong West Mill only receive and processed the FFB from certified sources, namely: Bukit Intan Estate, Bukit Mas Estate, Bukit Permata Estate, Leidong West Selatan Estate and Leidong West Utara Estate. The LWSM has determined that for SCC requirement are applying module D – IP. | | | | | | | | | | | | | | | | | |
| | Status: Comply | | | | | | | | | | | | | | | | |
| D.2 | Explanation | | | | | | | | | | | | | | | | |
| D.2.1 | | | | | | | | | | | | | | | | | |
| The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the certification body (CB) in the public summary of the P&C certification report. For an independent mill, the estimated tonnage of CPO and PK products must be recorded in the RSPO IT platform, supply chain certificate and public summary audit report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report | | | | | | | | | | | | | | | | | |
| Tonnage estimation of CSPO and CSPK that could potentially be produced by the LWSM has been determined and recorded in the last audit report and certificate, the actual production of product and estimation for next 12 months are verified by the auditor during recertification, the detail can be seen in the table below: | | | | | | | | | | | | | | | | | |
| | <table><tr><td></td><td>Projection of ASA 4 (16 May 2018 – 15 May 2019)</td><td>Actual production since 16 May 2018 – 23 Feb 2019</td><td>Projection of ASA 4 (16 May 2019 – 15 May 2020)</td></tr><tr><td>FFB</td><td>269,613.6</td><td>184,552.60</td><td>195,212</td></tr><tr><td>CSPO</td><td>56,661.34</td><td>45,351.92</td><td>40,995</td></tr><tr><td>CSPK</td><td>16,388.16</td><td>13,245,08</td><td>11,712</td></tr></table> | | Projection of ASA 4 (16 May 2018 – 15 May 2019) | Actual production since 16 May 2018 – 23 Feb 2019 | Projection of ASA 4 (16 May 2019 – 15 May 2020) | FFB | 269,613.6 | 184,552.60 | 195,212 | CSPO | 56,661.34 | 45,351.92 | 40,995 | CSPK | 16,388.16 | 13,245,08 | 11,712 |
| | Projection of ASA 4 (16 May 2018 – 15 May 2019) | Actual production since 16 May 2018 – 23 Feb 2019 | Projection of ASA 4 (16 May 2019 – 15 May 2020) | | | | | | | | | | | | | | |
| FFB | 269,613.6 | 184,552.60 | 195,212 | | | | | | | | | | | | | | |
| CSPO | 56,661.34 | 45,351.92 | 40,995 | | | | | | | | | | | | | | |
| CSPK | 16,388.16 | 13,245,08 | 11,712 | | | | | | | | | | | | | | |
| | Status: Comply | | | | | | | | | | | | | | | | |
| D.2.2 | | | | | | | | | | | | | | | | | |
| The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform). | | | | | | | | | | | | | | | | | |
| Leidong West Mill has registered as RSPO member under GAR (1-0096-11-000-00) and also registered in palm trace as PT. MP Leidong West Indonesia - Leidong West Palm Oil Mill, sub license id : CB66231, palm trace member id : RSPO_PO1000001372. | | | | | | | | | | | | | | | | | |
| All the transaction of product (shipping and remove) has been reported and can be traced in the RSPO palm trace, detail transaction since 16 May 2018 – 25 Feb 2019: | | | | | | | | | | | | | | | | | |
| - CSPO : 5 transactions confirmed as shipping (sold under RSPO IP), for example transaction id no.: TR-41e93738-8577 on 15 Feb 2019, buyer reference no.: 2650/CPO/1250/19/T001, volume: 4994.93 MT (SC Model: IP). Two (2) transactions reported remove from certified source (sold under ISCC), for example transaction id: ST-TR-a908d2f3-d70a, on 20-09-2018, total 11.457.01MT. | | | | | | | | | | | | | | | | | |

| | |
|---|--------------------------------|
| - CSPK: as much as 50 transactions confirmed shipping as RSPO SC – IP, for example, transaction id: TR-ddfd6b3cce70, on 4 Feb 2019, buyer reference: DIC/1250/051218/0001, volume 100 MT. | |
| | Status: Comply |
| D.3 | Documented procedures |
| D.3.1 | |
| <p>The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall</p> <p>a. Complete and up to date procedures covering the implementation of all the elements in these requirements;</p> <p>b. 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 site's procedures for the implementation of this standard.</p> | |
| <p>Leidong West mill has set the SOP for RSPO SCCS implementation, namely SOP no.: PT MP.LWI-LWSM/SOP/25 (SOP Supply Chain Product RSPO Model Identity Preserved), valid since 17 Jan 2019. All element of required in the SCCS system and standard has been written in these SOP, such as:</p> <p>Personnel involve and critical control point as well as its responsibility, for e.g.:</p> <ul style="list-style-type: none"> - Security: check and monitor the FFB supplier in accordance with the list, check the condition of the CPO and PK trucks, ensure the installation of seals on each CPO and PK truck - WB clerk: checks the completeness of FFB, CPO and PK and input shipping documents into the system, ensuring raw material comes from certified estates, ensuring product delivery documents has include product traceability codes. - Production clerk: provides raw material data, production, shipping and stock data and submits to Adm. Head of Mill for preparation of the RSPO mass balance report <p>Other things that describes in the SOP:</p> <ul style="list-style-type: none"> • Change in supply chain model and flushing method if there is a mixture of products • Validation of product quality and quantity reports and calculation of mass balance reports in real time basis • Registration of transactions in RSPO Palm trace (announcement of shipping and remove) by the Dept. of Sales per delivery received by buyer. • SCCS documentation and document control. <p>Observed during field visit to security post and WB station and confirmed during interview to personnel, it was known that they are aware of the SOP, it was told that the training of SCCS has been done regularly twice a year.</p> | |
| | Status: Comply |
| D.3.2 | |
| The site shall have documented procedures for receiving and processing certified FFBs | |
| <p>Procedure of receiving and processing of raw material specified in SOP of Supply Chain RSPO Model IP (PT MP.LWI-LWSM/SOP/25 dated April 17 Jan 2019). Describes that the verification of FFB supplier are done based on the list of supplier. LWSM only received the FFB from own estate (certified) and from certified associated estates (Bukit Permata and Bukit Perak Estate).</p> <p>All raw material received processed (refer to SOP of processing: SOP/SMART/MCMD/I/TM-PKS), the product (CPO and PK) will be recorded in the production report based on conversion of OER and KER.</p> <p>During observation to weighing station at LWSM, seen that the mill had used the E-fact application in FFB recording and verification that was sent to the mill (substitute for delivery letter), the company could explain related to the system changes in the SOP owned after the E-fact application launched officially. OFI</p> | |
| | Status: Comply |
| D.4 | Purchasing and goods in |
| D.4.1 | |

The site shall verify and document the tonnage and sources of certified FFBs received.

Leidong West Mill only receive and processed the FFB from certified sources, in the table below has recorded the total certified FFB's receives within license period 16 May 2018 – 25 February 2019 in Kilograms as follow:

| Month | SUPPLIER (Kg) | | | | | | TOTAL |
|------------------|-------------------|-------------------|-------------------|------------------|-------------------|-------------------|--------------------|
| | BINE | BMSE | BPTE | BPRE | LWSE | LWUE | |
| 16-31 May 2018 | 4,033,130 | 3,608,720 | - | 1,374,210 | 831,360 | 643,000 | 10,490,420 |
| Jun-18 | 6,843,130 | 6,035,580 | 2,521,640 | - | 1,327,340 | 1,148,320 | 17,876,010 |
| Jul-18 | 10,197,410 | 9,088,090 | 3,908,910 | - | 2,081,470 | 1,417,150 | 26,693,030 |
| Aug-18 | 9,965,730 | 8,021,910 | 3,730,990 | - | 1,821,610 | 1,537,150 | 25,077,390 |
| Sep-18 | 12,302,250 | 9,828,920 | 4,130,160 | 411,740 | 1,922,220 | 1,597,830 | 30,193,120 |
| Oct-18 | 11,324,790 | 7,708,710 | 3,347,030 | 44,520 | 1,545,020 | 1,366,220 | 25,336,290 |
| Nov-18 | 10,301,340 | 6,624,810 | 3,305,770 | | 1,389,710 | 1,376,440 | 22,998,070 |
| Dec-18 | 8,849,880 | 5,567,390 | 3,364,420 | - | 1,212,770 | 1,195,110 | 20,189,570 |
| Jan-19 | 9,432,730 | 6,661,830 | 3,709,100 | 143,690 | 1,231,560 | 1,078,950 | 22,257,860 |
| 01 - 25 Feb 2019 | 6,884,120 | 4,737,570 | 1,880,960 | - | 892,470 | 918,860 | 15,313,980 |
| TOTAL | 90,134,510 | 67,883,530 | 29,898,980 | 1,974,160 | 14,255,530 | 12,279,030 | 216,425,740 |

Status: Comply

D.4.2
The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.

Data compare between the tonnage estimation of CSPO and the actual production within 16 May 2018 – 25 Feb 2019, it seen that the there is no over production of FFB, CSPO and CSPK:

| | Projection of ASA 4 (16 May 2018 – 15 May 2019) | Actual production since 16 May 2018 – 23 Feb 2019 | Actual production for the last 12 months (Feb 2018 – Jan 2019) |
|------|--|---|--|
| FFB | 269,613.6 | 184,552.60 | 263,392.77 |
| CSPO | 56,661.34 | 45,351.92 | 54,764.73 |
| CSPK | 16,388.16 | 13,245.08 | 16,158.84 |

Status: Comply

D.5

Record keeping

D.5.1

The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.

The mill has recorded and balance all FFB received and processed and CSPO/CSPK produced and dispatch in a real time basis, detailed in the following table:

| Month | FFB Processed (Kg) | Production | | Sales | |
|----------------|--------------------|-------------------|-------------------|-------------------|-------------------|
| | | CSPO (Kg) | CSPK (Kg) | CSPO (Kg) | CSPK (Kg) |
| 16-31 May 2018 | 10,490,420 | 2,319,650 | 635,590 | 1,959,540 | 550,000 |
| Jun-18 | 17,876,010 | 3,579,400 | 1,094,970 | 3,249,280 | 1,300,000 |
| Jul-18 | 26,693,030 | 5,702,820 | 1,658,190 | 4,473,510 | 1,920,000 |
| Aug-18 | 25,077,390 | 5,537,200 | 1,483,170 | 5,752,840 | 1,450,000 |
| Sep-18 | 30,193,120 | 6,475,800 | 1,815,230 | 6,244,180 | 982,670 |
| Oct-18 | 25,336,290 | 5,394,740 | 1,550,750 | 6,666,020 | 1,778,640 |
| Nov-18 | 22,998,070 | 4,635,010 | 1,391,540 | 4,370,140 | 2,021,360 |
| Dec-18 | 20,189,570 | 4,133,100 | 1,269,870 | 4,558,260 | 880,000 |
| Jan-19 | 22,257,860 | 4,397,220 | 1,376,870 | 4,638,550 | 1,550,000 |
| 01-25 Feb 2019 | 15,313,980 | 3,176,980 | 968,900 | 3,520,920 | 550,000 |
| TOTAL | 216,425,740 | 45,351,920 | 13,245,080 | 45,433,240 | 12,982,670 |

Status: Comply

D.6

Processing

D.6.1

The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non-certified oil palm product including during transport and storage to strive for 100% separation.

The mill has assure that only certified FFB can received and processed in mill, based on record of FFB received since Feb 2018 up to recertification audit there is no FBB supplied by outsider (uncertified sources). During field visit to FFB reception post (security and WB station) it was known that only FFB from own estate allowed to entering the mill. The personnel in charge in those station explained that only estate and block listed in the E-Fact application allowed to entering the mill, which is all has been certified, namely: BINE, BMSE, BPPE, BPTE, LWSE, and LWUE.

Status: Comply

3.3. Conformity Checklist of Certificate and Trademark Use

| | | |
|-----------|---|--------------|
| 1. | Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client | X or√ |
| RC | The company do not use any RSPO logo. Trademark license no.: 1-0096-11-100-00. | √ |
| | Status: Not Applicable | |
| 2. | Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of Logo Use | X or√ |
| RC | The company do not use any RSPO logo. Trademark license no.: 1-0096-11-100-00. | √ |
| | Status: Not Applicable | |
| 3. | Implementation of Certificate and Trademark is not used on product | X or√ |
| RC | The company do not use any RSPO logo. Trademark license no.: 1-0096-11-100-00. | √ |
| | Status: Not Applicable | |
| 4. | Controlling of Certificate and Trademark, including withdrawing inappropriate logo. | X or√ |
| RC | The company do not use any RSPO logo. Trademark license no.: 1-0096-11-100-00. | √ |
| | Status: Not Applicable | |

3.4. Summary of RSPO Partial Certification.

Compliance of the uncertified management units of Golden Agri Resources, Ltd against the rules for partial certification was determined through Self-Assessment in accordance with RSPO Certification System clause 4.2.4. A summary of findings is as stated below

Golden Agri Resources, Ltd Time Bound Plan (TBP) is explained in table 1.10. Golden Agri Resources run forty two (42) mills and one hundred thirty six (136) estates (own and smallholders) in Indonesia and has achieved RSPO certified for twenty eight (28) mills and supply base in Indonesia. Golden Agri Resources, Ltd has informed the TBP progress, MUTU has considered that Golden Agri Resources, Ltd is comply with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Golden Agri Resources, Ltd on January, 2019 approved by President Director and MO Sustainability Strategic & Stakeholders Engagement.

MUTU has verified partial certification for un-certified unit's subsidiary of Golden Agri Resources, Ltd based on their Time Bound Plan. There are sixteen (16) uncertified management unit of GAR. 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 labor 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 |
| 2.2.1 | Did the company conduct an internal audit? If so, has a positive assurance statement been produced? | <p>Company Group/Holding Statement: Companies are already doing internal audits. There are internal audit reports for each company.</p> <p>Auditor Verification: Internal Audit report available for uncertified management unit:</p> <ul style="list-style-type: none"> - PT Sinar Kencana Inti Perkasa (Sungai Kupang Mill and supply base), 24 – 28 October 2016 - PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base), 24 – 28 October 2016 - PT Agrolestari Mandiri (Pekawai Mill and supply base), 21 – 25 November 2016 - PT Binasawit Abadi Pratama (Perdana Mill and supply base), 19 – 23 Desember 2016 - PT Agrokarya Prima Lestari (Kuayan Mill and supply base), monitoring via SPO Scorecard online. - PT Mitra Karya Agroindo (Tangar Mill and supply base), monitoring via SPO Scorecard online. - PT Paramitra Internusa Pratama (Belian Mill and supply base), 28 March – 01 April 2016 - PT Sawit Mas Sejahtera (Sungai Kikim and supply base), monitoring via SPO Scorecard |

| | | |
|-----|--|--|
| | | <p>online.</p> <ul style="list-style-type: none"> - PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base) 28 March – 01 April 2016 - PT Agro Lestari Sentosa (Jalemo Mill and supply base), monitoring via SPO Scorecard online - PT Adi Tunggal Mahajaya (Sako Mill) (under construction) - PT Kresna Duta Agroindo (Pelakar Mill and supply base) 24 – 29 October 2016 - PT SMART (Bukit Kapur Mill and supply base) 15 – 19 February 2016 - PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base) 19 – 23 December 2016 - PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base) 06 – 10 February 2017 - PT Sawitakarya Manunggal (Sawita Mill and supply base) |
| i. | <p>No replacement after dates defined in NIs Criterion 7.3 of:</p> <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. | <p>Company Group/Holding Statement: GAR and its subsidiaries have been reporting disclosure and zero liability to RSPO by email dated August 29, 2014 and the company has been sent data evidence of LUCA to RSPO by email dated April 11, 2016. Progress result of review LUCA at follow-up via email RSPO dated October 24, 2016 to answer RSPO is still in the review process.</p> <p>Auditor Verification: RaCP Process for:</p> <ul style="list-style-type: none"> - PT Agrolestari Mandiri (Pekawai Mill and supply base) - PT Sinar Kencana Inti Perkasa (Sungai Kupang Mill and supply base) - PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base) - PT Agro Lestari Sentosa (Jalemo Mill and supply base) - PT Kresna Duta Agroindo (Pelakar Mill and supply base) - PT SMART (Bukit Kapur Mill and supply base) - PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base) |
| ii. | <p>Any new plantings since January 1st 2010 must comply with the RSPO New Plantings Procedure.</p> | <p>Company Group/Holding Statement: There is no new planting.</p> <p>Auditor Verification: Based on auditor verification there are some new planting conducted by company, but NPP has been applied these.</p> <ul style="list-style-type: none"> - PT Binasawit Abadi Pratama (Perdana Mill and supply base) |

| | | |
|------|---|---|
| | | <ul style="list-style-type: none"> - PT Agrokarya Prima Lestari (Kuayan Mill and supply base) - PT Mitra Karya Agroindo (Tangar Mill and supply base) - PT Paramitra Internusa Pratama (Belian Mill and supply base) - PT Agrolestari Mandiri (Pekawai Mill and supply base) - PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base) any new planting since January 1st 2010 and NPP has been applied these. |
| iii. | Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6. | <p>Company Group/Holding Statement: There are no land conflicts. The Company has a land conflict resolution mechanism in accordance with the RSPO criteria 6.4; 7.5; and 7.6. This procedure is outlined in the SOP Social Conflict Management (SOP/SMART/SENS-CSR/SADV/I/02). This procedure regulates social conflict settlement agreed. Conflict resolution can be done in a participatory manner and can also be done by a third party (mediator). The company also has procedures to deal with complaints before they become conflicts. The procedure is SOP/SMART/SIGS-CSR/SADV/I/003. The company handling complaints appropriately and quickly. GAR has been initiated to become a member of RSPO DSF as a category "out growers".</p> <p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There are no land conflicts for</p> <ul style="list-style-type: none"> - PT Sinar Kencana Inti Perkasa (Sungai Kupang Mill and supply base) - PT Mitra Karya Agroindo (Tangar Mill and supply base) - PT Kresna Duta Agroindo (Pelakar Mill and supply base) - PT SMART (Bukit Kapur Mill and supply base) <p>There are any land conflicts but was in the process of completion for</p> <ul style="list-style-type: none"> - PT Agrolestari Mandiri (Pekawai Mill and supply base) - PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base) - PT Sawit Mas Sejahtera (Sungai Kikim and supply base) - PT Agro Lestari Sentosa (Jalemo Mill and supply base) - PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base) - PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base) |

| | | |
|-----|--|--|
| iv. | Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3. | <p>Company Group/Holding Statement: There is no issue of labour disputes in uncertified unit. The company also has procedures to deal with complaints workers before they become conflicts. The procedure is SOP/SMART/SIGS-CSR/SADV/I/003.</p> <p>Procedures related employee issues is arranged in the form of internal grooves for employees included in the category of internal stakeholders. Media that is used to deliver complaint is a formal letter submitted by unions or incorporated into a suggestion box which is provided in a convenient location.</p> <p>Auditor Verification: There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> |
| v. | Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2. | <p>Company Group/Holding Statement: Companies comply with the regulations in accordance with the requirements of the RSPO 2.1 and 2.2 where there is no violation of the rules that are relevant to the plantation. The company has a mechanism to evaluate compliance with regulations, namely SOP/SMART/UMUM/SADV/I/002. In SOP describes procedures for compliance, completeness and groove sections which explain in detail to evaluate compliance with the legislation.</p> <p>Auditor Verification: Land legal process is still going on and there is a detail update progress documented by the company for each year.</p> <ul style="list-style-type: none"> - PT Paramitra Internusa Pratama (Belian Mill and supply base), still in the process of Committee B and the company has got plantation business permit (IUP) - PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base), there is a legal non-compliance. - PT Agro Lestari Sentosa (Jalemo Mill and supply base) and PT Adi Tunggal Mahajaya (Sako Mill) doesn't have Land Use Title (HGU). - PT Kresna Duta Agroindo (Pelakar Mill and supply base), there is a difference the concession area between Land Use Title (HGU) and Plantation Business Permit (IUP) and Permits Location. - PT SMART (Bukit Kapur Mill and supply base, doesn't have land use title (HGU), the HGU is still on process. - PT Sawitakarya Manunggal there is an area is still |

| | | |
|--|--|---|
| | | <p>in process for HGU (Committee B meeting).</p> <ul style="list-style-type: none"> - PT Djuanda Sawit Lestari is an area is still in process for HGU Muara Kandis Estate (574.58 Ha) - PT Ivomas Tunggal there is an area is still in process for HGU Samsam Estate (29.09 Ha), Kandista Estate (158.46 Ha), Nenggala Estate (419.9 Ha), Sei Rokan Estate (102.7 Ha), Ujung Tanjung Estate (557.3 Ha) - PT Buana Wiralestari Mas there is an area is still in process for HGU Naga Mas Estate (253.39 Ha), Naga Sakti Estate (59.79 Ha), Kijang Mas Estate (56.07 Ha) - PT Ramajaya Pramukti there is an area is still in process for HGU Rama Rama Estate (318.76 Ha) |
|--|--|---|

3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.
3.5.1 Identification of Findings, Corrective Actions and Observations at ASA-4 Assessment

| | | | | | |
|---|---|--|------------------------|---|--|
| NCR No. | : | | Issued by | : | |
| Date Issued | : | | Time Limit | : | |
| NC Grade | : | | Date of Closing | : | |
| Standard Ref. & Requirement | : | | | | |
| Non-Conformance Description & Evidence observed (filled by auditor): | | | | | |
| There is no NC during ASA-4 | | | | | |
| Root Cause Analysis (filled by organization audited): | | | | | |
| Correction (filled by organization audited): | | | | | |
| Corrective Action (filled by organization audited): | | | | | |
| Assessor Evaluation and Conclusion (filled by auditor): | | | | | |
| Verified by | : | | | | |

3.5.2 Identification of Findings, Corrective Actions and Observations at Re-Certification Assessment

| | | | | | |
|--|----------|--|------------------------|----------|--------------------------|
| NCR No. | : | 2019.01 | Issued by | : | Rizliani Hasibuan |
| Date Issued | : | 01 March 2019 | Time Limit | : | ASA-1.1 |
| NC Grade | : | Minor | Date of Closing | : | |
| Standard Ref. & Requirement | : | 6.1.4 The documented plan for management and monitoring of social impacts, shall be reviewed at least on two-yearly basis. If necessary, the plan should be updated. There shall be evidence that the review process includes participation of all affected parties | | | |
| Non-Conformance Description & Evidence observed (filled by auditor): <p>Based on interviews with representatives of Terentang Village, Kacung Village, and Rangi Asam Village there were social issues or negative perceptions from the community such as: Lack of local workers recruited by companies, CSR realization that was considered lacking, there was no realization of partnership cooperation in the form of plasma, and clarity about the boundaries of the HGU. This was also added from the results of interviews with the West Bangka Regency Agriculture Office regarding social issues in the communities. Regarding this, the company has reviewed the management and monitoring of social impacts carried out in 2018.</p> <p>The results of the document verification of the Review Report on the Management and Monitoring of Social Impact Plans have included the results of minutes with affected parties regarding issues / negative perceptions related to the above matters. Based on the results of the review, improvements to the management and monitoring plans prepared for the 2019 period has been including negative impacts / perceptions as follows:</p> <p>PT LWI</p> <ul style="list-style-type: none"> - Public unrest related to poor communication relations, and - Community expectation related to increase assistance from the company <p>PT BPL</p> <ul style="list-style-type: none"> - Social jealousy related to the recruitment of labor by the local community - Perceptions about communication between the company and the community - Perceptions about CSR assistance given by the company is felt to be not optimal - Community's assumption that the company's operations enable pollution due to liquid waste on the Lagok River. <p>Based on the explanation above, it was concluded that the results of the review of the management and monitoring plan did not cover all the issues or negative perceptions of the communities, namely the demand for realization of partnership cooperation in the form of plasma and clarity on the boundaries of the HGU.</p> | | | | | |
| Root Cause Analysis (filled by organization audited): | | | | | |
| Correction (filled by organization audited): | | | | | |
| Corrective Action (filled by organization audited): | | | | | |
| Assessor Evaluation and Conclusion (filled by auditor): | | | | | |
| Verified by | : | | | | |

3.5.3 Opportunity for Improvement

| No | Ref. Std. | Description |
|----|----------------|---|
| 1 | Minor 1.1.1 | The company considered to improve the socialization of information request procedures to the public and other stakeholders |
| 2 | Minor 2.2.3 | Monitoring and action plan regarding license overlapping area with PT Timah covering an area of 785 hectares in BINE (planted area of blocks S39 and S40) |
| 3 | Major 6.2.1 | Communication procedure socialization enhancement for related stakeholder |
| 4 | Minor 4.7.4 | The company are on the process of renewal of the Appointment Decree for OHS committee. the company in this case has the opportunity to ensure the progress of the issuance of the latest Appointment Decree |
| 5 | Major 5.1.1 | Based on document review shown that PT BPL were established addendum for new Environmental impact assessment regarding some operational areas are not covered in current EIA. Meanwhile BINE, BMSE, LWUE, LWSE has planned to conduct replanting activities since 2nd semester 2019. Therefore EIA addendum for PT BPL and aspect impact assessment, environmental monitoring/management plan regarding replanting activities on PT BPL / PT LWI will be observed on next audit. |
| 6 | Major 6.5.2 | Ensure the follow-up of mediation with the workers |
| 7 | Major 8.1 | Company has the opportunity to ensure that core work is carried out by permanent workers |
| 8 | SCCS CoC 5.6.1 | LWSM considered to ensure that the name of product owner/seller written in the sales document of BINE and BMSE is LWSM since both estate are it's supply bases |
| 9 | SCCS D.3.2 | During observation to weighing station at LWSM, seen that the mill had used the E-fact application in FFB recording and verification that was sent to the mill (substitute for delivery letter), the company could explain related to the system changes in the SOP owned after the E-fact application launched officially |

4.5.4 Noteworthy Positive Components

| No | Ref Std | Descriptions |
|----|---------|--|
| 1 | - | The company commitment to implement the principles of sustainable palm oil management. |
| 2 | - | Personal competence in their respective fields. |
| 3 | - | Has been certified ISCC and ISPO. |



3.6 Summary of Arising Issues from Public, Management and Auditor Response

| Public Issues (Institution/ NGO/Community) | Auditor Responses |
|--|---|
| <p>Ranggi Asam Village and Tumbak Petar Village (Head of village and community figure) and ex-land owner (1 person)</p> <ol style="list-style-type: none"> 1. The village are bordering with PT MP LWI 2. The communication and relationship with the company so far is running well, the representative of villager are aware and have the contact number of the company's human relation officer 3. The villager not really interested to work in the palm oil plantation. 4. The company never discussed related to CSR programme to the villager and there is no a significant CSR program so far implemented to the village, however the company always response to the proposal submitted by the communities. 5. There is no land conflict, the company has completed the land compensation on 1992, and all the land compensation are done in right way through socialization, negotiation and paid with the agreed price. The community not forced to release their land. | <p>The company recruits employees by prioritizing the local community, verified by auditors on criterion 6.5 and 6.12, it is seen that 60% of employees in plantations and mill are from surrounding communities.</p> |
| <p>Terentang and Kacung Village (Head of village and community figure) and ex-land owner (2 person)</p> <ol style="list-style-type: none"> 1. Communication and relations with the company are not very good, the community has aspirations that have been communicated both oral and written but have not been responded to by the company. Due to the having never received a response, communities from 12 villages demonstrated at the company in June 2018, with demands: <ul style="list-style-type: none"> ✓ Transparency of HGU boundaries ✓ Labor absorption ✓ The CSR program is paid for IDR 55,000 / Ha in cash ✓ Developing of partnership 20% of the area of HGU. 2. The company does not prioritize local communities in working on plantations and factory, recruitment is carried out not involving village officials. 3. The preparation of CSR programs has never involved village communities. 4. There is no land dispute, the compensation process at the time of land acquisition has been done well and payments are made according to agreed prices, there is no compulsion to the community to release the land. | <p>The auditor verified that the company has been socialized the SOP related to the communities in regularly, its been note as OFI to improve the effectiveness of socialization on indicator 1.1.1 and 6.2.1</p> <p>Auditor verified that the company has responded to these aspirations during hearings with various parties carried out by Commission I of DPRD of Bangka Belitung Province on April 23, 2018 and July 16, 2018. Responses given:</p> <ul style="list-style-type: none"> ✓ PT LWI and PT BPL IUPs are issued before 2006 so there is no obligation to develop the partnership from existing HGUs. ✓ The mechanism of employee recruitment regulated by company policy so far is to involve the F.SPSI, but still prioritize the surrounding community. The results of the auditor's verification of the employee list show that the majority of PT LWI and PT BPL employees are from villages around the plantation ✓ The company cannot provide CSR in the form of |

| Public Issues (Institution/ NGO/Community) | Auditor Responses |
|--|--|
| | <p>IDR 55,000 / Ha in cash, because until now there is no legal basis for this, and the company ethical code is to prevent the bribes.</p> <p>✓ All of the company's management areas are within the HGUs, which are clearly defined in the form of BPN poles. Auditors' verification of the HGU border in all estates, shows that the border pole are in place, in accordance to coordinates, and well maintained.</p> |
| <p>Manpower Agency of Bangka Barat Regency</p> <ul style="list-style-type: none"> • All of Manpower monitoring has conducted by Manpower Agency of Bangka Belitung Province. • Manpower Agency routinely conduct field visits. • All the workers have been included in BPJS employment and health. • Contract worker has been registered in the Manpower Agency of Bangka Barat District. • The company has applied a minimum wage in accordance with applicable regulation. • Updates on <i>Perjanjian Kerja Bersama</i> (Collective Labour Agreements) are still the same as the previous year. PKB still applies for the period of 2016-2018. • The company has established good communication with the agency. • There were 3 contract workers who were fired by the company. Information conveyed that the PKWT has been working for 12 years. Mediation will be carried out to resolve industrial problems on February 28, 2019. • The position of labor union officials is prohibited from being occupied by interested parties, namely the manager. In addition, the structure of the labor union does not need to attach the position of workers in the company. That is because, every year manpower Agency of West Bangka Regency will evaluate the company's union membership (one of them is by checking the membership card in which there is a job position within the company). So, if there is a party that has an interest in occupying a labor union position, it will be known through the evaluation. | <p>Employment has been explained in criteria 6.5</p> <p>The results of interviews with management stated that the contract workers did not work every year (for 12 years) in a row, but has time / time off according to needs. The three workers were dismissed due to the end of the Agreement. The agreement has been shown to the auditor team.</p> <p>The company has conducted 2 mediations with these workers and has not reached an agreement. The last mediation was conducted on February 28, 2019 with the recommendation of the Manpower Agency to pay the workers' severance pay in accordance with the regulations. Regarding this matter, the company requested the date until 12 March 2019 to deliver to the Jakarta office. The results of interviews with the Manpower Agency conveyed that the Agency was only a mediator. If the company has not agreed / received a recommendation from the Office, the agency will record the dispute to the industrial relations court and it will be resolved through an industrial court. This is an observation to ensure that the follow-up mediation with the workforce is mediated by the Manpower Office.</p> |
| <p>Agriculture Agency of Bangka Barat Regency</p> <ul style="list-style-type: none"> • There were demonstrations related to several demands in several villages around the company. • As for several demands, among others: | <p>Auditor team verification:</p> <ul style="list-style-type: none"> - The company has a Plantation Business License in the form of a Plantation Business Registration Letter |

| Public Issues (Institution/ NGO/Community) | Auditor Responses |
|--|--|
| <ul style="list-style-type: none"> - Demands collaboration partnerships in the form of plasma with surrounding communities. - Demands regarding the clarity of the HGU boundaries - Demands for the recruitment of local workers - CSR that is considered lacking. • From the results of the interview, it was stated that the demands of the community above had not yet been realized or the follow up of the company. | <p>(SPUP) No: HK.350 / 183 / BUN.5 / III / 2001 dated March 16, 2001. Based on Permentan 98 of 2013 it was stated that the Business License before 2007, the company has no obligation to build plasma.</p> <ul style="list-style-type: none"> - The results of verification of legality documents, monitoring of HGU stakes and field visits are known that the company has clear HGU boundaries. - The results of verification of labor documents revealed that 50% more company workers were workers from surrounding villages (local labor). This has been explained in criterion 6.8 - Results of verification of minutes of meeting documents with several villages, for example with Terentang Village on November 14, 2018, the community considers that CSR assistance must be in the form of cash. The results of interviews with management conveyed that the company could not provide CSR in the form of cash. - The problem has also been addressed through a meeting involving the House of Representative of West Bangka Regency on April 23, 2018 and July 16, 2018. However, it has not yet reached an agreement. - Related to the matters mentioned above, it has been further explained in criteria 6.1 and becomes a Non-compliance with indicators 6.1.4. |
| Environmental Agency of Bangka Barat Regency <ul style="list-style-type: none"> • The company has an environmental permit. • The company has a permit for Land Application (LA) that still valid. • Hazardous waste permit is still valid. • The Company regularly reports mandatory reporting such as hazardous waste report and report of Environmental Management Plan – Environmental Monitoring Plan. • There are no issues about environmental pollution or fire at the company. | <p>This has in accordance with criteria 4.4, 5.1, 5.3 and 5.5</p> |
| Community leaders of Tumbak Petar Village <ul style="list-style-type: none"> • The company has good communication with Tumbak Petar Village. Tumbak Petar Village was not involved in the demonstration of the demands of the community with the company. • The company has realized some assistance such as oil, sugar, rice assistance during Idul Fitri, mosque assistance, assistance related to religious activities, assistance on independence day, clean water etc. • There is local wisdom that is religious in nature • There are no issues related to environmental pollution, fire or conflict. • There are enough local people working in the company | <ul style="list-style-type: none"> • Has been verified in criteria 6.11 and 6. 8 |

| Public Issues (Institution/ NGO/Community) | Auditor Responses |
|---|---|
| Worker Cooperative (Usaha Lestari) <ul style="list-style-type: none"> Annual Meeting of Members for the 2017 financial year was carried out in March 2018. Cooperatives have real activities in the form of savings and loans. Cooperative members number 112 members The company has provided support to cooperatives by providing empty housing for supply of cooperative goods. However, because there is no activity to supply goods anymore, the place is no longer used. | <p>There is no negative issues cause by CH operation activities. CH has comply with RSPO standard criteria 6.6.</p> |
| Committee Gender of LWUE, LWSE, BINE, BMSE, LWSM Union labor of PT MP LWI and PT BPL <ul style="list-style-type: none"> Menstruation rights and maternity leave rights may be made in accordance with the results of a doctor / nurse examination. These rights are contained in the company's policies and regulations. There are no cases of sexual harassment or sexual violence There is no discrimination between female and male workers. There is no workers issue/complaint submitted to labor union | <p>There is no negative issues cause by CH operation activities. CH has comply with RSPO standard criteria 4.7; 4.8 & 6.9</p> |
| PT Tiga Berdikari (Kernel transporter) PT Satrindo Jaya Agropalma (CPO and FFB transporter) Haerulah (FFB transporter LWUE) <ul style="list-style-type: none"> Payment for all CPO, kernel, and FFB contractor were done on timely manner based on contract Contract arrangement has been agreed by both sides. Each copies of contract are owned by both sides PPE are provides by contractor based on company procedures and contracts If any accidents occurrence, contractors have full responsibility. All contractor transport vehicles except PT Satrindo are stationed on contractor workshop (outsides of company operational areas) Contractor workers have owned medical and workers insurance (BPJS), that provides by contractors Until now there is no accidents occurrence on contractor workers All FFB, kernel, and CPO transport driver has driving licensed Company Business Ethical conduct and integrity have been socialized to contractors and contractors workers Contractors provides each FFB transport vehicles with safety net | <p>There is no negatives issues arised from related Contractor. Contractor shown compliance related to OHS aspect, workers welfare, and transparency, and company business code of conduct.</p> |

| | |
|-----|---|
| 4.0 | CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY |
| 4.1 | Formal Sign-off of Assessment Findings |
| | <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> <div style="display: flex; justify-content: space-around; align-items: flex-end; margin-top: 100px;"> <div style="text-align: center;"> <p>PT MP Leidong West Indonesia Management Representative</p>  <p><u>Ismu Zulfikar</u> Friday, 29 March 2019</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Sandra Purba</u> Friday, 29 March 2019</p> </div> </div> |

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 | Representative of Ranggi Asam village | Bangka Barat regent, province of Bangka Belitung | - | Direct interview | February 26 2019 | v | |
| 2 | Representative of Tumbak Petar village | Bangka Barat regent, province of Bangka Belitung | - | Direct interview | February 26 2019 | v | |
| 3 | Representative and ex-land owner of Terentang village | Bangka Barat regent, province of Bangka Belitung | - | Direct interview | February 26 2019 | v | |
| 4 | Representative and ex-land owner of Kacung Village | Bangka Barat regent, province of Bangka Belitung | - | Direct interview | February 26 2019 | v | |
| 5 | Manpower agency of Bangka Barat Regent | Bangka Barat regent, province of Bangka Belitung | - | Direct interview | February 26 2019 | v | |
| 6 | Agriculture agency of Bangka Barat Regent | Bangka Barat regent, province of Bangka Belitung | - | Direct interview | February 26 2019 | v | |
| 7 | Environmental agency of Bangka Barat Regent | Bangka Barat regent, province of Bangka Belitung | - | Direct interview | February 26 2019 | v | |
| 8 | Local contractor | Bangka Barat regent, province of Bangka Belitung | - | Direct interview | February 25 2019 | v | |
| 9 | Leidong west utara Estate • Interview with FFB loader • Interview with harvester • Interview with pest and disease officer • Interview with chemical store officer | Bangka Barat regent, province of Bangka Belitung | - | Direct interview | 25-28 Feb 2019 | v | |
| 10 | Leidong West Palm Oil Mill • Interview with Warehouse officer • Interview Hazardous waste store officer • Interview WTP operator • Interview with WWTP operator • Interview with engine room operator • Interview with grading operators | Bangka Barat regent, province of Bangka Belitung | - | Direct interview | 25-28 Feb 2019 | v | |

| | | | | | | | |
|----|--|--|---|------------------|----------------|---|---|
| | <ul style="list-style-type: none"> • Interview with boiler operators • Interview with loading ramp operators. • Interview with Security | | | | | | |
| 11 | Leidong West Selatan Estate <ul style="list-style-type: none"> • Interview with harvester • Interview with spraying team • Interview with chemical store foreman • Interview with fertilizer storeman • Interview with daycare workers | Bangka Barat regent, province of Bangka Belitung | - | Direct interview | 25-28 Feb 2019 | v | |
| 12 | Bukit Intan Estate (BINE) <ul style="list-style-type: none"> • Interview with clinic workers • Interview with nursery workers • Interview with LA operators | Bangka Barat regent, province of Bangka Belitung | - | Direct interview | 25-28 Feb 2019 | v | |
| 13 | Bukit Mas Estate (BMSE) <ul style="list-style-type: none"> • Interview with harvester • Interview with spraying team • Interview with daycare workers • Interview with chemical storeman • Interview with workshop foreman | Bangka Barat regent, province of Bangka Belitung | - | Direct interview | 25-28 Feb 2019 | v | |
| 14 | SPSI board of PT MP LWI and PT BPL | Bangka Barat regent, province of Bangka Belitung | - | Direct interview | 25-28 Feb 2019 | v | |
| 15 | Gender committee of PT MP LWI and PT BPL (Committee Gender of LWUE, LWSE, BINE, BMSE, LWSM) | Bangka Barat regent, province of Bangka Belitung | - | Direct interview | 25-28 Feb 2019 | v | |
| 16 | NGO (Selaras, Sawitwatch, walhi, FFI (Flora & Fauna Indonesia) & WWF) | Jakarta, Indonesia | - | Email | 18 Feb 2019 | | v |

Appendix 2. Assessment Program

| DATE | | 25 Feb – 02 March 2019 | |
|----------------------------------|-----------------|---|--|
| PLANNED TIME | ACTUAL DURATION | PROCESSES / CLAUSES TO BE AUDITED | AUDITOR |
| Monday, 25 February 2019 | | | |
| 06.00 – 07.00 | 10.00 – 11.00 | JAKARTA → Pangkal Pinang | |
| 08.00 – 09.30 | 12.00 – 15.00 | Pangkal Pinang → PT. Maskapai Perkebunan Leidong West Indonesia | SDP / NTA / YYT / SMM |
| 10.00 – 11.00 | 15.00 – 16.00 | Opening meeting <ul style="list-style-type: none"> Auditee Speech (Introduction of PIC, Profile of Certified Management Unit) Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) | SDP / NTA / SMM / YYT |
| 11.00 – 12.00 | 16.00 – 17.00 | Documents Review <ul style="list-style-type: none"> Review of previous (Initial assessment) findings Verification of Basic Information Mill and Estate Confirmation of Time Bound Plan Review of Partial Certification | SDP / NTA / SMM / YYT |
| 12.00 – 14.00 | 12.00 – 14.00 | Break | |
| 14.00 – 17.00 | 14.00 – 17.00 | Field observation to Leidong West Mill: <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge, Despatch CPO/PK) FFB Sorting, Processing Activity, Occupational Health & Safety Aspect Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond Implementation of Employment Procedure and Mechanism Aspect Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier | SDP YYT SMM NTA |
| Tuesday, 26 February 2019 | | | |
| 08.00 – 12.00 | 08.00 – 12.00 | Field Observation to Leidong West Utara Estate Aspect to be verified : <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries) and HCV Area; Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) | SMM YYT |

| DATE | | 25 Feb – 02 March 2019 | |
|------------------------------------|-----------------|--|---|
| PLANNED TIME | ACTUAL DURATION | PROCESSES / CLAUSES TO BE AUDITED | AUDITOR |
| | | <ul style="list-style-type: none"> - Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) - Implementation of Occupational Health & Safety Aspect - Implementation of Employment Procedure and Mechanism Aspect - Observation of Workers Facilities (Housing, School, Worship Place). <p>Stakeholder consultation to affected communities surrounding the plantations (will determined on site) Stakeholder Consultation to relevant agencies of Bangka Barat Regency (by phone)</p> | SDP YYT SDP NTA |
| 12.00 – 14.00 | 12.00 – 14.00 | Break | |
| 14.00 – 17.00 | 14.00 – 17.00 | <ul style="list-style-type: none"> • Verification of stakeholder consultation result and field visit. • Document review and completing audit checklist. | SDP / NTA / SMM / YYT |
| Wednesday, 27 February 2019 | | | |
| 08.00 – 12.00 | 08.00 – 12.00 | Field Observation to Leidong West Selatan Estate Aspect to be verified : <ul style="list-style-type: none"> - Implementation of Legal Aspect (Land Ownership, Legal Boundaries); - Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) - Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) - Implementation of Occupational Health & Safety Aspect - Implementation of Employment Procedure and Mechanism Aspect - Conservation area, Observation of Workers Facilities (Housing, School, Worship Place). | SDP YYT NTA YYT SMM |
| 12.00 – 14.00 | 12.00 – 14.00 | Break | |
| 14.00 – 17.00 | 14.00 – 17.00 | <ul style="list-style-type: none"> • Verification of stakeholder consultation result and field visit. • Document review and completing audit checklist. | SDP / NTA / SMM / YYT |
| Thursday, 28 February 2019 | | | |
| 08.00 – 12.00 | 08.00 – 12.00 | Field Observation to Bukit Intan Estate Aspect to be verified : | |

| DATE | | 25 Feb – 02 March 2019 | |
|-------------------------------|-----------------|---|---|
| PLANNED TIME | ACTUAL DURATION | PROCESSES / CLAUSES TO BE AUDITED | AUDITOR |
| | | <ul style="list-style-type: none"> - Implementation of Legal Aspect (Land Ownership, Legal Boundaries); - Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) - Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) - Implementation of Occupational Health & Safety Aspect - Implementation of Employment Procedure and Mechanism Aspect - Conservation area, Observation of Workers Facilities (Housing, School, Worship Place). | SDP YYT NTA YYT SMM |
| 12.00 – 14.00 | 12.00 – 14.00 | Break | |
| 14.00 – 17.00 | 14.00 – 17.00 | <ul style="list-style-type: none"> • Verification of stakeholder consultation result and field visit. • Document review and completing audit checklist. | SDP / NTA / SMM / YYT |
| Friday, 1 March 2019 | | | |
| 08.00 – 12.00 | 08.00 – 12.00 | Field Observation to Bukit Mas Estate Aspect to be verified : <ul style="list-style-type: none"> - Implementation of Legal Aspect (Land Ownership, Legal Boundaries); - Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) - Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) - Implementation of Occupational Health & Safety Aspect - Implementation of Employment Procedure and Mechanism Aspect - Conservation area, Observation of Workers Facilities (Housing, School, Worship Place). | SDP YYT NTA YYT SMM |
| 11.00 – 14.00 | 11.00 – 14.00 | Break | |
| 14.00 – 16.00 | 14.00 – 16.00 | <ul style="list-style-type: none"> • Verification of stakeholder consultation result and field visit. • Document review and completing audit checklist. | SDP / NTA / SMM / YYT |
| Saturday, 2 March 2019 | | | |

| DATE | | 25 Feb – 02 March 2019 | |
|---------------|-----------------|--|------------------------------|
| PLANNED TIME | ACTUAL DURATION | PROCESSES / CLAUSES TO BE AUDITED | AUDITOR |
| 07.00 – 08.00 | 07.00 – 08.00 | Internal discussion by auditor team preparing for Closing Meeting Closing Meeting: <ul style="list-style-type: none"> • Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timelie of CAR's, Conclusion)/ • Comments, Responses and Questions PT. Maskapai Perkebunan Leidong West Indonesia → Pangkal Pinang Pangkal Pinang - Jakarta | SDP / NTA / SMM / YYT |
| 08.30 – 10.30 | 08.30 – 10.30 | | |
| 10.30 – 13.00 | 10.30 – 13.00 | | |
| 14.00 - | 14.00 - 17.00 | | |