

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

**[ ✓ ] Surveillance**

Name of Management : Teluk Bakau Factory, PT Bhumireksa Nusasejati subsidiary of Sime Darby Organisation  
Plantation Name : Teluk Bakau Estate, Nusa Lestari estate and Nusa Perkasa Estate  
Location : Village of Rotan Semelur, Sub District of Pelangiran, District of Indragiri Hilir, Province of Riau, Indonesia  
Certificate Code : **MUTU-RSPO/008**  
Date of Initial Registration : 11 October 2011  
Date of Certificate Issue : 11 October 2016      Date of License Issue : 11 January 2020  
Date of Certificate Expiry : 10 October 2021      Date of License Expiry : 10 October 2020

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
<b>ASA-1.3</b>	09 to 13 September 2019	Ardiansyah (Lead Auditor), M. Rinaldi, Radytio Puspanjana, Yudhi Yuniarto Tallutondok, Rahmat Abdiansyah (Observer)	Leonada	Octo H. P. N. Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
<b>ASA-1.3</b>	<b>03 January 2020</b>

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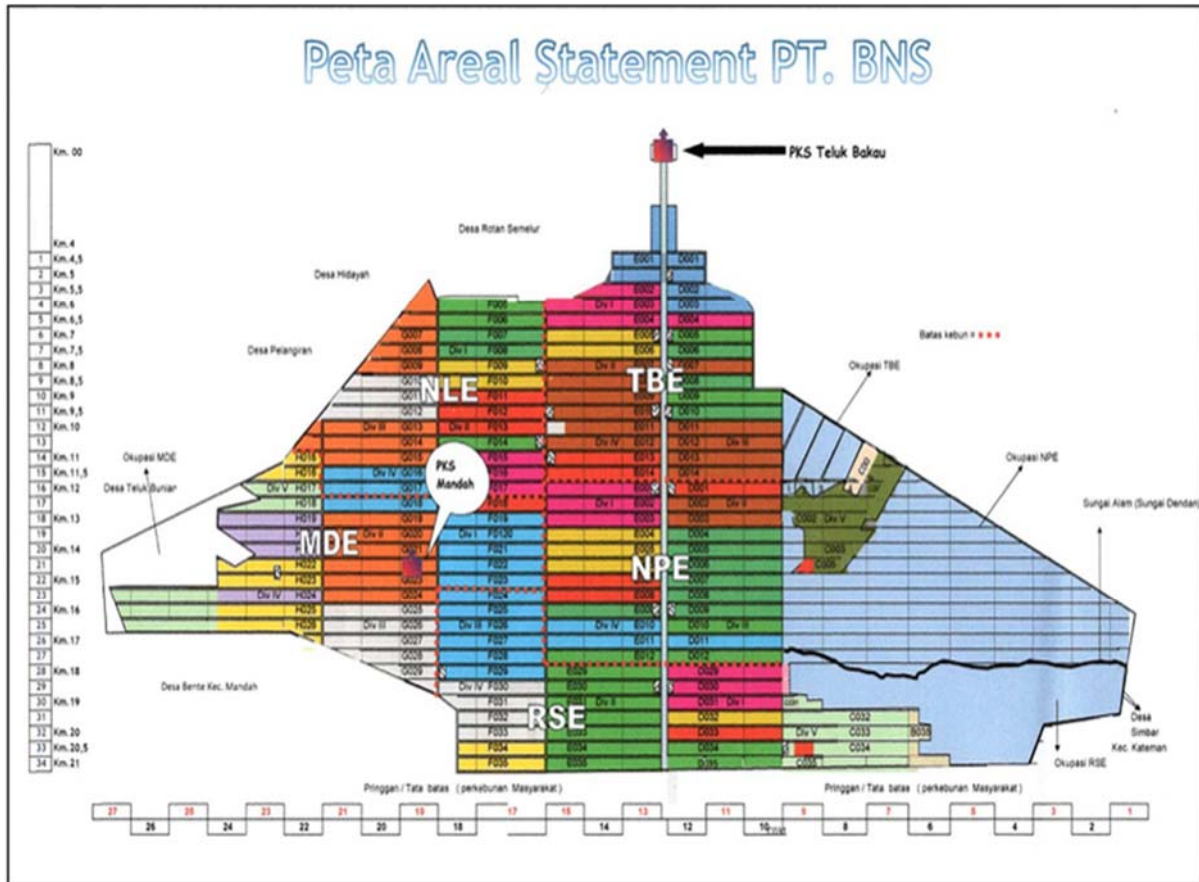
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Figure 1. Location Map of PT Bhumireksa Nusasejati – Teluk Bakau Factory.



Figure 2. Operational Map of PT Bhumireksa Nusasejati – Teluk Bakau Factory.



**Abbreviations Used**

ASA	:	Annual Surveillance Assessment
BMP	:	Best Management Practices
BNS	:	Bhumireksa Nusasejati
BOD	:	Biological on Demand
BPN	:	<i>Badan Pertanahan Nasional</i> (National Land Agency)
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> (Social Assurance of Labor)
CECT	:	Closed End Conservation Trenches
CH	:	Certificate Holder
COD	:	Chemical on Demand
CPO	:	Crude palm oil
CSR	:	Corporate Social Responsibility
EIA	:	Environmental Impact Assessment
EFB	:	Empty Fruit Bunch
EHS	:	Environment, Health and Safety
FFB	:	Fresh Fruit Bunch
GCAD	:	Group Corporation Audit Department
GHG	:	Green House Gas
GM	:	General Manager
GTM	:	Global Trade Marketing
HCV	:	High Conservation Value
HGB	:	<i>Hak Guna Bangunan</i> (Building Use Title)
HGU	:	<i>Hak Guna Usaha</i> (Land Use Title)
HIRAC	:	Hazard identification Risk Assessment Risk and Controlling
HPO	:	Head Plantation Operation
IPM	:	Integrated Pest Management
KAN	:	<i>Komite Akreditasi Nasional</i> (National Accreditation Committee)
KER	:	Kernel Extraction Rate
Kepmenaker	:	<i>Keputusan Menteri Tenaga Kerja</i> (Labor Ministry Decree)
LCC	:	Legume Cover Crop
LTS	:	Lahan Tani Sakti
LUCA	:	Land Use Change Analysis
MRC	:	Minamas Research Centre
MSDS	:	Material Safety Data Sheet
NGO	:	Non Government Organization
NLE	:	Nusa Lestari Estate
NPE	:	Nusa Perkasa Estate
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
OHS	:	Occupational Health and Safety
P2K3	:	<i>Panitia Pelaksana Kesehatan dan Keselamatan Kerja</i> (OHS Guiding Committee)
PIC	:	Person In Charge
Permenakertrans	:	<i>Peraturan Menteri Tenaga Kerja dan Transmigrasi</i> (Regulation of Labor and Transmigration Ministry)
PK	:	Palm Kernel
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PP	:	<i>Peraturan Pemerintah</i> (Government Regulation)
PPE	:	Personal Protective equipment
PSD	:	Plantation Services Department

PSQM	:	Plantation Sustainability and Quality Management
PUK	:	<i>Pengurus Unit Kerja</i> (Work Unit Management)
RaCP	:	Remediation and Compensation Procedure
RKL	:	<i>Rencana Pengelolaan Lingkungan</i> (Environment Management Plan)
RPL	:	<i>Rencana Pemantauan Lingkungan</i> (Environment Monitoring Plan)
RSPO	:	Roundtable Sustainable Palm Oil
RTE	:	Rare Threatened and Endangered
SCCS	:	Supply Chain Certification Standard
SGM	:	Senior General Manager
SIO	:	<i>Surat Izin Operator</i> (Operator License)
SOP	:	Standard Operational Procedure
SOU	:	Strategic Operation Unit
SGM	:	Senior General Manager
SPH	:	Stand per Hectare
SPSI	:	<i>Serikat Pekerja Seluruh Indonesia</i> (Indonesian Labor Union)
TBE	:	Teluk Bakau Estate
TBF	:	Teluk Bakau Factory
TMP	:	Tunggal Mitra Plantation
TSS	:	Total Suspended Solids
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"><li>Indonesian National Interpretation of RSPO P&amp;C 2013 by INA-NITF (Indonesian National Interpretation Task Force) July 2016, endorsed by the RSPO BoG 30th September 2016.</li><li>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).</li><li>RSPO Certification System for Principles and Criteria, 14 June 2017.</li></ul>	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT Bhumireksa Nusasejati subsidiary of Sime Darby Plantation Bhd.	
1.2.2	Contact person	Alagendran Maniam	
1.2.3	Organisation address and site address	RSPO registered company: No 2, Plantation Tower, PJU 1A/7Street, Petaling Jaya, Malaysia 47301.  Liaison Office: The Plaza Office Tower, 36 <sup>th</sup> Floor JL. MH Thamrin Kav. 28-30, Jakarta 10350.	
1.2.4	Telephone	(+62-21)-29926000	
1.2.5	Fax	(+62-21)-29922686	
1.2.6	E-mail	<a href="mailto:alagendran.maniam@sime-darbyplantation.com">alagendran.maniam@sime-darbyplantation.com</a>	
1.2.7	Web page address	<a href="http://www.sime-darbyplantations.com">www.sime-darbyplantations.com</a>	
1.2.8	Management Representative who completed the application for certification	Alagendran Maniam (Head of Sustainability – Minamas Plantation)	
1.2.9	Registered as RSPO member	1 – 0008 – 04 – 000 – 00, 7 September 2004	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	One Palm Oil Mill and supply bases: Teluk Bakau Factory (TBF), Teluk Bakau Estate (TBE), Nusa Lestari Estate (NLE) and Nusa Perkasa Estate (NPE)	
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
	Teluk Bakau POM	Rotan Semelur Village, Pelangiran Sub-District, Indragiri Hilir District, Riau Province, Indonesia	N 0° 15' 23"E 103° 35' 20"



1.4.2	Location of Certification Scope of Supply Base				
	Name of Supply Base	Location	Coordinate		
			Latitude	Longitude	
	Teluk Bakau	Rotan Semelur Village, Pelangiran Sub-District, Indragiri Hilir District, Riau Province, Indonesia	N 0° 11" 33"	E 103° 35' 49"	
	Nusa Lestari	Hidayat Village and Pelangiran Village, Pelangiran Sub-District, Indragiri Hilir District, Riau Province, Indonesia	N 0° 11" 07"	E 103° 34' 05"	
	Nusa Perkasa	Makmur Jaya Village and Penjuru village, Kateman Sub-District, Indragiri Hilir District, Riau Province, Indonesia	N 0° 07" 02"	E 103° 36' 19"	
1.5	Description of Area Statement				
1.5.1	Tenure				
	• State		25,684 Ha		
	• Community		- Ha		
1.5.2	Area Statement				
	• Total area		13,317.81 Ha		
	• Mature area		6,804.97 Ha		
	• Immature area		3,587.00 Ha		
	• Mill		8.81 Ha		
	• Emplishment		111.97 Ha		
	• Infrastructure		836.97 Ha		
	• Nursery		40 Ha		
	• Occupation		1918.66 Ha		
	• HCV		9.43 Ha		
1.6	Planting Year and Cycles				
1.6.1	Age profile of planting year				
	Planting Year	Hectarage (Ha)			
		Teluk Bakau Estate	Nusa Lestari Estate	Nusa Perkasa Estate	Total
	1994	971.02	-	-	971.02
	1995	325.89	-	7.45	333.34
	1996	101.03	118.85	142.00	361.88
	1997	-	-	268.00	268.00
	1998	-	707.95	-	707.95
	1999	-	374.67	-	374.67
	2009	-	-	429.00	429.00
	2011	-	-	53.58	53.58
	2013	400.01	-	-	400.01



	2014	467.11	423.65	413.57	1,304.33							
	2015	234.18	410.46	525.95	1,170.59							
	2016	-	284.00	146.60	430.60							
	Total Mature	2,499.24	2,319.58	1,986.15	6,804.97							
	2016	410.25	-	253.33	663.58							
	2017	126.80	427.75	281.00	835.55							
	2018	282.49	422.41	283.00	987.90							
	2019	134.41	-	965.56	1,099.97							
	Total Immature	953.95	850.16	1,782.89	3,587.00							
	TOTAL	3,453.19	3,169.74	3,769.04	10,391.97							
1.6.2	New Planting area after January 2010			0 Ha								
1.6.3	Planting Cycle			2 <sup>st</sup> Cycle								
1.7	Description of Mill and Supply Base											
1.7.1	Description of Mill											
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel						
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)					
	Teluk Bakau	60	97,146.63	21,144.86	21.73	4,203.45	4.32					
	*Production data source from September 2018 until August 2019											
1.7.2	Description of Certification Scope of Supply Base											
	Name of Estate	Total Area (Ha)	Mature Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill						
						FFB (tonnes/year)	%					
						Teluk Bakau	4,025.07	2,499.24	36,670.54	14.67	36,544.13	99.66
						Nusa Lestari	3,456.74	2,319.58	36,477.26	15.73	35,614.95	97.64
						Nusa Perkasa	5,836.00	1,986.15	25,320.64	12.75	24,987.55	98.68
	TOTAL	13,317.81	6,804.97	98,468.45	14.47	97,146.63	98.66					
	*Production data source from September 2018 until August 2019											
1.7.3	FFB description from other source											
	Name of sources/Organisation	Type of Organisation	Number of smallholders	Production Area (Ha)		Supplied to Mill						
						FFB (tonnes/year)						
	-	-	-	-		-						
	TOTAL						-					
	*Source Production Data on from September 2018 until August 2019											
1.7.4	Product categories			FFB, CPO, PK								
1.8	Tonnage of Product											
1.8.1	Past Annual Claim Certified Product		Last Year Projected		Actual certified product for period							

		Certified Volume (MT)	last year (tonnes/year)					
	• FFB Production	133,312	97,146.63					
	• CPO Production	25,581.79	21,144.86					
	• Palm Kernel (PK) Production	5,208.69	4,203.45					
1.8.2	Product selling							
	Tonnage of selling product	Period of actual selling product February 2018 to January 2019 (MT)						
	• CSPO sold as RSPO certified product	2,806.16						
	• CSPK sold as RSPO certified product	764.51						
	• CSPO sold under other scheme	0						
	• CSPK sold under other scheme	0						
	• CSPO sold as conventional	17,584.82						
	• CSPK sold as conventional	2,818.97						
1.8.3	Estimate of Certified FFB Claim							
	<b>Name of Estates</b>	<b>Total Area (Ha)</b>	<b>Mature Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/ha/year)</b>			
	Teluk Bakau	4,025.07	2,499.24	37,490	15			
	Nusa Lestari	3,456.74	2,319.58	37,110	16			
	Nusa Perkasa	5,836.00	1,986.15	25,820	13			
	<b>TOTAL</b>	<b>13,317.81</b>	<b>6,804.97</b>	<b>100,420</b>	<b>15</b>			
	<i>*Projected FFB production for 11 October 2019 to 10 October 2020</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	<b>Name of Mill</b>	<b>Capacity (tonnes/ hour)</b>	<b>FFB Processed (tonnes/year)</b>	<b>CPO Out put (tonnes)</b>	<b>Extraction (%)</b>	<b>Palm Kernel Out put (tonnes)</b>	<b>Extraction (%)</b>	<b>Supply Chain Module</b>
	Teluk Bakau	60	100,420	22,090	22	4,520	4.5	IP
	<i>*Projected CSPO and CSPK production for 11 October 2019 to 10 October 2020</i>							
1.9	<b>Other Certifications</b>							
	ISPO		ISPO Certificate of PT BNS from Mutuagung Lestari MUTU-ISPO/078 valid from 5 April 2017 to 4 April 2022					
1.10	<b>Time Bound Plan</b>							
1.10.1	<b>Time Bound Plan for Other Management Units</b>							
	<b>Management Unit</b>		<b>Estate (Supply Base)</b>	<b>Time Bound Plan</b>	<b>Location</b>	<b>Status</b>		
	<b>Mill</b>	<b>Time bound</b>						
	<b>INDONESIA</b>							
1	Sekunyir. PT. Indotruba Tengah	2010	Sekunyir	2010	Seruyan and West Kotawaringin District – Central Kalimantan	Certified		
			Seruyan	2010		Certified		

2	Manggala. PT. Tunggal Mitra Plantations	2010	Manggala 1	2010	Rokan Hilir District – Riau	Certified
			Manggala 2	2010		Certified
			Manggala 3	2010		Certified
3	Bukit Ajong PT. Sime Indo Agro	2010	West	2010	Sanggau District –West Kalimantan	Certified
			West (HGU on process)	2019		-
			East	2010		Certified
			East (HGU on process)	2019		-
			East Plasma	2010		Certified
			West Plasma	2010		Certified
			Sei Mawang	2019		-
4	Teluk Siak. PT Aneka Inti Persada	2011	Teluk Siak	2011	Siak District – Riau	Certified
			Pinang Sebatang	2011		Certified
			Aneka Persada	2011		Certified
5	Sungai Pinang. PT. Bina Sains Cemerlang	2012	Sungai Pinang	2012	Musi Rawas District – South Sumatera	Certified
			Sungai Pinang (HGU on process)	2020		-
			Bukit Pinang	2012		Certified
			Bukit Pinang (HGU on process)	2020		-
6	Pemantang. PT. Teguh Sempurna	2011	Pemantang	2011	Seruyan and East Kotawaringin District – Central Kalimantan	Certified
			Kawan Batu	2011		Certified
			Hatan Tiring	2011		Certified
			Batang Garing	2011		Certified
7	Alur Dumai. PT Lahan Tani Sakti	2011	Alur Dumai	2011	Rokan Hilir District – Riau	Certified
8	Teluk Bakau. PT. Bhumireksa Nusa Sejati	2011	Teluk Bakau	2011	Indra Giri Hilir District – Riau	Certified
			Nusa Perkasa	2011		Certified
			Nusa Lestari	2011		Certified
9	Mandah PT. Bhumireksa Nusa Sejati	2014	Mandah	2011	Indra Giri Hilir District – Riau	Certified
			Rotan Semelur	2011		Certified
10	Angsana. PT Ladangrumpun Suburabadi	2011	Angsana	2011	Tanah Bumbu District – South Kalimantan	Certified
			Gunung Sari	2011		Certified
			Pantai Bonati	2011		Certified
			KKPA-1 PT.SHE	2013		Certified
			KKPA-4 PT.SHE	2013		Certified
11	Mustika. PT Sajang Heulang	2013	Mustika	2013	Tanah Bumbu District – South Kalimantan	Certified
			KKPA-2 PT.SHE	2013		Certified
			KKPA-3 PT.SHE	2013		Certified
			KKPA-5 PT.SHE	2013		Certified
			SAP 1	2020		-

12	Gunung Aru. PT Bersama Sejahtera Sakti	2011	Gunung Aru	2011	Kotabaru District – South Kalimantan	Certified
			Gunung Kemas	2011		Certified
			Laut Timur	2011		Certified
			Pantai Timur	2011		Certified
			KKPA BSS	2020		-
13	Bebunga. PT. Langgeng Muaramakmur	2011	Bebunga	2011	Kotabaru District – South Kalimantan	Certified
			Bakau	2011		Certified
			Sungai Cengal	2011		Certified
14	Sukamandang PT Kridatama Lancar	2011	Sukamandang	2011	Seruyan and East Kotawaringin District – Central Kalimantan	Certified
			Sapiri	2011		Certified
			Barasdanum	2011		Certified
			Kuala Kuayan	2011		Certified
15	Pondok Labu. PT Paripurna Swakarsa	2012	Binturung	2012	Kotabaru District – South Kalimantan	Certified
			Pondok Labu	2012		Certified
			Rampa	2012		Certified
			Sesulung	2012		Certified
16	Rantau. PT Laguna Mandiri	2012	Rantau	2012	Kotabaru District – South Kalimantan	Certified
			Matalok	2012		Certified
			KKPA Sungai Cengal (1,382 SH)	2014		Certified
			Selabak (PT SAA)	2012		Certified
			Randi (PT SAA)	2012		Certified
			Sangkoh (PT SAA)	2012		Certified
			Lanting (PT LMR)	2012		Certified
17	Betung. PT Laguna Mandiri	2014	Betung	2012	Kotabaru District – South Kalimantan	Certified
			Sekayu	2012		Certified
18	Ungkaya. PT Tamaco Graha Krida	2012	Ungkaya	2012	Morowali District – Sulawesi Tengah	Certified
			Plasma TGK	2020		-
19	Ladang Panjang. PT Bahari Gembira Ria	2012	Ladang Panjang	2012	Muaro Jambi District - Jambi	Certified
			Ladang Panjang (HGU on process)	2020		-
			Plasma BGR	2020		-
20	Rantau Panjang. PT Guthrie Peconina Indonesia	2012	Rantau Panjang	2012	Musi Banyuasin District – South Sumatera	Certified
			Rantau Panjang (HGU on process)	2020		-
			Bumi Ayu	2012		Certified
			Karang Ringin	2012		Certified
			Napal	2012		Certified
			Napal (HGU on process)	2020		-
			Mangun Jaya	2012		Certified

			Mangun Jaya (HGU on process)	2020		-
			Sungai Jernih	2020		-
			GPI KKPA	2020		-
21	Blang Simpo. PT Perkasa Subur Sakti	2013	Tamiang (PT PPP)	2013	Aceh Tamiang and East Aceh District – Aceh	Certified
			Batang Ara (PT PSK)	2013		Certified
			Blang Simpo-01	2013		Certified
			Blang Simpo-02	2013		Certified
23	Lembiru. PT Sandika Nata Palma	2014	Lembiru	2014	Ketapang District – West Kalimantan	Certified
			Awatan	2014		Certified
			Karya Palma	2019		-
			KKPA SNP	2020		-
			Pelanjau (PT BAL)	2019		IC
			Sungai Putih (PT BAL)	2019		-
			Baturus (PT BAL)	2019		-
			KKPA BAL	2020		-
	MALAYSIA					
1	Sg Dingin SOU 1	2010	Bukit Hijau	2010	Kerangan, Kedah	Certified
			Padang Buluh	2010		Certified
			Bukit Selangor	2010		Certified
			Sg Dingin	2010		Certified
			Jentayu	2010		Certified
			Anak Kuli	2010		Certified
			Somme	2010		Certified
2	Chersonese SOU 2	2011	Chersonese	2011	Kuala Kurau, Perak	Certified
			Holyrood	2011		Certified
			Kalumpang	2011		Certified
			Tali Ayer	2011		Certified
3	Elphil SOU 3	2011	Kinta Kellas	2011	Sg Siput, Perak	Certified
			Elphil	2011		Certified
			Kamuning	2011		Certified
4	Flemington SOU 4	2011	Flemington	2011	Teluk Intan, Perak	Certified
			Bagan Datoh	2011		Certified
			Sabak Bernam	2011		Certified
			Sg Samak	2011		Certified
5	Seri Intan SOU 5	2011	Seri Intan (Main Division)	2011	Teluk Intan, Perak	Certified
			Sabrang	2011		Certified
			Sg Wangi	2011		Certified
			Sogomana (Main Division)	2011		Certified

6	Selaba SOU 5	2011	Seri Intan (Selaba Division)	2011	Teluk Intan, Perak	Certified
			Sogomana (Cashwood & Sg Beruas Division)	2011		Certified
			Bikam	2011		Certified
			Clumy	2011		Certified
7	Tennamaram SOU 6	2011	Tennamaram	2011	Bestari Jaya, Selangor	Certified
			Sungei Buloh	2011		Certified
			Bkt Talang	2011		Certified
8	Bkt Kerayong SOU 7	2011	Bkt Kerayong	2011	Kapar, Selangor	Certified
			Bkt Cherakah	2011		Certified
			Bkt Rajah	2011		Certified
			Bkt Lagong	2011		Certified
			Elmina	2011		Certified
9	East SOU 8	2010	East	2010	Carey Island, Selangor	Certified
			Dusun Durian	2010		Certified
			Sepang	2010		Certified
10	West - SOU 9	2010	West	2010	Carey Island, Selangor	Certified
11	Bukit Putri - SOU 10	2011	Bukit Putri	2011	Raub, Pahang	Certified
12	Kerdau SOU 11	2011	Kerdau	2011	Temerloh, Pahang	Certified
			Jentar	2011		Certified
			Mentakab	2011		Certified
			Sg Mai	2011		Certified
			Chenor	2011		Certified
13	Jabor - SOU 12	2011	Jabor	2011	Kuantan, Pahang	Certified
14	Labu SOU 13	2011	Labu	2011	Nilai, Negeri Sembilan	Certified
			New Labu	2011		Certified
			Bradwall	2011		Certified
15	Tanah Merah SOU 14	2010	Tanah Merah	2010	Port Dickson, Negeri Sembilan	Certified
			Sua Betong	2010		Certified
			Bukit Pelandok	2010		Certified
16	Sua Betong SOU 15	2014	Salak	2014	Port Dickson, Negeri Sembilan	Certified
			Sengkang	2014		Certified
			Siliau	2014		Certified
			PD Lukut	2014		Certified
			Sungai Baru	2014		Certified
			Tampin Linggi	2014		Certified
17	Kok Foh SOU 16	2011	Bukit Pilah	2011	Bahau, Negeri Sembilan	Certified
			Kok Foh	2011		Certified

			Muar River	2011		Certified
			St. Helier	2011		Certified
			Pertang	2011		Certified
			Sg Gemas	2011		Certified
			Sg Sebalang	2011		Certified
			Sg Senarut	2011		Certified
18	Kempas SOU 17	2010	Kempas	2010	Jasin, Melaka	Certified
			Kemuning	2010		Certified
			Tangkah	2010		Certified
19	Diamond Jubilee SOU 18	2011	Bukit Asahan	2011	Jasin, Melaka	Certified
			Diamond Jubilee	2011		Certified
			Serkam	2011		Certified
20	Pagoh SOU 19	2014	Pagoh	2014	Muar, Johor	Certified
			Lanadron	2014		Certified
			Pengkalan Bukit	2014		Certified
			Welch	2014		Certified
21	Chaah SOU 20	2010	North Labis	2010	Chaah, Johor	Certified
			Cha'ah	2010		Certified
			Sg Simpang Kiri	2010		Certified
22	Gunung Mas SOU 21	2010	Gunung Mas	2010	Kluang, Johor	Certified
			Kempas Klebang	2010		Certified
			Bukit Paloh	2010		Certified
			Yong Peng	2010		Certified
23	Bukit Benut SOU 22	2011	Bukit Benut	2011	Kluang, Johor	Certified
			CEP Niyor	2011		Certified
			Lambak / Elaeis	2011		Certified
24	Ulu Remis SOU 23	2011	Pekan	2011	Layang-layang, Johor	Certified
			Sembrong	2011		Certified
			Tun Dr. Ismail	2011		Certified
			Ulu Remis	2011		Certified
			Bukit Badak	2011		Certified
			Cenas	2011		Certified
25	Hadapan SOU 24	2011	CEP Rengam	2011	Layang-layang, Johor	Certified
			Kulai	2011		Certified
			Layang	2011		Certified
			Seri Pulai	2011		Certified
26	Sandakan Bay SOU 26	2008	Tun Tan Siew Sin	2008	Sandakan, Sabah	Certified
			Tunku	2008		Certified



			Tigowis	2008		Certified
			Sentosa	2008		Certified
			Saguliud	2008		Certified
27	Melalap SOU 27	2011	Melalap	2011	Tenom, Sabah	Certified
			Sapong	2011		Certified
28	Binuang SOU 28	2009	Tingkayu	2009	Kunak, Sabah	Certified
			Sungang	2009		Certified
			Jelata Bumi	2009		Certified
			Binuang	2009		Certified
29	Giram SOU 29	2009	Mostyn	2009	Kunak, Sabah	Certified
			Giram	2009		Certified
30	Merotai SOU 30	2009	Imam	2009	Tawau, Sabah	Certified
			Merotai	2009		Certified
			Table	2009		Certified
			Tiger	2009		Certified
31	Lavang SOU 31	2011	Belian	2011	Bintulu, Serawak	Certified
			Kelida	2011		Certified
			Lavang	2011		Certified
			Lavang (SE)	2011		Certified
			Rasan	2011		Certified
			Chartquest	2011		Certified
			Dulang	2011		Certified
			Peroh	2011		Certified
			Pekaka	2011		Certified
			Ruai	2011		Certified
32	Rajawali SOU 32	2011	Rajawali	2011	Bintulu, Serawak	Certified
			Samudera	2011		Certified
			Semarak	2011		Certified
			Bayu	2011		Certified
33	Derawan SOU 33	2011	Takau	2011	Bintulu, Serawak	Certified
			Damai	2011		Certified
			Derawan	2011		Certified
			Sahua	2011		Certified
<b>LIBERIA</b>						
1	Grand Cape Mount	2018	Matambo	2018	Grand Cape Mount, Liberia	IC
			Grand Cape Mount	2018		IC
			Zodua	2018		IC
			Bomi	2018	Bomi, Liberia	IC

			Lofa	2018		IC
	<b>P &amp; G (New Britain Palm Oil)</b>					
1	Poliamba	2012	Kara	2012	Kevieng, New Ireland Province, P&G	Certified
			West Coast	2012		Certified
			Nalik	2012		Certified
			Noatsi	2012		Certified
			Madak	2012		Certified
			North (Smallholders)	2012		Certified
			South (Smallholders)	2012		Certified
			West (Smallholders)	2012		Certified
2	Tetere	2011	Tetere	2011	Gudaicanal, Solomon Island	Certified
			Ngalimbiu	2011		Certified
			Mbalisuna	2011		Certified
			West Zone (Smallholders)	2011		Certified
			Central Zone (Smallholders)	2011		Certified
			MBA East (Smallholders)	2011		Certified
			MBA West (Smallholders)	2011		Certified
3	Sangara, Sambiripa & Mamba	2013	Sangara	2013	Higaturu, Popondetta, Oro, P&G	Certified
			Sumberipa	2013		Certified
			Ambogo	2013		Certified
			Embi	2013		Certified
			Mamba	2013		Certified
			Sorovi (smallholders)	2013		Certified
			Igora (smallholders)	2013		Certified
			Saiho (smallholders)	2013		Certified
			Aeka (smallholders)	2013		Certified
			Ilimo (smallholders)	2013		Certified
4	Gusap	2010	Dumpu	2010	Madang, P&G	Certified
			Surinam	2010		Certified
			Jephcott	2010		Certified
			Gusap	2010		Certified
			Paddox	2010		Certified
			Ngaru	2010		Certified
			Madang VOP (smallholders)	2010		Certified
			Morobe VOP (smallholders)	2010		Certified
5	Hagita	2013	Giligili	2013	Milne Bay, P&G	Certified

			Hagita	2013		Certified
			Waigani	2013		Certified
			Sagarai	2013		Certified
			Padipadi	2013		Certified
			Mariawatte	2013		Certified
			East Gurney	2013		Certified
			West Gurney	2013		Certified
			East Sagarai	2013		Certified
			West Sagarai	2013		Certified
6	Mosa Kumbango Kapiura Namumdo Waraston	2008	Bebere	2008	West New Britain	Certified
			Kumbango	2008		Certified
			Togulo	2008		Certified
			Dami	2008		Certified
			Waisisi	2008		Certified
			Kautu	2008		Certified
			Karaus	2008		Certified
			Moroa	2008		Certified
			Bilomi	2008		Certified
			Loata	2008		Certified
			Haella	2008		Certified
			Garu	2008		Certified
			Daliavu	2008		Certified
			Sapuri	2008		Certified
			Malilimi	2008		Certified
			Rigula	2008		Certified
			Nomundo	2008		Certified
			Navarai / Karato ME	2008		Certified
			Volupai . Lotomgam / Natupi / Goruru	2008		Certified
			Lolokoru	2008		Certified
			Silovoti	2008		Certified
			LSS Hoskin (1,877 Smallholders)	2008		Certified
			VOP East (1,815 Smallholders)	2008		Certified
			VOP Central (1,958 Smallholders)	2008		Certified
			VOP West (1,277 Smallholders)Kaulong / Akamie / Pusiki / Repamira / Sakapei / KDC ME (21 large smallholders)	2008		Certified

		LSS Kapiura (847 Smallholders)	2008	Certified
		VOP Kapiura (551 Smallholders)	2008	Certified
	<p>Sime Darby has achieved 34 management units in Malaysia, 25 management units in Indonesia, 10 management units in P&amp;G that RSPO certified. Total management unit in Sime Darby Plantation Bhd are 34 in Malaysia, 25 in Indonesia and 10 in P&amp;G. In the year of 2016 &amp; 2017 there are three Mill that are no longer operating, and for the supplying base (Estate) is diverted to a mill that is still operating and has been certified RSPO. The mills are:</p> <ol style="list-style-type: none"><li>1. Angsana Mini Mill, PT Sajang Heulang: Mill stop operate since 2016 and the supply bases is transfer to Angsana POM, PT Ladangrumpun Subur Abadi.</li><li>2. Selabak Mill, PT Swadaya Andhika: Mill stop operate since 2017 and the supply bases is transfer to Rantau POM, PT Laguna Mandiri</li><li>3. Pekaka, SOU 34: Mill stop operate since 2017 and the supply bases is transfer to Lavang, SOU 31</li></ol> <p>There was change of the Time Bound Plan (TBP) under Sime Darby on April 2019 because the Sime Darby postpone the others certification process and this TBP has been approve by Head of Sustainability Minamas. In 27 June 2019, SDP inform to RSPO about confirmation of disposal of Indonesian Subsidiary – PT Mitra Austral Sejahtera. Sime Darby has informed the Time Bound Plan progress, MUTU has consider that Sime Darby still comply with the RSPO requirement for partial certification.</p>			
1.10.2	<b>Progress of Associated Smallholders and Outrowers for Certifiable Standard</b>			
	PT Bhumireksa Nusasejati does not have a cooperation scheme with smallholders and Outgrower			

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>ASA-1.3</b>	<p>1. <b>Ardiansyah (Lead Auditor)</b>. Bachelor of Forest Resources Conservation, Department of Forestry. Had work experience in Environmental NGO for 6 month (2007) and consultant for making EIA Document and KLHS for 3 years (2009 – 2012). Had attend training such as RSPO Lead Auditor course, Lead Auditor ISPO, OHSAS (SIO 18001 – 2007), land cover crop mapping and Management System Certification (ISO 9001-2008), Environmental Management System Certification (ISO 14001-2004), Social Auditing and Conflict Resolution. Had many times following audit activities related to sustainable palm oil certification system which is ISPO as an auditor since 2012 for legal, environmental aspect, conservation and social. Fluent in bahasa and Malay. During the audit, he verified legal and social.</p> <p>2. <b>Muhammad Rinaldi (Auditor)</b>. Indonesian citizen, Diploma of Oil Palm Plantation. He has experience 4 years working as Assistant Agronomy since 2007. He has attended training RSPO Lead Auditor, SCCS training, training of Auditor ISPO, training of Lead Auditor ISO 9001-2008, training of ISO 14000, training of HCV identification, training of OHS system management, training of potential and conflict resolution. Experienced in auditing in relevant scheme (ISPO) since 2014 with the aspects of land legality, environmental, social, occupational health and safety, Best Management Practices, Conservation and worker welfare. During the assessment he assigned to verify worker welfare and SCCS.</p> <p>3. <b>Radityo Puspanjana (Auditor)</b>. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training which was held by National GMTI, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospatial Information System, IHT High Conservation Value, IHT Environmental Impact Assessment, IHT Green House Gas and RSPO Awareness In House Training. Since 2015 has been following many audit as auditor base on Best Management Practice and Environment. During the audit, he verified aspect of environment, transparency, HCV and GHG.</p> <p>4. <b>Yudhi Yuniarto Tallutondok (Auditor)</b>. 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&amp;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, and worker welfare. During the audit, he verified aspect of aspects OHS, Best Management Practices for mill and estate and also long term business.</p> <p>5. <b>Rahmat Abdiansyah (Observer)</b>. Indonesian citizen, Bachelor of Forestry from the Department of Forest Resources Conservation and Ecotourism, Bogor Agricultural University. Has experience working in the Indonesian Palm Oil Farmers Organization and oil palm plantation companies in Indonesia. Has attended RSPO and ISPO Internal audit training. During the audit, he observe audit process.</p>
<b>2.2</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>ASA-1.3</b>	<p>Number of auditors: 4 auditor</p> <p>Number of days for ASA 1.3 at site: 5 days</p> <p>Number of working days for ASA 1.3 at site: 20 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA-1.3</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Bhumireksa Nusasejati 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>

	<p>From morning until afternoon, the team traveled from Jakarta to Batam by plane and travel to site by Boat ± 4 hours. Then continued holding an opening meeting. The opening and closing meeting was held in the Meeting Room attended by the Estate Manager, Mill Manager, Assistants, and other related personnel's. During audit activity, auditors always accompanied by client and the documents are presented well in Teluk Bakau Estate as centralize document. The audit is conducted in accordance with audit plan.</p> <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.</p> <p>Some opportunities for improvement of the results <b>ASA-1.3</b> delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (<b>ASA-1.4</b>).</p> <p>Improvement of findings from previous assessment were observed by auditors at this <b>ASA-1.3</b> assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of <b>ASA-1.3</b>.</p> <p>The assessment program please find Appendix 2.</p>
<b>2.2.3</b>	<b>Locations of Assessment</b>
<b>ASA-1.3</b>	<p>Number of units in this certification activity is 3 estates, which supply the raw material (FFB) to Teluk Bakau palm oil mill. In conducting the assessment, the team of auditors assess all estate since the certification unit only consist of one (1) mill and three (3) estate.</p> <p><b>Teluk Bakau POM.</b></p> <ul style="list-style-type: none"> <li>• <b>WWTP.</b> Observation on WWTP, indication of waste overflow, OHS implementation, and interview with worker about worker welfare, OHS, and company's policies.</li> <li>• <b>Chemical material warehouse, lubricant warehouse and spare part warehouse.</b> Observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.</li> <li>• <b>Workshop.</b> Observations and interviews with workers related to the management and implementation of health safety, and social worker and hazardous waste management.</li> <li>• <b>WTP.</b> Observations and interviews related to water management, recording of water use, health checks, PPE and waste management.</li> <li>• <b>Mill Drainage.</b> Observations mill effluent lines, sanitation mill and flow of leaching mill.</li> <li>• <b>Hazardous waste temporary warehouse.</b> Observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.</li> <li>• <b>Solid Waste.</b> Observation of the management of Solid waste consist of EFB, fiber and shell from the production process of mill.</li> <li>• <b>Emplasmnt.</b> Observations regarding the feasibility of housing facilities, infrastructure and domestic waste management.</li> <li>• <b>Post Security.</b> Observation and interview with security officer regarding to FFB receiving procedure, emergency response, payments and complain mechanism.</li> <li>• <b>Weighbridges.</b> Observation and interview with weight bridges operator regarding to supply chain procedure, FFB supplier code, separation of certified and noncertified product, including it calculation.</li> <li>• <b>Station of FFB Sortation.</b> Observation and interview about their understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT BNS.</li> <li>• <b>Station of Sterilizer.</b> Observation and interview about their understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT BNS.</li> <li>• <b>Station of Clarification.</b> Observation and interview about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT BNS.</li> <li>• <b>Station of Press.</b> Observation and interview about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT BNS.</li> <li>• <b>Station of Nut and Kernel.</b> Observation and interview about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT BNS.</li> </ul>

- **Station of Boiler.** Observation and interview about their understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT BNS.
- **Station of Engine Room.** Observation and interview about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT BNS.
- **Fire Fighter Pump and Hydrant Simulation.** Observation on devices readiness and emergency team.

**Nusa Lestari Estate.**

- **Housing Complex of Lembayung block G10.** Observation and interview with residents about housing facilities, domestic waste management, and complaint mechanism.
- **Hazardous waste temporary warehouse.** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
- **Body shower of spraying team and mixing area (BSS).** Observation the conditions body shower room and PPE handling.
- **Daycare.** Observations related to educational facilities in the form of childcare for workers.
- **Water engine pump room.** Observations and interviews with workers related to the management and implementation of health safety, and social worker and hazardous waste management.
- **Pesticide warehouse, fertilizer warehouse, lubricant warehouse and spear part warehouse.** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
- **Fire Fighting Equipment Storage.** Simulation the function of fire extinguishers and team readiness.
- **P2K3 Unit.** Observation First aid rooms reasonably clean condition, medical waste recording, labor medical check up and work accident.
- **Workshop.** Observations and interviews with workers related to the management and implementation of health safety, and social worker and hazardous waste management.
- **School Facilities.** Observations related to educational facilities in the form of kindergartens and elementary schools.

**Nusa Perkasa Estate.**

- **School Facilities.** Observations related to educational facilities in the form of kindergartens, elementary schools, junior high schools and senior high schools.
- **Housing Complex of division 3 & 4.** Observation and interview with residents about housing facilities, domestic waste management, and complaint mechanism.
- **Water source pump room Housing complex division 3 & 4.** Field observations and interviews related to workers facility, sources of fresh water management.
- **Engine room Housing complex division 3 & 4.** Field observations and interviews related to PPE, labor aspect and Hazardous Waste.
- **Fresh Water source block D10 & E10 division 4.** Field observations of sources fresh water management.
- **Replanting area block D10 & E10 division 4.** Field observations related to mechanism and technic of replanting.
- **Clinic.** Observation First aid rooms reasonably clean condition, medical waste recording, labor medical check up and work accident.
- **Hazardous waste temporary warehouse.** Observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
- **Chemical material warehouse, lubricant warehouse and spare part warehouse.** Observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
- **Workshop.** Observations and interviews with workers related to the management and implementation of health safety, and social worker and hazardous waste management.
- **Housing Complex of Kemuning block G10.** Observation and interview with residents about housing facilities, domestic waste management, and complaint mechanism.
- **Fire Fighting Equipment Storage.** Simulation the function of fire extinguishers and team readiness.
- **Conservation Area Blok E11.** Observation related to fire control tower and observation related to HCV area of Forest Conservation Area.
- **Spraying Block D13.** Observation and interview related control of *Oryctes* using insecticides



	<p><b>Teluk Bakau Estate</b></p> <ul style="list-style-type: none"> <li>• <b>Nursery.</b> Observation and interview related seed selection, chemical storage warehouse and PPE.</li> <li>• <b>Block D13.</b> Observation and interview with pesticide applicators, on their understanding towards technical, safety, manpower, conservation and environment aspects, included facilities provided by the company.</li> <li>• <b>Field E006, Divisi 2.</b> Observation related to monitoring tool for peat subsidence.</li> <li>• <b>Spill Way.</b> Observation related to water management.</li> <li>• <b>HGU Pole No. 2.</b> Observation of land demarcation marker and it maintenance.</li> <li>• <b>FFB Transport Divisi 1.</b> Observation of FFB Transport and interviews with workers related to work procedures, health insurance and protection of workers and housing facilities, safe work practices and the use of PPE</li> </ul> <p><b>Stakeholder consultation with relevant agencies by phone:</b></p> <ul style="list-style-type: none"> <li>• Plantation Agency of Indragiri Hilir Regency</li> <li>• Labour and Transmigration Agency of Indragiri Hilir Regency</li> <li>• Environmental Agency of Indragiri Hilir Regency</li> <li>• National Land Agency of Indragiri Hilir Regency</li> </ul> <p><b>Stakeholder Consulted:</b></p> <ul style="list-style-type: none"> <li>• Village of Rotan Semelur (Parit Amin Jaya), Sub-District of Pelangiran</li> <li>• Bente Hamlet, Village of Makmur Jaya (Parit 9), Sub-District of Kateman</li> <li>• Local Contractor (Replanting &amp; Mechanical operation system Mill).</li> <li>• Gender Committee (NLE, NPE, TBE &amp; TBF).</li> <li>• Worker Union Estate and Factory (NLE, NPE, TBE and TBF).</li> </ul>
<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA-1.3</b>	<p>The public consultation with stakeholders to PT Bhumireksa Nusasejati done through:</p> <ul style="list-style-type: none"> <li>• Conduct a public announcement on the CB website on 26 August 2019 (<a href="https://mutucertification.com/notification-of-rspo-surveillance-1-3-teluk-bakau-pom-pt-bhumireksa-nusasejati-subsidiary-of-sime-darby-plantation-bhd/">https://mutucertification.com/notification-of-rspo-surveillance-1-3-teluk-bakau-pom-pt-bhumireksa-nusasejati-subsidiary-of-sime-darby-plantation-bhd/</a>)</li> <li>• Conduct consultation via phone with stakeholders (Plantation Agency, Labour Agency, Environment Agency, National Land Agency Indragiri Hilir District, Province of Riau) on 9<sup>th</sup> September 2019.</li> <li>• Conduct consultations via email questionnaire to NGOs (WALHI, Sawit Watch, <i>Jaringan Masyarakat Gambut Riau</i>, <i>Pusat Pengembangan Sumberdaya Wanita Sumatera</i> and WWF) on 5<sup>th</sup> September 2019.</li> <li>• Conducting Interviews with the local contractor, Gender Committee, Labor Union on 9<sup>th</sup> September 2019.</li> <li>• Conducting visits and direct interviews with stakeholders and also previous land owner (Rotan Semelur and Makmur Jaya Village) on 9 September 2019 and 11 October respectively.</li> </ul>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	<i>Please find appendix 1.</i>
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit ( <b>ASA-1.4</b> ) will be conducted eight till twelve months after 11 October 2019.

### 3.0. ASSESSMENT FINDINGS

#### 3.1. Summary of Assessment Report of the RSPO Certification

Mutuagung Lestari has conducted an assessment of Teluk Bakau Factory – PT Bhumireksa Nusasejati subsidiary of Sime Darby Plantation Bhd. operation consisting of one mill and three estates.

During the assessment, there were two (2) nonconformities were assigned against Major Compliance, two (2) nonconformities were assigned against Minor Compliance and six (6) opportunities for improvement were identified.

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

MUTUAGUNG LESTARI found that Teluk Bakau Factory – PT Bhumireksa Nusasejati subsidiary of Sime Darby Plantation Bhd 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 Recommends RSPO Certification of compliance is continued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification
<b>PRINCIPLE #1 COMMITMENT TO TRANSPARENCY</b>	
<b>1.1</b>	<b>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.</b>
<b>1.1.1 &amp; 1.1.2</b>	<p>The company has procedures for providing information in the Information Request SOP (Document No. RSPO / 1.1 / PI, June 1, 2014). The procedure explains that a letter requesting information that goes into the unit is addressed then the answer is made and the answer is made by the operational unit manager. If in making an answer to an information request it is necessary to approve the Head of Department and / or other Department related to the contents of the request for information, then prior approval is requested from the Head of Department and / or other department. Answer to request for information that has been approved by the relevant department head and or department will be returned to the operational unit. The Operations Unit Management will send an answer letter to the parties in accordance with the contents of an adequate request and incoming mail documents stored in GM office. The requested information will be a maximum response for one week (or six working days).</p> <p>Record of information is stored in the information book on each management unit. In the book shows that there is no incoming information requested, but proposals or invitation to attend a meeting held by stakeholders. However the certificate holder has submitted mandatory reports regularly to the related agencies such as employment report, environment management report, and plantation development report.</p> <p>In consultation with local government agencies, internal stakeholder as well as external stakeholder surrounding the plantation, it was known that the procedure of communication and consultation has been disseminated to the stakeholders. Stakeholders already known the communication PIC, and no obstacles in dealing with the company. The stakeholders never requested information about operational activities. However, if the village community submits requests for assistance, the CH always responds quickly.</p>

	<b>Status: Comply</b>
<b>1.2</b>	
<b>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.</b>	
<b>1.2.1</b>	
List of document which are available for stakeholder were remain the same with the previous audit assessment, as follows: Legal, Environment, Social, Safety, Best management practices and continuous improvement documents. Besides that, the documents that cannot be accessed by publicly listed companies include: financial data such as expenses and revenues, as well as details relating to customers and or suppliers and data related to individual privacy.	
	<b>Status: Comply</b>
<b>1.3</b>	
<b>Growers and millers commit to ethical conduct in all business operations and transactions.</b>	
<b>1.3.1</b>	
Company has a policy of standard business of conduct that explains fair business practices, prohibition of corruption, bribery, fraud in the use of funds and resources as well as the disclosure of information in accordance with prevailing regulations. The policy contained in the Company Policy no. 440/HRM-COC/07 on 24 May 2007. The policy is available in Bahasa. The policy is communicated to workers in accordance with the results of interviews with them. Based on interview with local contractor of replanting, it is known that company has been disseminated the policy of standard business of conduct. Local contractor also inform that the verification of replanting result for payment is based on actual condition and they must follow the code of integrity.	
Dissemination of code of integrity and ethical behavior disseminated by specific socialization or morning briefing to all level of workers. Based on interview with workers, labor union, local contractor, representatives of gender committees know about code of integrity and ethical behavior.	
	<b>Status: Comply</b>
<b>PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS</b>	
<b>2.1</b>	
<b>There is compliance with all applicable local, national and ratified international laws and regulations.</b>	
<b>2.1.1</b>	
Certificate holder consistently applies legislation relating to plantation and palm oil mill. The last update of laws and regulations list was conducted on September 2, 2019. The Certification Unit has shown compliance with laws and regulations, for example :	
<ol style="list-style-type: none"> <li>1. EIA documents approved by the Ministry of Agriculture, Agribusiness Board with endorsement number 07 / BA.5.3 / V / 1996 dated May 17, 1996. EIA documents include the Environmental Management Plan (RKL) and Environment monitoring plan (RPL) approved by the Ministry of Agriculture with the number 093 / RKL - RPL, dated May 14, 1996.</li> <li>2. Revision of the Environmental Management Plan (RKL) and Environmental Monitoring Plan (RPL) to the total area of the study amounted to 25,662 ha and a capacity of Factory to 60 tons / hour which has been approved by the Head of Department of the Environment, Energy and Mining District Indragiri Hilir No. 11 / IH / RKL-RPL / V / 2006 dated May 3, 2006.</li> <li>3. CH has a permit to dispose of waste water to a water body PT BNS No. 503/DPMPTSP-IPAL/2 dated March 15, 2018 which is valid for up to 5 years.</li> <li>4. Temporary Storage Permit for hazardous waste, in accordance with applicable regulation Number 101 year 2014.</li> <li>5. Land preparation without burning and has the infrastructure in fire anticipation, according to Permentan Number. 26 of 2007 section 15. (refer to criteria 5.5).</li> <li>6. Has land title inform of HGU and HGB for an area of 25,684 Ha.</li> <li>7. Has business permit (IUP) that cover all operation area i.e. Izin Usaha Tetap No. 119/T/PERTANIAN/INDUSTRI/2005 on 30 December 2005 for 25,752 Ha oil palm plantation and mill with production 57,600 MT.</li> </ol>	

### 2.1.2; 2.1.3 and 2.1.4

To ensure compliance to regulations, company has Policy 724/TQEM-SPMS/09. This document explaining personnel who have responsibility to update the regulation and law, identification and inventory, evaluation and monitoring Information of regulation from national, provincial and district regulatory bodies, and renewal of any changes to prevailing laws and regulations and monitoring of expired regulations/licenses.

An update list of regulatory identifications on 2 September 2019 is consist of Laws, Government Regulations, Presidential Decrees, Ministerial Regulations, Ministerial Decrees, Regional Regulations, and the ratification of the ILO. Internal audits have been conducted continuously and are documented and reviewed in the management review activities conducted September 2, 2019. The internal audit also cover for contractor activity, such as wages and PPE.

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 CH has had documents showing legal ownership in form of Land Use Right (HGU) and Land Building Right (HGB). The land right consist of:

- HGU certificate No. 01 of 1996 for an area of 13,900 Ha
- HGU certificate No. 02 of 1996 for an area of 11,762 Ha
- HGB certificate No. 01 of 2000 for an area of 88.125 Ha
- HGB certificate No. 02 of 2000 for an area of 13.179 Ha

Total land use title area of PT Bhumireksa Nusasejati is 25,684 Ha, however for this scope is only consist of 1 Mill (Teluk Bakau factory) and 3 supply bases (Teluk Bakau Estate, Nusa Lestari Estate and Nusa Perkasa Estate) with total managed area is 13,317.81 Ha. The rest of area (12,366.18 Ha) is include in other certification scope i.e Mandah Factory.

The actual legal use of the land is available in this report (basic info). Based on interview with communities near the factory, inform that there are area that has been manage by company but not include in land use right which owned. Auditor conduct field visit to the area that inform by communities and known that the area is use for access road to communities (also workers) going to public port. The company is not use the area for private manner. CH need to ensure the area which manage is include in land use right (OFI).

### 2.2.2

There is no change in the SOP for maintenance of the boundary stakes listed in the boundary maintenance procedure described in the SOP Boundary Stakes Maintenance (RSPO / 6-1 / PPB / VII / 14) dated 1 August 2014. Based on this procedure the stakes must be census every 6 once a month. All unit management has shown the monitoring document that the last conducted on June 2018.

Based on a field visit at BPN Stake in TBE and NLE, it is known that the stakes are in well maintained condition and are in accordance with the coordinates. The area is directly adjacent to community land. Re-ensure that the position of the BPN Stake is in accordance with the coordinates issued by BPN.

### 2.2.3, 2.2.4 & 2.2.5

SOP related to resolving the land disputes does not change from previous assessment that listed on *SOP Penyelesaian Konflik* (RSPO/2.2/PK). Based on document verification, information from PT BNS management and also the results of field visits and interviews with several village representatives around the company, there was no indication of land disputes between PT BNS and the parties and no land acquisition for the new development of the area in the company.

### 2.2.6

Policies related to the prohibition on the use of paramilitaries does not changes as stated in the Policy of the chairman of SOU 19 on 1 June 2016 concerning the policy of prohibiting the use of mercenaries or paramilitaries in company operations.

During interview with communities, inform that CH didn't use paramiliter in their operation activity. This is also confirm during field visit in operation area of PT BNS.

**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

There are no changes related to the mechanism to identify legal rights and compensation payment procedures listed in the Occupational Land Acquisition SOP Number 343/PSD-OKUP/11. The procedure is a reference in conducting compensation processes for land acquisition and resolved of land disputes. Based on interview with communities in Rotan Semelur Village (Parit Sabar Menunggu) and Makmur Jaya Village known that land acquisition process has been conducted by Salim Group (previous management). The land acquisition was conducted by voluntary.

Based on document verification, information from PT BNS management and also the results of field visits and interviews with several village representatives around the company, there was no indication of land disputes between PT BNS and the parties and no land acquisition for the new development of the area in the company.

**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 ; 3.1.2

Certificate holder shows a 5-year business plan for period 2019 to 2023 that is endorsed by the head of PSQM which includes explaining the plan to use seeds, FFB and CPO production, OER targets, Production costs, Estimated selling prices, and Revenues. Evaluation regarding the achievement of a business plan can be seen from the making of monthly estate and mill reports. The report is summarized as one of the ingredients for the preparation of the annual budget.

Among the peat management plans are included in the peat land drainability study (2017) and replanting studies (2015 – 2018) carried out by the MRC team. The results of the assessment state that PT BNS peatlands are still suitable for replanting. The assessment are complemented by maps of the critical level of soil decomposition, maps of the depth of the ground water level, and maps of drainability. The results of discussions on each of these aspects indicate that in terms of the level of decomposition and depth of ground water level, in a stable condition (there is no risk of flooding).

The PIC responsible for making and implementing the work plan is the Estate Manager / Mill assisted by a Senior Assistant and Division Assistant. The replanting projection is written in the Long Range Replanting Program of PT Bhumireksa Nusasejati. The information contained in the document includes:

Estate	Plan (Ha)					
	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
TBE	419.30	414.30	427.70	240.10	293.47	-
NPE	283	273	260.01	141	279	411
NLE	279.79	307.05	298.05	233.11	245.83	261.47

In 2019 the replanting activity only conduct in Nusa Perkasa Estate and has been realized for an area of 1,323.14 Ha from target 1,543.01 Ha until 7 July 2019.

**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

PT Bhumireksa Nusasejati is a subsidiary of Minamas Plantation. The procedure used refers to the Agronomy References Manual and Minamas Plantation Factory Operational Procedure. The procedure includes the main process of estate and factories starting from land clearing, nurseries, plant maintenance, harvesting, transportation of FFB, processing of FFB to quality testing of CPO. SOPs are available in each garden office and are available in Indonesian

Based on field visits to Nusa Perkasa Estate, workers have understood how to work in accordance with established procedures. For example, before being taken to the field, pesticides have been mixed first at the BSS house, the obligation to use PPE, the obligation to wash and store PPE after work, and the application of pesticides in accordance with the target and prescribed doses.

#### 4.1.2 & 4.1.3

Daily internal supervision is carried out by the level of supervision starting from the foreman, assistant division, and senior assistant to the Estate Manager. Monthly supervision is carried out by the PSQM team as outlined in the work quality assessment report (BHS, BMS, BSS). Annual supervision is carried out by the internal audit team (GCAD), regional office and Plantation Advisory. there is an internal audit from the company to check and monitoring the performance of contractor related to compliance to company procedure.

Any nonconformity found will be responded to by the company by making root cause analysis, corrective actions, and preventive measures. Information from accompanying staff for nonconformities found by GCAD responses to maximum nonconformities is given within 14 working days. While for repairs and improvement progress is given 3-6 months according to the action plan.

Records of PT BNS internal assessments such as:

- Plantation advisory in Teluk Bakau Factory on April 2019
- Plantation advisory in Nusa Lestari Estate on July 2019
- Plantation advisory in Nusa Perkasa Estate on July 2019

#### 4.1.4

Until ASA 1.3, CH does not accept FFB from other source. The source of FFB processed is only from the own estate which are Teluk Bakau Estate, Nusa Perkasa Estate and Nusa Lestari Estate.

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

Certificate Holder shows the procedures of managing soil fertility in the Minamas Plantation Agricultural Reference Manual document in the fertilization section (CHAPTER 8). Based on the field visit and interviews with the BMS team in Nusa Perkasa Estate, it is known that workers have known about the dosage and type of fertilizer used. For example for NPK 44 using a dose of 3.5 Kg / oil palm. In order to apply the dosage according to the recommendations, a calibrated measuring bowl is used.

The implementation of the SOP was monitored and verified by the foreman, Assistant Division, to the level of the senior Assistant and Estate Manager. In addition there is also a PSQM team whose job is to monitor and analyze the quality of work.

#### 4.2.2

CH shown the program and the realization of fertilization application for period until July 2019 in MMCM document (Monthly Management Committee Meeting). Based on document review and interview with the staff, the realization of fertilization is in accordance to the program. Fertilization programs are on going and the company continues to target completion based on fertilizer recommendations. The auditor conducted an interview with the fertilizer workers at Nusa Perkasa Estate. Fertilization is done manually by workers. Workers can also explain the fertilization procedure well, which is in accordance



with the dosage determined based on the recommendations.

#### 4.2.3

Soil sampling to find out nutrients in the soil is carried out every 5 years listed in the Sustainable Plantation Management SOP (724 / TQEM-SPMS / 09 dated 27 August 2010) and for leaf sampling is carried out every year listed in the No EXT Serv Procedure. Kal. I-01/01 November 2005. The last soil survey was conducted in 2018 and for leaf sampling was conducted in March 2019.

#### 4.2.4

CH has a strategy of recycling nutrients, such as the use of the frond (pruning) and use of the palm residue in replanting activity. This is confirm while field visit in Nusa Perkasa Estate. Overall, the company has made efforts to maintain and improve soil fertility. Visually, there is no symptom of nutrient deficiency at the blocks that have been visited.

Status: Comply

### 4.3

#### Practices minimize and control erosion and degradation of soils.

#### 4.3.1

The marginal land found in the PT BNS area is peat. In accordance with the semi-detailed land survey and the 2011 peat depth study carried out by agricultural research, one of them informed about the distribution of soil types. The scale used on the map is 1: 50,000 and the types of soil identified are *bayas deep*, *bayas very deep*, and *kilas*. The entire management area of the PT BNS is *saprik* peat.

#### 4.3.2

Based on the semi-detailed 2018 - 2023 land survey document by MRC and the 2011 peat depth survey conducted by the agricultural soil survey param, it is known that slopes in the PT BNS area fall into the flat category with a range of 0° - 4°. There is no specific slope area requires special planting strategies.

#### 4.3.3

Certificate Holder operational area is peat land that transports it through water so that it is carried out by canal maintenance. During the field visit to Teluk Bakau Estate, Nusa Perkasa Estate, and Nusa Lestari Estate it was found that the canal conditions were still in good condition. Interview with canal maintenance workers found that, the canal is cleaned up from aquatic plant such as moss and water hyacinth.

#### 4.3.4 & 4.3.6

Certificate holder has a Water Management SOP (01/BNS/VII/16 dated July 1, 2016) which is approved by the General Manager. The procedure includes informing about maintaining water levels of 50-80 cm, facilities and infrastructure to support water management, time of measurement, and water management officers.

Observation of the peat subsidence is carried out every 6 months while observations on water sticks are carried out every day. Observations on the piezometer are carried out every 2 weeks and for water level was conducted in daily basis. During assessment the water level, piezometer and peat subsidence are accordance with procedure.

To maintain the water level the company has made a water gate so that the water inside can be adjusted to near ideal conditions. 50 - 70 cm water level cannot be used for all areas. If the water level is forced 50 - 70 cm on the upstream part, then the downstream will experience a lower water level. In addition, the high rainfall conditions (average 10 rainy days per month) in the last 3 months have caused the water condition to be high.

#### 4.3.5

Certificate Holder shows the 2017 Bhumireksa Nusasejati Peat land Drainability Study conducted by statistical data processing Minamas Research Center. The results of the study stated that PT Bhumireksa Nusasejati fulfilled the requirements to conduct a replanting program. Nusa Lestari Estate and Teluk Bakau Estate are in the "non-critical drainage" category (quite suitable for replanting) while Nusa Perkasa Estate is in the "uncritically undisturbed" group (suitable for replanting (suitable)).



The results of the study are equipped with a map of the critical level of soil decomposition, a map of the depth of the water table, and a map of land acquisition. The results of the discussion in each aspect show that in terms of the level of decomposition and depth of the groundwater, it is in a stable condition (there is no risk of flooding).

**Status: Comply**

#### 4.4

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

##### 4.4.1; 4.4.2

SOP Sustainable Plantation Management Guideline No. 724 / TQEM-SPMS / 09 of which contain the protection of riparian (big river 100 m and a small river 50 m). Protection of surface and water flow in the operational area of the PT BNS carried out in accordance with the memorandum chairman SOU 19, Teluk Bakau No. 016/RSPO/BNS/X/2012 dated October 15, 2012. This memorandum Policy contains restrictions on the use of chemicals on the road, path and circle palm except in the way of supervision (width of 1.5 to 2 meters) situated 8 meters from the main drain (primary canal) and 4 meters of drain field (secondary canal).

The company has a water management plan that take account of the efficiency of use and renewability of sources. The management plan has described in EIA implementation report 1<sup>st</sup> of 2019. The plan described the objectives such as water sources including catchment pond, rainfall records, water requirement, current, water quality, POME and contingency plan.

The results of field observation on the side of the canal area, known that the CH has carried out water flow management in accordance with the memorandum chairman SOU 19, Teluk Bakau No. 016/RSPO/BNS/X/2012 dated October 15, 2012, which is a 4 meter ban on the use of chemicals from the secondary canal. Observations in HCV block E011 also showed that there was no chemical use activity along the canal.

In addition, CH also conducts water quality testing of the river every 6 months contained in the RKL-RPL implementation report. The results of testing the quality of river water based on government regulation No. 82 year 2001 for Class II and class III as follows:

Test Parameters	Standard		Results		
	Class II	Class III	Upstream	Downstream	Spill way
pH	6-9	6-9	7.21	7.45	5.21
BOD	3	6	11.62	13.72	15.19
COD	25	50	33.21	39.21	43.41
TSS	50	400	54	90	36
Nitrit	0,06	0,06	0.63	<0.004	<0.004

Based on the results of surface water quality testing, it is known that thresholds for class II parameters pH, BOD, COD, TSS and Nitrite show results which over the thresholds which indeed has occurred in the upstream part due to the many activities both factories and domestic / housing complex activities along the upstream Kateman river flow down to the downstream. Increased BOD levels are also due to the company's operational area in the peat area, occur intrusion by peat soil water.

##### 4.4.3

POME produced by Teluk Bakau POM processed at waste water treatment plant (WWTP) before it discharged to water body accordance with permit to dispose of POME discharge to a watershed PT BNS No. 503/DPMPSTP-IPAL/2 dated March 15, 2018 which is valid for up to 5 years.

The POME quality test result by accredited laboratory shows that the effluent quality especially BOD, pH, Oil & Fat, TSS and COD for period Januari to July 2019 has fulfil the standard required Minister of Environment Decree (KepmenLH) Number. 5 year 2014. Base on field visit in Teluk Bakau POM, no indication over flow effluent in WWTP, flow meter was well functioned and there is no issues from stakeholders related to land application.

##### 4.4.4

Observations on Teluk Bakau water treatment plant found monitoring for raw and process water usage was done by officer

periodically, and flowmeters at inlet/outlet serves normally. The CH recorded its actual water use. base average water use per ton FFB for period of April – Augustus 2019 is 1.31 m<sup>3</sup>/ton FFB, under budget for water consumption for period 2019 is 1.68 m<sup>3</sup>/ton FFB.

The company has a Surface Water utilized Permit Number 503 / DPMPTSP-SIPAP / 02 March 29 2018, valid for 2 years by government Indragiri Hilir Regency. The payment of surface water tax for the period April - June 2019 August 13 2019.

Base on observations on Teluk Bakau POM water treatment plant found monitoring for raw and process water usage was done by officer periodically and flowmeter on good condition.

Status: Comply

#### 4.5

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

##### 4.5.1

Procedures for controlling pests and plant diseases are listed in Minamas Plantation HRM section 15 and 16. Crop protection summary The August 2019 period states the following:

##### TBE

- Nettle Caterpillar: Nil
- Bagworm : Nil
- Rat: Nil
- Oryctes : The area of attack is 3.51 Ha. Control with *cypermethrin*.
- Ganoderma : Nil

##### NPE

- Nettle Caterpillar: Result of the August census state average infested pest is 3 larvae / oil palm. Under control threshold
- Bagworm : Nil
- Rat: Nil
- Oryctes : The area of attack is 7 Ha. Control with *cypermethrin*.
- Ganoderma : Nil

Based on the monitoring data, the Oryctes attack is decrease from the previous month. Field visit and interview with workers, known that CH has conduct biological control to reduce population of disease pests, such as planting beneficial plant to reduce nettle caterpillars; installation of BOB and monitoring of owls to reduce rat pest.

##### 4.5.2

CH has shown a recording of the Integrated Control Pest Training activity held on 07 July 2019 in Nusa Lestari Estate and attended by 8 participants consisting of workers. Controllers and pest observers are special people who have been provided with knowledge of handling pesticides, potential pests, and frequency of observations and methods of observing pests in the field. Based on the results of interviews with NPE and NLE pest observers it is known that officers have understood the IPM procedures starting from EWS, detailed census, analysis of census results, and control with chemicals if indeed the attack rate has exceeded the control threshold.

Status: Comply

#### 4.6

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

##### 4.6.1

CH policies regarding safety in using chemicals are contained in ARM sections 15 and 16 concerning plant protection. Selective use of products is found in the SOP for the protection of plants such as *Cypermethrin* to control Palm Leaf Eating Caterpillar and *Glyphosate* is used to control both broadleaf and narrow leaf weeds.

Based on the results of interviews with spraying team of Nusa Lestari Estate, it is known that spraying is in accordance with the procedure such as mixing is conduct in BSS, the spraying method is consider the wind direction and pesticide operator

is use PPE. Interview result inform that during audit spraying team is using active ingredients *glyphosate* combined with *methyl metsulfuron*, the mixing is carried out at the BSS house. So that the pesticides brought to the field are not pure ingredients and are ready to use. Besides that, workers also known about not spraying near water bodies, having knowledge of the types of pesticides used, understanding the dosage used and capable of identifying the target weeds.

#### 4.6.2 & 4.6.3

CH has a document on the Monitoring of Pesticides and Chemical Material Toxicity. The document details the type of material used, registration number, control target, acute oral toxicity (oral LD50), dose/ha, LD50, active ingredient (%) and active ingredient / ha. All pesticide use has permit from government.

CH has made efforts to avoid the development of resistance to weeds such as the use of different types of pesticides, regulation of spraying rotation and spraying in accordance with selective weeding. Besides that Certificate Holder has and implements an integrated pest management plan starting with the implementation of the EWS (detection and census method). The census results are used as a reference to determine the control measures to be taken.

#### 4.6.4

CH has a complete list of WHO 1A and 1B pesticides as indicated by the OHS expert of PT Bhumireksa Nusasejati. During the period July 2018 until June 2019 there was no WHO class 1A and 1B pesticide use. Based on field visits to the central warehouse where pesticides are stored, physical stock is in accordance with what is recorded on the warehouse card.

There is a Sime Darby Responsible Agriculture Charter document (September 2016) which outlines that it will implement an integrated pest management program by not using paraquat or chemicals that belong to WHO 1A class. WHO Group 1B will be gradually reduced according to the Rotterdam and Stockholm conventions.

#### 4.6.5

Pesticide applicators are special people who have received regular training and direction and are part of the Block Spraying System team. Based on interviews with the BSS team in Nusa Lestari Estate, workers have been able to demonstrate an understanding of the risks to the chemicals used. Workers are able to explain the spraying border, how to mix ingredients, dosage applications and target pests or weeds. During field visit, workers also use PPE in accordance with risk identification.

Pesticides that are brought to the field during the circle and path spraying activities are in a 1: 1 condition (between water and pesticide). Mixing is done in the mixing drum and carried out by special officers. Whereas in the Pest and Disease spray activities the material carried is pure material and mixing is directly on the knapsack carried out by each applicator. To avoid spilling pesticides when mixing activities are used as bases from plastic buckets.

#### 4.6.6 & 4.6.10

CH has SOP for hazardous handling revision 00 on August 2, 2010 and has been approved by each estate manager. The results of field observations in the warehouse of chemicals, it was known that chemicals have been stored according to their type and characteristics, located in flood-free areas, there were warnings and plank of hazardous materials, MSDS and use of PPE.

Based on field visit in chemical warehouse Nusa Lestari Estate, Teluk Bakau Estate and Nusa Perkasa Estate is known, there are signboards and hazardous symbols, Material Safety Data Sheet (MSDS), chemical logbook, emergency response, personal protective equipment and OHS management.

There is a hazardous balance sheet to record the incoming and outgoing waste and there is no hazardous waste that is kept more than the permitted period. Based on the results of field visits in pesticide warehouses and hazardous waste temporary warehouse known the pesticide warehouse is managed properly, provided oil trap, enough air ducts and isolated so that there is no potential of pesticide to exposure outside the warehouse. Pesticide waste like old pesticide containers are classified as hazardous waste is also stored in the hazardous waste temporary warehouse which is monitored well and then collected to the licensed collectors.

The record management Hazardous Waste, included in reporting management hazardous waste quarterly period Augustus to September 2019 to environment agency. The Training And socialization to spraying workers, about ex pesticide container

disposal. All discarded containers of chemicals from by Estate and Mill, placed in hazardous waste warehouse. CH show manifest of hazardous waste, ex pesticide container transported by third parties (PT Desa Air Kargo Batam), last transported on October 23, 2018 Manifest Number. JL 0063239 is 4,851.16 kg.

#### 4.6.7

CH has Pictorial OHS Palm Oil guidance (No.722/PSQM-PSS/10 dated December 13, 2010) that describes the work instructions of pesticide applications governing applicable PPE, warning signs, spray training courses, emergency response, Spraying worker facility (BSS house) for equipment storage, PPE and mixing place up to storage of used jerry cans in hazardous waste storage. CH need to ensure the spraying equipment are stored in the space provided (OFI).

Based on interviews with spraying workers at Nusa Perkasa Estate and Teluk Bakau Estate it was explained that the workers had been trained and the workers could explain the safety of spray activities, such as the applicable PPE, the pesticide mixing activity was done in a special place (BSS house) and after Spray activity is finished the PPE and spray equipment must be cleaned and stored in special place (BSS house).

#### 4.6.8

Based on interview with spray workers, foremen, and estate managers airborne pesticide application has never been done. Field observation to workshops and pesticide storage warehouses did not find any facilities and infrastructure to apply airborne pesticides.

#### 4.6.9

Information about handling pesticides is included in the product MSDS and SOP for the management of pesticides. In addition there are routine socialization such as in the morning muster or formal training such as:

- PPE and NLE Spraying Team Training on 2 April 2019 in block F007 were attended by 10 workers. The trainer is an NLE senior assistant.
- SOP, PPE and TBE Spraying Team Training on 9 April 2019 in block D006 were attended by 16 workers. The trainer is an TBE assistant.

Training minutes inform the material provided at the time of the training including the implementation of spraying procedures, how to store and handle chemicals, and how to work safely both for themselves and the environment. Interviews with the BSS team in Nusa Lestari Estate revealed that spraying team understood and were able to explain how to handle and apply pesticides.

#### 4.6.11

CH has shown a list of documents on the list of pesticide operators in 2019. CH has shown health check documents that are routinely conducted every year. Based on the results of the Cholinesterase test conducted in May and September 2019, it shows the results of all workers in normal conditions (healthy to work). Based on interviews with pesticide operator Nusa Lestari Estate, no workers have indications of skin disease and itching.

#### 4.6.12

CH is committed not to employ pregnant and lactating women in direct contact with chemicals. The company has a policy stating that it prevents pregnant and lactating women from handling pesticides in a policy on prohibition of pregnant or lactating women working as pesticide operator signed by the Head of Plantation Upstream Indonesia in December 2011.

Based on interviews with pesticide operators in Nusa Lestari Estate found that no spray workers were pregnant or breastfeeding. In addition, it was also explained that if female workers were identified as pregnant or breastfeeding then a work mutation would be carried out, where new work positions would not be related to chemicals.

Status: Comply

#### 4.7

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

##### 4.7.1

The company has a policy of occupational safety and health available in Indonesian language. The policy has been legalized

and updated on December, 2011 by Head Plantation Upstream Indonesia. The company's commitment on the implementation of occupational health and safety within company's operation. This policy is designed to control hazards in every activity that is in the working environment to prevent accidents and occupational diseases. It has been disseminated on the activities of the safety briefing before doing the work. Management have work program of occupational. Based on interview with workers known that they have been known about the OHS policy. They also said that assistant perform morning briefing every day before starting work.

**4.7.2**

CH has undertaken an analysis and identification of the hazards and risks that may arise from the operations of the Mill and Estate. CH can demonstrate hazard identification risk assessment and control (HIRAC) documents Estate and Mill. HIRAC has explained types of work, hazard analysis, effects, risk analysis (effects, probability, risk and high, medium, low), risk control, residual risk and PIC.

Based on the review of the document shown and confirmation submitted by the management unit it is known that the HIRAC renewal is performed at least 1 (one) time in a year in accordance with the Policy of OHS Hazard Identification, Assessment and Risk Control (No. 7301/PSQM-ESH/11), with the person responsible for the preparation of HIRAC is the Unit Manager (or Manager level) and can be assisted by OHS Expert.

The document is composed to conduct identification and analysis of dangers potential that is probably happened at workplace and the recommendation to reduce the potential of work accident. According to the result of document review and field visit to mill and estate, the management unit has socialized the risk analysis document to all workers. Based on interview with the employees in estate and mill, obtained information that the employee has known the potential of dangers that could occur at workplace.

Based on site observation at workshop and agrochemical warehouse in Nusa Lestari Estate it was clearly confirmed that workers had been aware related potential risk and hazards in the work place. Following up on this, the company has been reduce the potential risk by providing PPE and OHS signboard are available in workplace.

**4.7.3**

The PPE provided by the company has been adjusted to the potential hazards and risks of its work so as to effectively protect the workers as its users. Arrangement of personal protective equipment has been arranged in the company through procedures for Personal Protective Equipment (10/BNS-PSQM-ESH/16 dated 04 January 2016). In the PPE procedure owned by the company, as an example the type of ear protectors in the area identified as having high noise levels are ear plugs and ear muffs. This has been implemented in the field. Workers working in high noise areas such as workers in engine rooms use ear muffs for work and workers at the press station using ear plugs.

Certificate holder has had a training program related to safety and health for 2019 including technical training, safety license training, and first aid training. Workers have been given training related to safety and health such as how to work safely, first aid training. Certificate holder also provides PPE to employees according to HIRAC and MSDS. The company monitors the use of PPE in evaluating SIME Cards, safety town hall, and checking safety briefings in estate and mill.

**4.7.4**

Certificate holder has identified those responsible for implementation of OHS program formed in P2K3 structure. Based on interview with Labour Agency Indragiri Hilir District, company has P2K3 and OHS Officer in accordance with the regulations. For NPE and NLE the P2K3 structure is still the same with previous assessment which has been approve on 2018, while for Teluk Bakau Estate and Factory, there is a change in P2K3 secretary. The P2K3 structure has been approved on 3 September 2019 with secretary that has been OHS expert.

Besides that, meeting related OHS has been done by P2K3, example meeting on first quarter of 2019 and second quarter of 2019 with an agenda of work accident evaluation, using of PPE and safety work operational besides that it is suggestions/ recommendations from OHS Experts. The P2K3 meeting report has been sent to Manpower Agency, such as for second quarter of 2019 received on 31 August 2019.

**4.7.5**

The company has an SOP for accidents and emergencies that are still the same as the previous assessment.



- No. SOP-01 dated 1 July 2014 concerning emergency reporting. The procedure has explained the classification of accidents, PIC, reporting to stakeholders, investigations, reporting time, insurance, etc.
- No. 724 / TQEM-ESH / 10 dated April 1, 2010 concerning identification and evaluation of potential hazards.
- No. 730 / TQEM-ESH / 10 dated April 1, 2010 concerning fire emergencies (prevention and handling).

Established procedures has included the identification of fires, chemical spills, work accidents, natural disasters (floods) etc. Simulation was performed to know the preparedness of emergency response equipment in the POM. The simulation was performed on hydrants located in Teluk Bakau Factory and the result of the simulation was concluded that the hydrant tool is ready for use.

Based on field observations and interviews with workers in the estate and mill, it was explained that workers had understood the handling procedures in emergency conditions, for example by following the evacuation directions around the operational area, there were fire extinguishers that were ready to be used and first aid kits as temporary forms of treatment further treatment by a doctor.

First aid kits and officers are available in operational areas such as security guard posts, GM offices, division offices, workshop, cooperatives, central warehouses, gasoline warehouses, day-care, kindergartens, clinics, and generators room. Monitoring the completeness of the contents of the first aid kit is done once a month. Based on observation to Teluk Bakau Estate and Nusa Lestari Estate, it was known that all Foreman were equipped by first aid kit and they know how to use the first aid.

#### 4.7.6

Certificate holder has provided the employees with insurance to cover accident in accordance with the provision set by the government (BPJS). Such insurance is named national social insurance for manpower/ BPJS, which is routinely paid every month. Meanwhile, for medical insurance, PT BNS has registered its entire personnel in manpower medical insurance/ BPJS. Based on interview with some personnel, it is known that the entire personnel have been registered in manpower medical insurance/ BPJS. CH also can show the sample of accident claim in July 2019 for 1 Teluk Bakau Factory worker and has been cover by BPJS. Besides that, interview with contractor representative, it is known that the accident insurance for contractor's workers is covered by the head of contractor itself.

#### 4.7.7

Work accident is documented on the work accident recapitulation report and provided the lost time accident matrix in it. The matrix describe the number of work accident, working days lost, working time lost, and the number of lost cost. The matrix is attached on the guiding committee of occupational health and safety report. Certificate holder has been monitoring statistic work accidents until June 2019 and analyze the lost time due to accidents. Monitoring of work accidents performed every month and reported to the relevant agencies with regular reports of P2K3.

Status: Comply

#### 4.8

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

##### 4.8.1 & 4.8.2

The Certificate Holder has training program 2019 for staff and workers related all aspects of RSPO principles and criteria. The training program for all employees based on identification of needs that prepared by HR department. The annual training program covered all existing estate and mill activities, among others simulation handling chemical spills, first aid, fires simulation, socialization of policies for the protection of reproductive rights, prevention of sexual harassment in the workplace. The training record that shows historical training of each employee are well maintained in place. The HR department is assisted by document control and PSQM keeps a history of the training that has been carried out. The frequency of training according to the identification of needs is divided into three types, namely annual, semester, and quarterly.

Based on interview with the worker in Teluk Bakau Factory, Nusa Lestari Estate, Teluk Bakau Estate and Nusa Perkasa Estate, the workers are known to have received training, and are able to demonstrate safe working practices in accordance with procedures. Interviews with local contractors are also known that contractors have been trained from CH related safe working practices.

The training that held in 2019 has documented in minutes of meeting, list of attendees, and activity photos. For example Estate and Factory:

- The first aid training July 20 2019.
- Socialization of HCV management July 27 2019.
- Training monitoring peat by (logger) August 28 2019.
- HIRAC and OHS training March 9 2019.
- Socialization of SCCS to Palm Kernel transporter June 26 2019.
- Training HIRAC, PPE and first aid on March 9 2019.

Base on interview with replanting contractor are submitted that the company has provided OHS training for contractor workers for example related to the use of PPE, accidents, safe working practices, etc.

**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**

CH has an environmental impact assessment document, as follows:

- EIA documents approved by the Ministry of Agriculture, Agribusiness Board with endorsement number 07 / BA.5.3 / V / 1996 dated May 17, 1996. EIA documents include the Environmental Management Plan (RKL) and Environment monitoring plan (RPL) approved by the Ministry of Agriculture with the number 093 / RKL - RPL, dated May 14, 1996.
- Revision of the Environmental Management Plan (RKL) and Environmental Monitoring Plan (RPL) to the total area of the study amounted to 25,662 ha and a capacity of Factory to 60 tons / hour which has been approved by the Head of Department of the Environment, Energy and Mining District Indragiri Hilir No. 11 / IH / RKL-RPL / V / 2006 dated May 3, 2006.

##### **5.1.2 & 5.1.3.**

The company has conducted environmental management based on Environmental Management Plan / Environmental Monitoring Plan or namely RKL-RPL, among others:

- Peat subsidence
- Physical and chemical of soil
- Air quality and noise
- River and canal water quality
- Quality of liquid and solid waste
- Potential forest and land fires
- Disruption of flora and fauna
- Management of hazardous waste
- Public unrest

Based on the verification of RKL-RPL implementation report for the 1<sup>st</sup> semester of 2019, it was concluded that all management and monitoring plan parameters requested in the environmental documents had been implemented by company. Records of implementation of environmental management describe in RKL-RPL implementation report such as report of 1<sup>st</sup> semester 2019 and has been reported to environment agency.

Implementation of environmental monitoring was described in RKL-RPL implementation report. Based on the RKL-RPL implementation report of 1<sup>st</sup> semester 2019 known there isn't negative impact caused by the company. The result of mill effluent quality testing that conducted periodically has been accordance with the standard qualities set by the government. Interview with Environmental Agency of Indragiri Hilir Regency show that company has been submit the RKL-RPL implementation report every six month and there isn't negative impact caused by company. Base on Interview with nearest



communities shown that there isn't negative impact caused by company.

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.

HCV assessment was conducted by Yayasan Indonesia Sustainable Palm Oil in December 2009 by qualified assessor. HCV area located in Nusa Perkasa Estate measuring to 9.43 ha area (Reserve conservation / forest conservation). A public consultation was conducted on 21 November 2009 is located in the Office of GM Estate as many 26 people (workers) and to the surrounding community PT BNS on December 4, 2009 as many 76 people comprising village chief, sub-district, community leaders, village board, youth leaders, and others). CH also has complete and adequate HCV location map which is available in Nusa Perkasa Estate.

### 5.2.2; 5.2.3 & 5.2.4

To provide protection against RTE species, management unit has made the hunting ban signboard, patrolling, conduct enriching plants. CH also conducted a periodically monitoring every month for HCV areas, and species monitoring by assistant who is also a HCV officer. CH has issued a policy to protect endangered species as outlined in the SOP Flora and Fauna Handling. Based on field observation known that HCV area condition is well maintained. CH has shown records of monitoring of fauna, for example: fauna identification found by officers conducted on July 2019, seen several species such as *Macaca fascicularis*, *Mycticebus coucang*, *Lutra lutra*, *Ichthinaetus malayaensis*, *Copsycus sp*, *Copsycus saularis*, *Pycnonotus goiavier*, *Garulex cinerea*, *Egretta alba*, *Todirhampus choris*, *Phyton sp*, *Naja naja*, *Fordonia leucobalia*, Jalak dan Gagak.

Evidence of signboard inspection and maintenance in the HCV area in August 2019, there were 5 signboards in good condition and 3 signboards damaged. Repair of damaged signboard will be completed in October 2019 in accordance with the 2019 HCV Management program. The type of signboard is signboard announcement / notification and signboard warning / prohibition. **(Observation).**

Based on field observation, known that there was no species /animal which was captured, harmed or collected by workers or villagers. And based on interviews with workers, known that there was no issue related to capture, harm, and collect the animals.

CH has socialized the HCV area as indicated by :

- Record of HCV socialization on July, 27 2019 attenden by 10 workes.
- Record of HCV socialization on April, 21 2018 attended by 20 workers
- Record of HCV socialization on November, 10 2017 attended by 10 workers and 7 local communities.
- Record of HCV socialization on October, 6 2017 attended by 34 participants.

In addition, the results of interviews with workers such as harvester, spraying team, Nursery it is known that workers understand the protection of wildlife and protection of other HCV areas.

CH has work programme of HCV that is available for every year. Based on field visits and document review, it was discovered that CH had realized an HCV management plan, for example:

- Observation of Flora and Fauna
- Inspections and maintenance of signboards.
- Monitoring HCV areas including protected animals.
- Observation of flora and fauna in the community occupation area.
- Evaluation of the HCV area management program
- Record of HCV socialization for example on July, 27, 2019 attended by 10 workers.
- Reporting of flora and fauna to the Conservation and Natural Resources Body of Riau Province.

CH has evaluated HCV management plans every month based on HCV monitoring results. It contained in the document PT

BNS HCV Area patrol report.

### 5.2.5

Based on field visits and interviews with village communities, there were no community areas that overlapped with the HCV area.

**Status: Comply**

## 5.3

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

### 5.3.1

The entire products of waste and its sources have been identified on identification list document of Identification of sources of waste and pollution on 2019. The examples of waste products are oil sourced from FFB trucks, emissions from FFB transportation, waste sourced from used sacks, emissions from generators, emissions from chimney boiler, spilled diesel/lubricant from generator engine, oil drums sourced from workshop, used battery, used dust cloth/used lamp sourced from materials warehouse, used chemical container from chemical warehouse, used chemical bottles derived from laboratory, POME that comes from FFB processing, and others.

### 5.3.2 & 5.3.3

The result of inventory in Teluk Bakau Factory, Nusa Perkasa Estate, Nusa Lestari Estate and Teluk Bakau Estate such as spray activities produce waste, such as former pesticide container placed in hazardous waste warehouse, preparation and maintenance block mark, such as former paint cans, placed in hazardous waste warehouse, plastic waste fertilizer, placed in hazardous waste warehouse. And then in Teluk Bakau Factory such as activities in the loading ramp, used sacks lose fruit placed in landfill, in WTP, Waste resulting is ex chemical container placed in hazardous waste warehouse.

The hazardous waste has been storage at the hazardous waste temporary warehouse which has already gotten the permit of hazardous waste storage as follows:

- Temporary hazardous waste storage permit for PT BNS (Teluk Bakau Factory) with No, 503/BP2MPD-IPSL.B3/XII/2014/06 December 9, 2014 and is valid for 5 years.
- Temporary hazardous waste storage permit PT BNS (for 5 Estates) No.503/DPMPTSP-IPSL.B3/2 March 15 2018 and is valid for 5 years.

Record of hazardous waste management included in report of hazardous waste management which quarterly sent to environment agency, such as report of on August to September 2019. The training and socialization to spraying workers, about ex pesticide container disposal is available.

Base on field visit to hazardous waste storage in Teluk Bakau Factory and each Estate shows that record of the hazardous waste and storing system as required within the license of the storage and the regulation on hazardous waste management. The last transported hazardous waste by PT Desa Air Cargo Batam October 23 2019.

Based on field observations known:

#### **Hazardous waste**

- Utilization of used pesticide packaging as a fuel tank, used spray equipment and used chemical packaging is stored in the warehouse office of division II Nusa Perkasa Estate, used rags contaminated beside generator room housing complex division 3 & 4 NPE.
- Used pesticide container "brand capture" on canal block E05, Teluk Bakau Estate.
- Hazardous waste container in the form of used paint cans is stored in TBF scraped metal storage.
- Used filters are placed in the trash bin beside WTP station, TBF.
- 2 used oil drums on the TBF housing complex (volleyball field).

#### **Domestic waste**

- Domestic waste is disposed beside WTP station, TBF.
- Former domestic waste burned on TBF.

Based on the evidence, hazardous waste management has not been in accordance with PT BNS Hazardous and Non - Hazardous Waste Management SOP (Number. 7307 / BNS / 10, revised 11 September 2019, explained the used pesticide container and chemical for analysis is returned to temporary hazardous storage licensed (on factory) and transported to third party licensed, for domestic waste disposed on landfill. **Becomes Non Conformity Number 2019.01 with minor category.**

The company has identified the source of waste and pollution source and treat the identified source to reduce emission and pollution. The effort taken by the company are:

- Domestic waste: based on SOP the company shall collected domestic waste periodically and dump it to the landfill
- Empty fruit bunch burned on furnace and EFB ash applied to estate as fertilizer. Based on field visit and interview EFB furnace operator, the furnace chimney routinely for air test to reduce environmental pollution potential.
- Shell and fiber are reused for engine fuel of boiler. It reduce the carbon emission from the combustion of fossil fuel.
- The POME Discharged to watershed after processed on WWTP, based on permit by government Number. 503/DPMPTSP-IPAL/2 dated March 15, 2018 which is valid for up to 5 years.
- The managing for clinical waste, the company also has cooperation with licensed parties such as PT Desa Air Cargo Batam on October 23 2019.

**5.3.3 Status: Non Conformity No.2019.01 with Minor category**

#### 5.4

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

##### 5.4.1

The Company already maximizing the use of renewable energy (fiber & shell) as boiler fuel. For example use of shells and fiber in January to June 2019 was 3,865.03 ton, which produces 3,731,021 kWh of electricity from turbine. Renewable energy use per ton of palm product in the mill is 12.30 kwh / ton CPO. Result Direct fossil fuel used is 0.11 kWh/ ton 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 & 5.5.2

CH showed a Memorandum with the document number M-077 / HPUI / VII / 2014 dated on August 7, 2014 from the Head Plantation Upstream Indonesia notifying guidelines for fire prevention and suppression, and provided a memorandum with 010 / SGM-SMT / I / 2015 dated on January 21, 2015 regarding the anticipation of the dry season and in preparation of the fire hazard.

Base on field observation on replanting area Replanting area block D10 & E10 division 4 Nusa Perkasa Estate no evidence of burning of land in the operational area visited by the auditor.

**Status: Comply**

#### 5.6

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

##### 5.6.1; 5.6.2

All waste including emissions and pollutions sources from Mill and estate are identified and recorded on waste and pollution identification 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. POME has been monitored every months and monitoring periods Januari to July 2019 sighted that all of POME testing parameters is compliant to the standards quality is Minister of Environment Decree (KepmenLH) Number. 5 year 2014.

To reduce pollution and emission, the company has identified the pollution sources and emissions and the management steps which are described in SOP of Waste Management. In addition, company also identified GHG sources included plan for reducing it. Noise monitoring (1st semester 2019) are conducted based on RKL/RPL matrix in Factory 68.53 dB(A) still accordance with Minister of Manpower regulations Number 13 year 2011 is 85 dB(A)

### 5.6.3

Base on document verification, CH has been done calculations emission with RSPO Palm GHG Calculator Version 3.0.1 with data input correctly. Calculation option applied Full Version. Based verification known that accurate data has been put into the RSPO Palm GHG Calculator.

#### Summary of Net GHG Emissions period year 2018 i.e. :

Emissions per product	tCO <sub>2</sub> e/tProduct	Extraction	%	Production	ton/year
CPO	19.91	OER	21.89	FFB Processed	97589.488
PK	19.91	KER	4.55	CPO Produced	21365.36

Land Use	ha
OP planted area	16336.23
OP Planted on peat	16336.23
Conservation (forested)	0

#### Summary of Field Emissions and Sinks

	Own Crop		Group		3 <sup>rd</sup> Party		Total	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha
<b>Emissions</b>								
Land conversion	75512.04	9.88	63.14	9.88	-	-	-	-
*CO <sub>2</sub> emissions from fertilizer	9075.76	1.19	5.29	0.8	-	-	-	-
**N <sub>2</sub> O emissions	58989.18	7.72	50.36	7.9	-	-	-	-
Fuel consumption	4096.03	0.54	2.1	0.34	-	-	-	-
Peat Oxidation	417445.77	54.6	349.04	54.6	-	-	-	-
<b>Sinks</b>								
Crop sequestration	-71575.38	-9.36		-9.36	-	-	-	-
Conservation Sequestration	0	0		0	-	-	-	-
<b>Total</b>	<b>493543.4</b>	<b>64.56</b>		<b>64.16</b>	-	-	-	-

#### Summary of Mill Emissions and Credits

	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
<b>Emissions</b>		
POME	18295.41	0.19
Fuel Consumption	1432.33	0.01
Grid Electricity Utilisation	0	0
<b>Credits</b>		
Export of Grid Electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
<b>Total</b>	<b>19727.74</b>	<b>0.2</b>

#### Palm oil Mill Effluent (POME) Treatment

Divert to compost	0
Divert to anaerobic digestion	100

#### POME Diverted to Anaerobic Digestion:

Divert to anaerobic pond	100
Divert to methane capture (flaring)	0

Divert to methane capture (electricity generation)	0
<b>Emissions from Palm Kernel Crusher</b>	
<b>Emissions Source</b>	<b>tCO<sub>2</sub>e</b>
PK from own mill	88398.08
PK from other sources	0
Fuel consumption	0
Total crusher emissions	0
<b>Status: Comply</b>	
<b>PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills</b>	
<b>6.1</b>	
<b>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.</b>	
<b>6.1.1;6.1.2</b>	
PT Bhumireksa Nusasejati already has a Social Impact Analysis Report document, January 2010. Data collection and analysis activities were carried out by <i>Yayasan Sawit Berkelanjutan Indonesia</i> . The aim of the activity is to analyze the social, cultural and economic impacts as a result of the operation of the PT Bhumireksa Nusasejati oil palm plantation. The report has been consulted with the parties, there is recorded evidence in the form of a Public Consultation attendance list, consisting of community members, Community Leaders and Village and District government representatives.	
CH also conducted SEIA in period 2015 – 2017 by third party consultant were focused on replanting activities only. This assessment also involved an affected parties through participatory ways. All the records and evidence of stakeholder involvement is available in the document such as workers and communities.	
<b>6.1.3</b>	
The Management unit has a social internal and external impact management plan for 2019, but the social impact monitoring plan for 2019 is not yet available. <b>This is a non-conformance No.2019.02</b>	
<b>6.1.4</b>	
The management unit has not been able to show records of the process of evaluating social impact management at least once every 2 years carried out with participation from all affected parties. <b>This is a non-conformance No. 2019.03</b>	
<b>6.1.5</b>	
Result of verification of documents and interviews with management, it is known that PT. BNS does not have a plasma scheme.	
<b>6.1.3</b>	<b>Status: Non Conformity No.2019.02 with Major category.</b>
<b>6.1.4</b>	<b>Status: Non Conformity No.2019.03 with Minor category.</b>
<b>6.2</b>	
<b>There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.</b>	
<b>6.2.1, 6.2.2, and 6.2.3</b>	
The CH still using their own communication and consultation procedures (Communication SOP / Consultation with Community No. 005 / BNS / MDF-KKM / IX / 12). These procedures as a guideline for communication / consultation with relevant parties including affected communities.	
It has been shown list of stakeholder of PT BNS update July 2019 consists of central government (5), local government (64), internal organizations (12), external organizations (13), community leaders (17), suppliers (5), contractors (12), schools (7), hospitals / insurance / banking (8). The unit of management has already established the public relation officer. Staff in	

charge of PT. BNS is public relations who responsible to the PSD manager at the representative office in Riau and the coordination with the management of the operating unit.

Based on interview with nearest community know Information that can be accessed from Certificate Holder, such as CSR, recruitment of workers. The company has responded well to any existing communication processes, the preparation of SOP has been take into consideration of suggestions from the public and other affected parties. The procedure was in Bahasa Indonesia that is understood by all surrounding communities. Responsible person for receiving and responding any communication and inquiries is Unit Head / Estate Manager. CH need to maintain records related to communication and follow-up of communication that has been done, because the process of implementation is not yet finish (OFI).

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

PT BNS have mechanisms and complaint handling system is described in Procedure for Communication with the number of policy (Complaint Resolution Procedure - RSPO/6.3/PKM. These procedure guidance complaints can be submitted through the recording on logbook that has been provided, verbally direct to the foreman, through the suggestion box, through gender committees, worker union, hotline and email provided by the company and through the RSPO website. Grievances included anonymous and whistle-blower cases can be submitted through the suggestion box, suggestion boxes checked by officer in charge. During 2019 there were several complaints related to housing facilities, such as repairing employee housing facilities and being followed up by the company.

Base on interview nearest community "*Parit Sabar Menunggung*" is known They are has complaints to company related impacts the operational. The results of interviews with management revealed that the complaint was conveyed to company representatives via a hand phone (HP). Based on Grievance handling Procedure (SPO / 6.3 / PKM) it is known grievance must be submitted true official letter to the company. Based on interviews with workers known any the grievances to the company related to damage housing. Based on Grievance handling Procedure (SPO / 6.5 / PKK) it is known grievance must be submitted true official letter to the company. The company unit has not been able to show evidence that the grievance mechanism is known to all affected parties. **This is become Non-conformity No. 2019.04 with Major category.**

6.3.1 Status: Non Conformity No.2019.04 with Major category

### 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

There are no changes related to the mechanism to identify legal rights and compensation payment procedures listed in the Occupational Land Acquisition SOP Number 343/PSD-OKUP/11. The procedure is a reference in conducting compensation processes for land acquisition.

Based on document verification, information from PT BNS management and also the results of field visits and interviews with several village representatives around the company, there was no indication of land disputes between PT BNS and the parties and no land acquisition for the new development of the area in the company.

Land acquisition activities for the resolution of the last land conflict were conducted in 2011 in Penjuru Village with recorded evidence in the form of:

- Receipt of Compensation Payment
- Release of land rights
- Statement of No Disputes
- Photographs of compensation submission.

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

CH has set a minimum wage that refers to the stipulation of the minimum wage set by the government, namely the Regency / City Minimum Wage in Riau Province in 2019 of IDR. 2,707,384.96 in accordance with Riau Governor Decree No. 949 / XI / 2018 dated November 21, 2018 and came into force on January 1, 2019. In addition to referring to government regulations, the company also sets minimum wages that are higher than stipulations, based on mutual agreement with *GAPKI* Riau Branch, *BKS-PPS* and *SPS* on February 13, 2019 which stipulates that the Riau Province Plantation Sector Minimum Wage is IDR. 2,820,000 and applies as of January 1, 2019.

Policy on wages/salary, overtime, insurance (BPJS), premium and bonus has included on the PKB. For minimum wages in 2019, the company will refers to applicable regulation. Based on document review and information from Manpower Agency of Indragiri Hilir Regency, it was known that The Company has implementing minimum wages for period 2019 as in accordance with Governor Decree. Backpay (*Rape*) evidence for period 2019 in all estate and mill had been paid in April 2019.

The workers type in PT BNS is only permanent workers and contractor workers, no piece rate workers. Based on the results of payroll document review and interviews with workers (harvesting, manuring, clerk, pesticide operator) in PT BNS, it could be concluded that the company has implementing payroll in accordance with applicable regulations, and there is no breach of payment related to wages, as well as force the work. Payment of harvested wages is adjusted to the results of work, the achievement of tonnage targets and the provision of over target premiums if passed the target.

The implementation for premium payment of security is consistent with the corrective action based on NC ASA-1.2. The security is divided into three shift with 8 working hours in each shift. Security is give IDR 950,000 for full attendance (25 days).

### 6.5.2

CH has collective labour agreement (PKB) period 2018 – 2020 between Badan Kerjasama Perusahaan Perkebunan Sumatera (BKS-PPS) with Pengurus Pusat Federasi Serikat Pekerja Pertanian dan Perkebunan Serikat Pekerja Seluruh Indonesia (PPFSPPP-SPSI). PKB has been in compliance with the Labor Laws and Regulations.

Besides that, work agreement (contract) between contract workers and company describes about scope of agreement, rights and obligations, work days and times, leave, salary, allowance, welfare facilities, sanctions, layoffs, settlement of disputes and others. Contract is written in Indonesian language and workers are understood the substance of the contract. On the chapter which describes salary system, stated that basic wage for permanent daily worker is above daily minimum wage. All work agreements have been registered with the labor department.

### 6.5.3

Based on field observations, the company has provided welfare facilities to workers who are basic needs such as housing, clean water, transportation, religious facilities, educational facilities, electricity, access to food in the form of employee cooperatives. Based on the results of interviews with workers' representatives, it was explained that employee cooperatives provided basic necessities at affordable prices and goods that were easily obtained.

In addition, based on field observations and interviews with workers, it was explained that some of the employees' houses were still in were in conditions damage. For some reports of damage to employees' homes, the company showed several supporting documents regarding the progress of home improvement. In addition, it is an opportunity for improvement to the company about monitoring progress in repair of damaged employee houses. (OFI)

### 6.5.4

Based on the results of interviews with workers' representatives, it was explained that employee cooperatives provide basic needs at affordable prices and goods that are easily obtained. In addition, every month employees receive basic food allowances, namely 15 kg of rice for each worker and the family of the insured.

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**  
PT BNS has been documenting and implementing the policies related to giving freedom to all workers to form and join unions workers desired. Policies are available in point 5 of the Code of Sustainable Plantation Management No. 724/TQEM-SPMS/09 dated April 1, 2010, signed by the CEO (Chief Executive Officer). Company facilitates the establishment of labor union to deliver the information from the workers to company and vice versa.

In the ASA-1.3 has been shown Decree Number: 33/Kep/PC-FSPPP-SPSI/IX/2018 dated September 17, 2018 concerning Ratification/ Inauguration of the Komposisi dan Personalia Pengurus Unit Kerja Federasi Serikat Pekerja Pertanian dan Perkebunan Serikat Pekerja Seluruh Indonesia (PUK F.SPPP-SPSI) PT Bhumireksa Nusasejati – Teluk Bakau Factory period 2018 until 2023.

**6.6.2**  
Worker Unions meetings both internally and with management to do if there are labor issues that have been raised by the company. The company showed internal meeting minutes of Workers Union, for example the meeting at April 25 2019 about Policy of the Premi Non Harvesting adan Premi Harvesting.

**Status: Comply**

**6.7**  
**Children are not employed or exploited.**

**6.7.1**  
Certificate Holder have the policy regarding minimum age for worker regulated was presented in work agreement article 16 about employee's acceptance, which mentioned that minimum age shall be 18 years old. Based on list of PT BNS employees for period 2019 review, it was know that there were no workers under 18 years old. For example, the youngest employee on NPE is a worker with the age of 20 years.

Based on field observations in Nursery activity Nusa Perkasa Estate it is known that workers understand the provisions of the minimum age requirements are allowed to work and are not allowed to bring children under age at the time of work in the field.

**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**  
The certificate holder has a company policy on non-discrimination and equal opportunities. The company shows document No. Policy 724/TQEM-SPMS/09, Rev.00 dated April 1, 2010. The policy of recognizing equal opportunities and treatment. In the Policy and Purpose Chapter, the Plantation Upstream Indonesia Sub-Section Policy on Social Policy point 1 states that all staff / employees must be treated fairly and fairly in matters relating to recruitment, progress, conditions and description of employment, regardless of race, degree, ethnicity, gender, skin color, imperfection (disability), sexual orientation, organizational membership, political views, religion, and age.

Document review shows an example of employee recruitment that applies to the public with requirements according to procedures, such as employee to become new employees in harvesting activities. Also included in the letter are other supporting documents such as a certificate, family card, occupational health check letter, self-identity and other supporting certificates. Public consultations with agencies and worker unions stated that there were no cases of discrimination in obtaining employment opportunities.

**6.8.2 & 6.8.3**  
The process of selection, recruitment and promotion of workers can be shown. In the SOP of Human Resources

management owned by the company it can be seen that the process has been based on the expertise, capacity, quality and medical health of prospective workers / labor. The company has a policy to recognize opportunities and equal treatment (Policy No. 724 / TQEM-SPMS / 09) which states that all staff / employees must be treated fairly and fairly in matters relating to recruitment, progress, conditions and job descriptions, regardless of race, degree, ethnicity, gender, colour, imperfection, sexual orientation, organizational membership, political views, religion, and age.

Based on interviews with contractors and local workers who are local communities, said that community members around the company interviewed explained that the company had provided equal opportunities to local and migrant communities to receive employees according to their respective skills.

Based on interview with Spray and Nursery admitted that they had no complaints about job risk or suspected discrimination in the company. The workers come from various backgrounds (heterogeneous).

<b>Status: Comply</b>
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## 6.9

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

### 6.9.1; 6.9.2 & 6.9.3

Company has the Policy to prevent sexual harassment on Policy No. 724/TQEM-SPMS/09 dated 27th August 2010), which enforces policies to protect women workers from crimes, sexual harassment and to protect rights related to reproduction. Documents are presented in an easily understandable Indonesian format and available at the audit site. These policies are documented and communicated to workers. Gender Committee has been formed with the organizational structure.

There are regulations concerning female menstruation leave as much as 2 days/month with a medic examination, as well as maternity leave 1.5 months before giving birth and 1.5 months after birth with the calculation of a doctor's examination. The CH's procedure of Handling of Complaints and Grievances assured the anonymity of the reporting and the revealed of the case.

The results of interviews with representatives of gender committee explained that the company has a policy that has been implemented for reproductive health rights, for example company policies that provide H1 leave rights for 2 days every month automatically without deducting daily wages.

<b>Status: Comply</b>
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## 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

Certificate Holders only process FFB originating from their own estate and do not receive FFB from the outside so there is no need to have a mechanism and conduct FFB pricing. The type of collaboration with contractors carried out by PT BNS is replanting. For examples of cooperation with other parties include in accordance with the Work Agreement No: 007/SPK / BNS-NPE / X / 2019 between PT Bhumireksa Nusasejati and PT Mitra Karya Jaya Perdana for road compacting activity. Agreement has explained about the scope of work, the period of execution of work, volume of work, price, payment, and sanctions. The letter is made in two copies and each party has agreed to the contents of the agreement marked with a signature

Based on interviews with PT Mitra Karya Jaya Perdana contractor representatives revealed that the information contained in the cooperation agreement letter had been clearly and equally agreed upon. The payment nominal is in accordance with the billing nominal. The results of interviews with contractor representatives (PT Mitra Karya Jaya Perdana) are known in the event that payments have been made in accordance with a mutually agreed work agreement.

<b>Status: Comply</b>
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## 6.11

**Growers and millers contribute to local sustainable development wherever appropriate.**

### 6.11.1

The company has compiled a CSR budget estimates for the period 2019-2020, categorize into four groups of items, namely:

education program, donations, infrastructure and development, economic empowerment. In the preparation for CSR programme has involved the local community, when company determined CD/CSR priorities. Local development needs and priorities have been identified in consultations conducted with local communities by sending proposals to companies regarding the needs of the community at that time. Detail of realization CSR report can be shown for Periode Januari – June 2019 have been implemented.

**6.11.2**

Based on the results of the examination of documents and interviews with the management representatives it is known, that the company did not carry out plantation development activities with a plasma scheme.

<b>Status: Comply</b>
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**6.12**

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

**6.12.1; 6.12.2 & 6.12.3**

Based on field observation in sample location during this audit, auditor found that there is no evidence for forced or trafficked labor, and contract substitution is used. The CH's covered policy related prohibits forced or bonded labor or debt bondage and take steps to prevent it. The procedures related to human resources management shows that every worker has a work agreement that describe specific job description. Based on employee list, field observation and interview with workers, Labor Unions, and Manpower Agency known that there is no migrant workers, forced labor. Every worker has a work agreement that describe specific job description, there is no substitution of contract without prior consultation and agreement from the worker.

<b>Status: Comply</b>
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**6.13**

**Growers and millers respect human rights**

**6.13.1**

The company can show the Memorandum document regarding the Respect for Human Rights policy signed by the South Riau Area Controller with No. IST / BNS / I / 2019 dated January 7, 2019. This policy covers Rights of life, for marry and continue the offspring, self-development, justice, of personal freedom, secure, of prosperity, Rights to be participated in government, women rights, and child rights.

Based on interviews with workers known that the company has socialized company policies regularly including policies on human rights. Socialization is done by sticking to the policy in offices, socializing in the housing and socialization to workers during the morning briefing before the activities started.

<b>Status: Comply</b>
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**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**

Up to the current audit, PT BNS did not expand the new plantation. There is only replanting activity that began in 2012.

<b>Status: Comply</b>
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**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**

Certificate Holder has semi-detailed land survey documents for the period 2018 - 2023 conducted by Param Agricultural sdn Bhd. In addition there is a 2017 peat drainability study made by Minamas Research Center. The soil type based on the document is Typic Haplohemist (94.4%) and Typic Sulphhemist (5.6%)

Peat Depth Survey Report in 2011 explain the land criteria found at PT .BNS identified into <3m peat covering 47% of the total area, peat depth> 3m covering 53% of the total area, the type of peat is Saprik peat and Hemik with substratum layer (mineral layer) under peat is clay, Silty Clay and Clay loam.

### 7.2.2

Based on the Semi Detail Soil Map, it is known that the area of PT.BNS is included in the flat area (0-4°). During the field visit on TBE, NLE and NPE, it was known that the entire area owned was flat.

<b>Status: Comply</b>
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### 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 and 7.3.5.

Up to the current audit, PT BNS did not expand the new plantation. There is only replanting activity that began in 2012.

Sime Darby resubmitted LUCA to the RSPO secretariat on August 27, 2018. Sime Darby also sent an e-mail dated September 5, 2018 stating that "Meantime we have not received LUCA review of outcomes for the 5 completed submissions (as per the updates in the email below), and we have all the remaining shape files to RSPO office (on 27 Aug 2018)". However, there has been no response to LUCA that has been submitted.

However until the ASA 1.3 audit activity the company has not been able to show the concept note that has been approved by the RSPO. Based on the email from the Head of Sustainability SDP on May 9, 2019 to the RSPO secretariat, it was stated from the results of the meeting between the SDP and the RSPO secretariat that the SDP was given 1 year for all nonconformities in the indicator 7.3.1. Therefore the discrepancies in indicator 7.3.1 are given time to ASA-1.4.

<b>Status: Comply</b>
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### 7.4

**Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.**

#### 7.4.1 & 7.4.2

In accordance with the results of the semi-detailed Soil survey period 2018 - 2023, it is known that the entire operational area of PT BNS is a peat with maximum slope of 4° (Flat). In semi-detailed soil surveys, it has been completed with maps of soil type and slope of land (Scale 1: 50,000). There is also a map of peat depth contained in the 2011 peat depth survey document

The Certificate Holder's strategy in planting on peatland is by conducting a Semi-Detail Soil Survey, Peat depth survey, and Peatland Drainability Study to find out whether the cultivated peatland is suitable for long-term planting. Overall, the three documents state that peatland in the PT BNS area is still suitable for long-term planting

<b>Status: Comply</b>
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### 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.**

#### 7.5.1

PT BNS does not conduct new land clearing or expand of operational areas. Since 2012 the company has only carried out replanting activities.

<b>Status: Comply</b>
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### 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.**

<b>7.6</b> PT BNS does not conduct new land clearing or expand of operational areas. Since 2012 the company has only carried out replanting activities.	
	<b>Status: Comply</b>
<b>7.7</b> <b>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.</b>	
<b>7.7.1 &amp; 7.7.2</b> Based on documents review, interview, and field visits, shown that company did not expand any operational areas and there is no more land clearing for new development activity since November 2005, only replanting activity that began in 2012. The CH already has Zero burning policy related to new development/replanting, for more details see indicator 5.5.	
	<b>Status: Comply</b>
<b>7.8</b> <b>New plantation developments are designed to minimise net greenhouse gas emissions.</b>	
<b>7.8.1 &amp; 7.8.2</b> Certificate Holder has no expansion and development of plantation area after 2015, only replanting activity that began in 2012 so the company does not need to carry out HCS assessments. Existing GHG emission calculations result are able to seen on Indicator 5.6.3.	
	<b>Status: Comply</b>
<b>PRINCIPLE #8 Commitment to continuous improvement in key areas of activity</b>	
<b>8.1</b> <b>Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.</b>	
<b>8.1</b> The company has implemented commitment to reduce environment impacts on the regular action plan, for example: <ul style="list-style-type: none"> <li>- POME management and monitoring. WWTP pond management, effluent quality test and report it to Indragiri Hilir regency, Environment Agency.</li> <li>- Air quality management and monitoring. Road maintenance, air quality test and report it to Indragiri Hilir regency, Environment Agency.</li> <li>- Surface water management and monitoring. Testing Surface water quality and report it to Indragiri Hilir regency, Environment Agency.</li> <li>- Hazardous waste management. Storing hazardous waste at the permitted hazardous waste, managing and monitoring hazardous waste (conducted by Indragiri Hilir regency, Environment Agency).</li> </ul> CH also conduct evaluation on BMP, OHS and worker welfare such as: <ul style="list-style-type: none"> <li>- Continue replanting in accordance with procedure</li> <li>- Minimize working accident and negative impact</li> <li>- Implement the wages in accordance with regulation</li> <li>- Provide adequate housing to workers</li> <li>- Implement C1R2 for harvesting system.</li> </ul>	
	<b>Status: Comply</b>

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

Clause	Requirement
<b>5.1</b>	<b>Applicability of the general chain of custody requirements for the supply chain</b>
5.1.1	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. The mill take legal ownership for all product within its scope, as well all physically handling but for shipment is controlled by buyer.
	<b>Status: Comply</b>
5.1.2	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. The mill does not use traders and distributors. All of selling certified product has been done by the mill and transport by third party.
	<b>Status: Comply</b>
5.1.3	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. Teluk Bakau Factory – PT Bhumireksa Nusasejati has register in RSPO IT Platform with registration number <b>RSPO_PO1000000318</b> .
	<b>Status: Comply</b>
5.1.4	Processing aids do not need to be included within an organization's scope of certification. There is no using processing aids.
	<b>Status: Comply</b>
<b>5.2</b>	<b>Supply chain model</b>
5.2.1	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. Based on verification document and interview with weighbridge operator, Teluk Bakau Factory (TBF) only received and processed FFB from own plantation and other certificate scope. The FFB supplied from own estate; consist of Teluk Bakau Estate, Nusa Perkasa Estate, Nusa Lestari Estate. Based on explanation above, TBF apply the requirements of SCC Module D (IP).
	<b>Status: Comply</b>
5.2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB.



TBF just apply one supply chain models which is Identity Preserved (IP).	
	<b>Status: Comply</b>
<b>5.3</b>	<b>Documented procedures</b>
<b>5.3.1</b>	<b>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.</b>
<p>The Certificate Holder has RSPO SCCS Manual- RSPO Supply Chain Certification Standard No. SCCS-Std/RSPO/PSQM/02 dated on 02 January 2018. The scope of RSPO Supply Chain System: FFB Certificate processing from raw material acceptance to storage and delivery process produces Certified Sustainable Palm Oil (CSPO) and CSPK with module D (IP) both physical and office administration. The summary of this procedure were explain on below points:</p> <p>4.2.1. The procedure is documented</p> <p>4.2.2. Internal audits are conducted at least annually to ensure: the organization complies with RSPO SCCS requirements and RSPO Market Communication &amp; Claim documents. Where the internal audit is done at least 2 months before the external audit. The internal audit results are included in the management review conducted at least once a year.</p> <p>4.3. The Mill ensures the purchase of incoming goods, however the marketing division in Jakarta's is responsible for checking the validity of supplier certificates, licenses for traders and distributors.</p> <p>4.3.2. The Unique code/ unique identification number aims to ensure that products are sold through quality tests and can be traced back to the beginning of the process.</p> <p>4.5. Third party activities (outsourcing)</p> <p>4.6. Sales and goods out Units that need to make announcements and trade confirmations in the RSPO IT Platform, this should also include making shipping announcements (each shipment/shipping group by the marketing division). Certified products sold through other schemes or conventional means or in case of lack of production, lost or damaged shall be removed.</p> <p>4.8. Training→ The training plan for RSPO SCCS requirements process should be reviewed continuously/annually.</p> <p>4.9. The record keeping The record keeping of all documents are minimum 10 years for financial report documents and transactions; and minimum 2 years for data other than financial documents.</p> <p>4.10 Conversion Factor Conversion value is determined by marketing division in Jakarta, based on data sent by Mill on the basis of the resulting of FFB processing, so that the conversion value obtained is the same as the actual obtained by the Mill, and the conversion reference by marketing follows the mill manager monthly report period.</p> <p>4.11. Claim pursuant to RSPO communication and claim.</p> <p>4.12. Complaint Stakeholders may complain by email or face directly to the management representative. The complaint should be handled no later than one month after the complaint is received. Especially for complaints related to salary rights, incentive benefits, product complaints, and payments is should be acted upon no later than 14 days after the complaint has been received. All complaints and responses should be recorded.</p> <p>4.13. Management review Management review plan is established: after internal audit, before external audit checks and minimally done once in twelve months /one year. Input for management review should include information: internal audit results of SCCS requirements, production achievements, customer feedback, preventive and corrective action status, follow up on review management, changes that may affect system management and improvement recommendations.</p> <p>Those person above are the person who taking responsibility and authority over the implementation of these requirements and compliance with all applicable requirements.</p>	
	<b>Status: Comply</b>
<b>5.3.2</b>	<b>The site shall have a written procedure to conduct annual internal audit</b>



Internal Audit procedure has been include on SOP of RSPO SCCS Manual- RSPO Supply Chain Certification Standard No. SCCS-Std/RSPO/PSQM/02 dated on 02 January 2018 which describes Internal audits are conducted at least annually to ensure: the organization complies with RSPO SCCS requirements and RSPO Market Communication & Claim documents. Where the internal audit is done at least 2 months before the external audit. The internal audit results are included in the management review conducted at least once a year.

CH can show the result of internal audit conducted on 2019 In the Audit Report document, it is known that the mill has performed an internal audit using SCCS standard (General COC and Module D).

	<b>Status: Comply</b>
<b>5.4</b>	<b>Purchasing and goods in</b>
<b>5.4.1</b>	<b>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</b>
	Teluk Bakau Factory does not purchase RSPO certified oil palm products. Teluk Bakau Factory is the producer of RSPO certified oil palm products.
	<b>Status: Comply</b>
<b>5.4.2</b>	<b>The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents</b>
	Teluk Bakau Factory does not purchase RSPO certified oil palm products. Teluk Bakau Factory is the producer of RSPO certified oil palm products.
	<b>Status: Comply</b>
<b>5.5</b>	<b>Outsourcing activities</b>
<b>5.5.1</b>	<b>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.</b>
	Beside the factory, there are third parties who control Certified Products, namely transportation contractors. To ensure the third party complies with RSPO SCC standard, CH has also conducted SCC socialization to transporters, for example on: <ul style="list-style-type: none"> <li>• June 26, 2019, followed by 26 workers on the MV Sumber Rezeki 88 ship</li> <li>• June 27, 2019 followed by 18 workers BG. Citra Mandiri</li> </ul>
	<b>Status: Comply</b>
<b>5.5.2</b>	<b>Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:</b> <ol style="list-style-type: none"> <li>The site has legal ownership of all input material to be included in outsourced processes;</li> <li>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.</li> <li>The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</li> <li>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</li> </ol>
	Beside the factory, there are third parties who control Certified Products, namely transportation contractors. Based on the document review, it is known that there are 5 transporters:

Transporter Name	Agreement Nomor
PT Pelayaran Sinar Pagoda	016/BNS-MDF/III/2019 dated 11 March 2019
PT Trasindo Bahari Perkasa	018/BNS-MDF/III/2019 dated 11 March 2019
PT Pelayaran KJ Marine	017/BNS-MDF/III/2019 dated 11 March 2019
PT Mitsi Citra Mandiri	156/BNS-MDF/V/2018 dated 7 May 2018
PT Trans Samudera Mandiri	157/BNS-MDF/V/2018 dated 7 May 2018

In the agreement it has been explained that for transporters transporting the CPO and PK, the certification party can verify the data provided to the transporter.

**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.

Beside the factory, there are third parties who control Certified Products, namely transportation contractors. Based on the document review, it is known that there are 5 transporters:

Transporter Name	Agreement Nomor
PT Pelayaran Sinar Pagoda	016/BNS-MDF/III/2019 dated 11 March 2019
PT Trasindo Bahari Perkasa	018/BNS-MDF/III/2019 dated 11 March 2019
PT Pelayaran KJ Marine	017/BNS-MDF/III/2019 dated 11 March 2019
PT Mitsi Citra Mandiri	156/BNS-MDF/V/2018 dated 7 May 2018
PT Trans Samudera Mandiri	157/BNS-MDF/V/2018 dated 7 May 2018

**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 contractor from previous assessment.

**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

Selling document inform of Delivery order and Record of shipment has explain about name and address of buyer.

**Status: Comply**

**5.7**  
**Registration of transactions**

**5.7.1**  
Supply chain actors who:

- 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

Teluk Bakau Factory – PT Bhumireksa Nusasejati has register in RSPO IT Platform with registration number **RSPO\_PO1000000318**.

**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:

- 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.

TBF has registered all transactions for certified products in RSPO IT Palmtrace. Transactions carried out by TBF are shipping announcements, credit allocation and remove stock. Based on sales data for the past 1 year (Sept 2018 - August 2019), there are 3 transaction of certified product (1 CSPO contract and 2 CSPK contracts). All shipping announcements are available.

In addition, CH has also removed CSPK which are sold as non-certified products and credit allocation for CSPO that is sold as non-certified. Following transactions to remove and allocate credit:

- Remove CSPK: ST-TR-46e92a34-408a on 10 September 2019 as many as 3,070.98 MT
- CSPO credit allocation: ST-TR-f7d87a79-da0c on 10 September 2019 totaling 19,657 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

SCC training program for 2019 has been described in training identification matrix dated 1 January 2019. SCCS training is planned in June 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 company has conducted SCCS training conducted on 26 June 2019. The activity was attended by 33 people consisting of foremen, workers (process, recruitment, lab, clerk), contractors and staff. Based on interview with securities officer & Clerk of Weighbridge, they have been know related incoming FFB, supply chain system and standard and others.

**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

CH has documented all receipts of certified raw material, production of certified products and sale of certified products. All document are available in mill.

**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 Retention times of the document is 10 years as explained in the SCCS SOP of 2018. Based on the results of the document review, it is known that CH still keeps records of SCC document from the time it was first obtained the RSPO certificate in 2011.

**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.

Estimates of CPO and PK produced by TBF obtained from the actual data of 12 months before the audit activities and have been described in this ASA-1.3 report, consist of:

Products	Volume (MT)
FFB	100,420
CPO	22,090
PK	4,520

**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](http://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

Unit management didn't using conversion rate, but using actual extraction.

**Status: Comply**

### 5.10.2

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

Unit management didn't using conversion rate, but using actual extraction.

**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 results of the document review, field visits and interviews revealed that there was no use of the RSPO trademark on products or off products.

**Status: Comply**

## 5.12

### Complaints

### 5.12.1

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

Unit management has RSPO SCCS manual (RSPO Supply Chain Certification Standard) with document number SCCS-

Procedure for Receiving and Settlement of Complaints is include on RSPO SCCS Manual- RSPO Supply Chain Certification Standard No. SCCS-Std/RSPO/PSQM/02 dated on 02 January 2018. The person responsible for handling complaints is the Manager or the representative, such as an assistant and administration chief. The response to complain about the product must be followed up at least 14 days.

Based on the results of the document review, it was found that there were no complaints in the past 1 year.

	<b>Status: Comply</b>
<b>5.13</b>	<b>Management review</b>
<b>5.13.1</b>	The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken
	Management review is carried out once a year in accordance with procedures owned by SCCS-STD / RSPO / PSQM / 02 on January 2, 2018.
	<b>Status: Comply</b>
<b>5.13.2</b>	The input to management review shall include information on: <ul style="list-style-type: none"> <li>• Results of internal audits covering RSPO Supply Chain Certification Standard.</li> <li>• Customer feedback.</li> <li>• Status of preventive and corrective actions.</li> <li>• Follow-up actions from management reviews.</li> <li>• Changes that could affect the management system.</li> <li>• Recommendations for improvement.</li> </ul>
	Management review was conducted on 2 July 2019 which discussed: <ul style="list-style-type: none"> <li>• Results of internal audits RSPO SCC.</li> <li>• TBF production and process performance</li> <li>• Status of preventive and corrective actions.</li> <li>• Follow-up actions from previous management reviews.</li> <li>• Changes that could affect the management system.</li> <li>• Recommendations for improvement.</li> <li>• Customer feedback.</li> </ul>
	<b>Status: Comply</b>
<b>5.13.3</b>	The output from the management review shall include any decisions and actions related to: <ul style="list-style-type: none"> <li>• Improvement of the effectiveness of the management system and its processes.</li> <li>• Resource needs.</li> </ul>
	The management review results have explained the action plan for each of the discussion points (internal audit, process performance and TBF production, the status of NC improvement fulfillment, follow-up from previous management reviews, changes that could affect the management system, improvement recommendations and customer complaints) and the PIC responsible for carrying out the follow-up.
	<b>Status: Comply</b>

## 3.2.3 (Module D) CPO Mills - Identity Preserved (IP) 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.													
Based on verification document and interview with weighbridge operator, Teluk Bakau Factory (TBF) only received and processed FFB from own plantation and other certificate scope. The FFB supplied from own estate; consist of Teluk Bakau Estate, Nusa Perkasa Estate, Nusa Lestari Estate. Based on explanation above, TBF apply the requirements of SCCS 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													
Estimates of CPO and PK produced by TBF obtained from the actual data of 12 months before the audit activities and have been described in this ASA-1.3 report, consist of: FFB: 100,420 ton CPO: 22,090 ton PK: 4,520 ton													
	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).													
The Teluk Bakau Factory - PT Bhumiperkasa Nusasejati has been registered of certified products of RSPO (CSPO and CSPK) with Member ID: RSPO_PO1000000318. The certified Crude Palm Oil (CPO) and Palm Kernel (PK) sold to each buyer are describe in table below.													
<ul style="list-style-type: none"><li>Certified CPO sold to each buyer period of September 2018 to August 2019</li></ul>													
<table><tr><th>Date</th><th>Buyer</th><th>Volume</th></tr><tr><td>November 2018</td><td>PT Golden Hope Nusantara</td><td>2,806.16</td></tr><tr><td colspan="2">Total</td><td>2,806.16</td></tr></table>		Date	Buyer	Volume	November 2018	PT Golden Hope Nusantara	2,806.16	Total		2,806.16			
Date	Buyer	Volume											
November 2018	PT Golden Hope Nusantara	2,806.16											
Total		2,806.16											
<ul style="list-style-type: none"><li>Certified Palm Kernel sold to each buyer period of September 2018 to August 2019</li></ul>													
<table><tr><th>Date</th><th>Buyer</th><th>Volume</th></tr><tr><td>November 2018</td><td>PT Ivomas Tunggal</td><td>274.41</td></tr><tr><td>July 2019</td><td>PT Ivomas Tunggal</td><td>490.10</td></tr><tr><td colspan="2">Total</td><td>764.51</td></tr></table>		Date	Buyer	Volume	November 2018	PT Ivomas Tunggal	274.41	July 2019	PT Ivomas Tunggal	490.10	Total		764.51
Date	Buyer	Volume											
November 2018	PT Ivomas Tunggal	274.41											
July 2019	PT Ivomas Tunggal	490.10											
Total		764.51											

	<b>Status: Comply</b>
<b>D.3</b>	<b>Documented procedures</b>
<b>D.3.1</b>	<p><b>The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall</b></p> <p><b>a. Complete and up to date procedures covering the implementation of all the elements in these requirements;</b></p> <p><b>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.</b></p> <p>The Certificate Holder has RSPO SCCS Manual- RSPO Supply Chain Certification Standard No. SCCS-Std/RSPO/PSQM/02 dated on 02 January 2018. The scope of RSPO Supply Chain System: FFB Certificate processing from raw material acceptance to storage and delivery process produces Certified Sustainable Palm Oil (CSPO) and CSPK with module D (IP) both physical and office administration. The summary of this procedure were explain on below points:</p> <p>4.2.1. The procedure is documented</p> <p>4.2.2. Internal audits are conducted at least annually to ensure: the organization complies with RSPO SCCS requirements and RSPO Market Communication &amp; Claim documents. Where the internal audit is done at least 2 months before the external audit. The internal audit results are included in the management review conducted at least once a year.</p> <p>4.3. The Mill ensures the purchase of incoming goods, however the marketing division in Jakarta's is responsible for checking the validity of supplier certificates, licenses for traders and distributors.</p> <p>4.3.2. The Unique code/ unique identification number aims to ensure that products are sold through quality tests and can be traced back to the beginning of the process.</p> <p>4.5. Third party activities (outsourcing)</p> <p>4.6. Sales and goods out Units that need to make announcements and trade confirmations in the RSPO IT Platform, this should also include making shipping announcements (each shipment/shipping group by the marketing division). Certified products sold through other schemes or conventional means or in case of lack of production, lost or damaged shall be removed.</p> <p>4.8. Training→ The training plan for RSPO SCCS requirements process should be reviewed continuously/annually.</p> <p>4.9. The record keeping The record keeping of all documents are minimum 10 years for financial report documents and transactions; and minimum 2 years for data other than financial documents.</p> <p>4.10 Conversion Factor Conversion value is determined by marketing division in Jakarta, based on data sent by Mill on the basis of the resulting of FFB processing, so that the conversion value obtained is the same as the actual obtained by the Mill, and the conversion reference by marketing follows the mill manager monthly report period.</p> <p>4.11. Claim pursuant to RSPO communication and claim.</p> <p>4.12. Complaint Stakeholders may complain by email or face directly to the management representative. The complaint should be handled no later than one month after the complaint is received. Especially for complaints related to salary rights, incentive benefits, product complaints, and payments is should be acted upon no later than 14 days after the complaint has been received. All complaints and responses should be recorded.</p> <p>4.13. Management review Management review plan is established: after internal audit, before external audit checks and minimally done once in twelve months /one year. Input for management review should include information: internal audit results of SCCS requirements, production achievements, customer feedback, preventive and corrective action status, follow up on review management, changes that may affect system management and improvement recommendations.</p>
	<b>Status: Comply</b>
<b>D.3.2</b>	<p><b>The site shall have documented procedures for receiving and processing certified FFBs</b></p> <p>The procedure about acceptance and processing FFB has include in the RSPO SCCS Manual- RSPO Supply Chain Certification Standard No. SCCS-Std/RSPO/PSQM/02 dated on 02 January 2018. (See D.3.1).</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.	
Certified and non-certified FFB received period of September 2018 to August 2019	
Month	FFB (MT)
	RSPO CertifiedNon CertifiedTotal
September 2018	2,558.281-2,558.281
October 2018	8,066.622-8,066.622
November 2018	7,532.450-7,532.450
December 2018	8,101.698-8,101.698
January 2019	7,132.098-7,132.098
February 2019	6,877.290-6,877.290
March 2019	8,627.794-8,627.794
April 2019	7,483.984-7,483.984
May 2019	7,302.002-7,302.002
June 2019	8,253.445-8,253.445
July 2019	10,196.560-10,196.560
August 2019	8,014.408-8,014.408
Total	97,146.632--97,146.632
Status: Comply	
D.4.2	
The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	
For this assessment period (ASA-1.3) from September 2018 until August 2019, TBF production of CSPO and CSPK does not exceed the RSPO certificate issued.	
CPO: 21,144.86 Ton → Total estimate in certificate is 25,581.79 Ton	
PK: 4,203.45 Ton → Total estimate in certificate is 5,208.69 Ton	
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 Teluk Bakau Factory has a monitoring report for RSPO certified product (CPO & PK).	
Month	CPO (MT)
	ProductionSold
	CertifiedNon-CertifiedCertifiedConventional
September 2018	1,973.974--
October 2018	1,705.186--
November 2018	1,551.509-2,806.1641,495.923
December 2018	1,707.421-1,539.880
January 2019	1,524.420-996.536
February 2019	1,567.512-2,766.5117
March 2019	1,987.004-1,710.347
April 2019	1,645.942--
May 2019	1,598.608-3,399.219
June 2019	1,727.434-1,849.872
July 2019	2,286.464--
August 2019	1,869.386-3,826.531
Total	21,144.860--2,806.16417,584.826

Month	PK (MT)			
	Production		Sold	
	Certified	Non-Certified	Certified	Conventional
September 2018	445.813	-	-	437.638
October 2018	393.579	-	-	253.965
November 2018	355.842	-	274.413	-
December 2018	324.636	-	-	273.005
January 2019	295.058	-	-	273.974
February 2019	293.066	-	-	403.248
March 2019	366.173	-	-	148.582
April 2019	333.162	-	-	350.552
May 2019	315.875	-	-	678.012
June 2019	332.933	-	-	-
July 2019	417.703	-	490.100	-
August 2019	329.611	-	-	-
Total	4,203.451	-	764.513	2,818.976

	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 entire accepted and processed product in Teluk Bakau Factory comes from RSPO certified own estate. Until now, Teluk Bakau Factory does not accept and process FFB from not certified sources.	
Based on interview weighbridge personnel and document verification of FFB receive, the worker explained that the Teluk Bakau Factory POM just receive FFB from own Estate and sometimes receive other scope certificate (Mandah Estate and Rotan Semelur Estate) but for period September 2018 to August 2019 Teluk Bakau Factory didn't receive from Mandah Estate and Rotan Semelur Estate. All Weighbridge Ticket of FFB from those plantation has been stamped with RSPO code. The stamp also given for CPO and Kernel weighbridge ticket that sent from the Teluk Bakau factory.	
	Status: Comply

3.3. Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or√
ASA-1.3	PT Bhumireksa Nusasejati (Sime Darby Plantation Bhd) do not use RSPO trademark and CB Logo.  Trademark License Number of Sime Darby Plantation Bhd is "RSPO-1106024"	√
	<b>Status: Comply</b>	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-1.3	PT Bhumireksa Nusasejati (Sime Darby Plantation Bhd) do not use RSPO trademark and CB Logo.  Trademark License Number of Sime Darby Plantation Bhd is "RSPO-1106024"	√
	<b>Status: Comply</b>	
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA-1.3	PT Bhumireksa Nusasejati (Sime Darby Plantation Bhd) do not use RSPO trademark and CB Logo.  Trademark License Number of Sime Darby Plantation Bhd is "RSPO-1106024"	√
	<b>Status: Comply</b>	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA-1.3	PT Bhumireksa Nusasejati (Sime Darby Plantation Bhd) do not use RSPO trademark and CB Logo.  Trademark License Number of Sime Darby Plantation Bhd is "RSPO-1106024"	√
	<b>Status: Comply</b>	

### 3.4. Summary of RSPO Partial Certification.

Compliance of the uncertified management units of Sime Darby Plantation Bhd 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

Sime Darby Plantation Bhd Time Bound Plan is explained in table section 1.10. Sime Darby has achieved 34 management units in Malaysia and 24 Management Units in Indonesia that RSPO certified. Total management unit in Sime Darby Plantation Bhd are 34 in Malaysia, 25 in Indonesia and 1 in Liberia. Sime Darby Plantation Bhd has informed the Time Bound Plan progress through representative's office in Indonesia. MUTU has considered that Sime Darby Plantation Bhd is comply with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by the Sime Darby Plantation Bhd Indonesian representative on April 2019 by the Head of PSQM.

MUTU has verified partial certification for un-certified unit's subsidiary of Sime Darby Plantation Bhd based on their Time Bound Plan. 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 are significant land conflicts in PT Mitra Austral Sejahtera, there is still an issue that remains unresolved social i.e. from Serikat Petani Kelapa Sawit (SPKS), but improvements are ongoing. Based on confirmation letter from Sime Darby Plantation on 27 June 2019 inform that PT Mitra Austral Sejahtera is dispose from Indonesian Subsidiary of Sime Darby Plantation.
- PT Budidaya Agro Lestari waiting for land title process.
- The company has follow RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There is no labour disputes that are not being resolved through an agreed process.
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above.

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.2.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p><b>Company Group/Holding Statement:</b> Companies are already doing internal audits. There are internal audit reports for each company.</p> <p><b>Auditor Verification:</b> Internal Audit report available for uncertified management unit for example PT Sandika Natapalma – Karya Palma Estate</p> <p>Progress Update for PT MAS. Engagement with RSPO. SDP is submitting a monthly basis report to RSPO on the case. Five monthly update/responses have been submitted to RSPO to-date. The last report was submitted on 28 May 2018.</p> <p>On April 2019, the secretariat update the developments of PT MAS Complaint. The complaints panel recent deliberation, please be</p>

		informed that the complaints Panel has directed to proceed with the legal review and Dr Kurnia Warman will be engaged to perform the said legal review. Based on confirmation letter from Sime Darby Plantation on 27 June 2019 inform that PT Mitra Austral Sejahtera is dispose from Indonesian Subsidiary of Sime Darby Plantation.
i.	<p>No replacement after dates defined in NIs Criterion 7.3 of:</p> <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area identified as containing High Conservation Values (HCVs).</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.</li> </ul>	<p><b>Company Group/Holding Statement:</b> HCV assessment has been conducted for uncertified units i.e. Darby Plantation Liberia operations (by RSPO approved assessors – Dr SK Yap in 2011).</p> <p><b>Auditor Verification:</b> Sime Darby Plantation Bhd sent disclosure of liability including LUCA analysis to RSPO Secretariat on 2 December 2014 and 2<sup>nd</sup> revision on 24 June 2016. The companies ensuring reporting of disclosure of liability progress to RSPO and according to the CB's correspondence with RSPO Remediation and Compensation.</p>
i.	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<p><b>Company Group/Holding Statement:</b> A new mill will be set up in Liberia and planned for commissioning in February 2016. Preparation to undergo the RSPO Certification process is in progress and SDP targets to undergo RSPO Certification by end 2017. RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress. *Note: RSPO NPP Announcements for SDP can be found at <a href="http://www.rspo.org/certification/new-planting-procedures/public-consultations/page/14">http://www.rspo.org/certification/new-planting-procedures/public-consultations/page/14</a></p> <p><b>Auditor Verification:</b></p> <ul style="list-style-type: none"> <li>• Karya Palma Estate (PT Sandika Natapalma) and Baturus Estate (PT Budidaya Agro Lestari) any new planting after January 1<sup>st</sup> 2010 and due to not conduct NPP.</li> <li>• RSPO NPP process has been completed in 2011 for a new mill in Liberia.</li> </ul>
ii.	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><b>Company Group/Holding Statement:</b> Sime Darby (Liberia) Plantation Inc. Status: Box G - Close for Monitoring Further details please refer to: <a href="http://www.rspo.org/members/complaints/status-of-complaints/view/46">http://www.rspo.org/members/complaints/status-of-complaints/view/46</a></p>

		<p>PT Mitra Austral Sejahtera (Sime Darby Bhd) Further details please refer to: <a href="http://www.rspo.org/members/complaints/status-of-complaints/view/29">http://www.rspo.org/members/complaints/status-of-complaints/view/29</a></p> <p><b>Auditor Verification:</b> Auditor has verified the supporting evidence of above the company statement. There are land conflict in PT Bina Sains Cemerlang, this issue was raise on 22 April 2017 and still being process to resolve.</p>
iii.	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p><b>Company Group/Holding Statement:</b> No stakeholder comments or complaints received.</p> <p><b>Auditor Verification:</b> Auditor has verified the supporting evidence of above the company statement. There are no labour dispute in company unit.</p>
iv.	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p><b>Company Group/Holding Statement:</b> None noted. No stakeholder comments or complaints received.</p> <p><b>Auditor Verification:</b> Auditor has verified the supporting evidence of above the company statement. There is any legal non-compliance for company under SDP waiting for land title process, ie:</p> <ul style="list-style-type: none"> <li>• PT Sime Indo Agro 1,652 Ha</li> <li>• PT Aneka Inti Persada 421.31 Ha</li> <li>• PT Bina Sains Cemerlang 308.25 Ha</li> <li>• PT Bersama Sejahtera Sakti 765 Ha</li> <li>• PT Langgeng Muaramakmur 1,162 Ha</li> <li>• PT Paripurna Swakarsa 1,120 Ha</li> <li>• PT Swadaya Andika 63 Ha</li> <li>• PT Bahari Gembira Ria 1,639 Ha</li> <li>• PT Guthrie Pecconina Indonesia 4,133 Ha</li> <li>• PT Perkasa Subur Sakti 1,286 Ha</li> </ul>

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

#### 3.4.1 Identification of Findings, Corrective Actions and Observations at ASA-1.2

<b>NCR No.</b>	<b>:</b>	<b>2018.01</b>	<b>Issued by</b>	<b>:</b>	<b>Dwi Haryati</b>
<b>Date Issued</b>	<b>:</b>	<b>12 October 2018</b>	<b>Time Limit</b>	<b>:</b>	<b>11 January 2019</b>
<b>NC Grade</b>	<b>:</b>	<b>Major</b>	<b>Date of Closing</b>	<b>:</b>	<b>14 December 2018</b>
<b>Standard Ref. &amp; Requirement</b>	<b>:</b>	<b>2.1.1 Evidence of Compliance with relevant legal requirements</b>			
<b>Non-Conformance Description &amp; Evidence observed:</b>					
<p>1. Based on document review of the hazardous waste handling documents (logbook, manifest and minutes of submission / transportation of hazardous waste) and interviews with management, it is known that hazardous waste has been stored for more than 365 days in temporary hazardous waste shelter. The last hazardous waste was transported on July 25, 2017 by hazardous waste transporters. The company has shown a Work Agreement, but has not been signed by PT BNS Management. So that there is no hazardous waste transportation activity by hazardous waste transporters.</p> <p>This is not in accordance with Government Regulation 101 of 2014 which states that the storage of hazardous waste is the longest:</p> <ul style="list-style-type: none"><li>• 180 days after hazardous Waste is produced, for hazardous Waste produced less than 50 kg per day for hazardous Waste category 1</li><li>• 365 (three hundred sixty five) days since hazardous Waste is produced, for hazardous Waste produced less than 50 kg per day for Category 2 hazardous Waste from non-specific sources and general specific sources;</li></ul> <p>2. Based on document review and interviews with the management unit it is known:</p> <ul style="list-style-type: none"><li>a. Lift &amp; Transport Operators (3 TBF crane operators, 1 NLE excavator operator, 1 NPE excavator operator) have SIO Lift and Transport Aircraft, but have expired in 2015. This is not in accordance with Regulation of Labor Ministry No. 09 of 2010</li><li>b. The boiler operator License has expired on March 16, 2016. This is not in accordance with Regulation of Labor Ministry No. 01 of 1988.</li></ul> <p>Regarding the above, the company shows the following documentation:</p> <ul style="list-style-type: none"><li>• Letter No. 132 / BNS-TBF / VII / 2017 dated July 15, 2017 from the Factory Manager of Teluk Bakau addressed to the Sumatra Regional HRM Selatan / Riau Selatan / Jambi regarding the License Extension of Heavy Equipment Operator and Boiler Operator.</li><li>• Letter from the Estate Manager NLE to HRM Minamas Plantations on April 9, 2018 regarding the Extension of SIO Excavator Operators.</li><li>• Letter from the Estate Manager NPE to HRM Minamas Plantations on October 9, 2018 regarding the Extension of SIO Excavator Operators.</li></ul> <p>However, there is still a need for evidence of follow-up to the realization of training to ensure operators have the competence in accordance with the type of work and fulfillment of applicable regulations.</p>					
<b>Root Cause Analysis:</b>					
<p>1. It is difficult to get transporters to transport hazardous waste from PT.BNS to third parties who will handle hazardous waste.</p> <p>2. The delay in managing the OHS operator license is due to the absence of monitoring of licenses and OHS operator license at units</p>					



**Correction:**

1. Show Agreement Letter of Handling Hazardous Waste and manifest of hazardous waste of PT BNS
2. Show evidence of operator license extension still in process by third party (PT Arpindo Pratama)

**Corrective Action:**

1. Continuing the Agreement Letter for hazardous waste handling 3 months before the expiration date so that the transportation is not too late and assigns a PIC to monitor hazardous waste transportation at PT BNS
2. Make license and operator license monitoring in each unit.

**Assessor Evaluation and Conclusion:**
**Verification on 14 December 2018:**
**1. Hazardous waste.**

- Work Agreement No. 002 / SPK / BNS / IX / 2018 dated September 24 2018 which explained the agreement on cooperation in the transportation and destruction of hazardous waste with PT Desa Air Cargo Batam.
- Manifest of transportation of hazardous waste on November 6, 2018 with the type of waste transported, among others, Clinic Waste, Used Oil, Used Filter, Used Battery, Used Packaging, Used Lamp, Contaminated Waste.

**2. OHS License Compliance**

- Letter No.822 / AP / K3 / X / 2018, dated October 24, 2018 from PT Arpindo Pratama (PJK3) concerning the information letter of OHS Operator License Extension. The letter explained that the letter requesting an extension of the OHS operator's license on behalf of Zulfendi, Heri Saputra Muliani and Harpriadi (3 crane TBF operators) was received by PJK3 and was in the process of obtaining an extension.
- Letter No.841 / AP / K3 / X / 2018, dated 30 November 2018 from PT Arpindo Pratama (PJK3) regarding the information letter of OHS License Extension for Excavator Operators. The letter explained that the application for extension of the OHS license for the operator on behalf of Nurlubis (NLE excavator operator) was received by PJK3 and was in the process of obtaining an extension.
- OHS license for the operator of transport lifts on behalf of Sujatni (operator of NPE excavators) with No Reg.P.10.7386-OPK3-LT / PAA / VI / 2016 which is still valid until 27 June 2021.
- Monitoring the OHS license and licensing of PT BNS which explains the monitoring of the validity period of legality licenses, factory machinery and OHS licenses.

Based on these explanations, this non-conformity is stated to be fulfilled

**Verified by** : **Dwi Haryati & Muhammad Rinaldi**

NCR No.	:	2018.02	Issued by	:	Dwi Haryati
Date Issued	:	12 October 2018	Time Limit	:	11 January 2019
NC Grade	:	Major	Date of Closing	:	11 January 2019
Standard Ref. & Requirement	:	6.5.1 Wage documentation and work requirements must be available in accordance with applicable labor regulations.			
Non-Conformance Description & Evidence observed: Based on interview with management and document verification regarding the Decision Premium System of PT BNS Employee year 2013 (Memorandum No.244 / RS-est / IX / 2013) dated September 26, 2013. The auditor conducted a simulation calculation based on regulations. Explained as follows: Based on payment of wages in September 2018, it is known that the security who works overtime is only paid a fixed					

premium of IDR 1,004,000 for overtime with total work days is 24 working days and 6 days off, if calculated by calculating overtime according to the regulation obtained results of IDR 2,266,526 with the details as follows:

	Total days	Number of hours outside normal work	Overtime calculation	Total hours of overtime
Short working day	4	3	5.5	22
Long working day	20	1	1.5	30
Holidays	6	8	17	102
<b>Total overtime / September 2018</b>				154
<b>Overtime / hours</b>				IDR 14,718
<b>Total overtime pay</b>				IDR 2,266,526

Based on this, it is known that the company has not been able to show evidence that it has paid wages outside working hours / overtime in accordance with Labor Ministry Decree No.102 of 2004 concerning overtime work and overtime wages.

#### Root Cause Analysis:

The company still uses different working hours and different premium payment.

1. The mill has more measurable output following the capacity at each station.  
The plantation on average produces output that is not measurable in each type of work.
2. The premium system for payments outside working hours is chosen by the estate based on the psychology of other jobs that use the premium system, so that the payment system in one unit uses the same system.

#### Correction:

Make new schedule for working hours and premiums for security.

1. Regulating working hours and overtime of the mill security follows the other station work systems by having measurable output.
2. As for the schedule of working hours the estate security follows the estate activities with the output on average not measurable because each job has different outputs.

#### Corrective Action:

- An affirmation letter from the Area Controller regarding the enforcement of working hours for security.
- Making arrangements of work hours for security at the plantation unit.
- Calculation of security premium are in accordance with the provisions of overtime in accordance with applicable regulations.

Calculation of 7 hours of work on the "off" day

7 hours / day =  $7 \times 2 = 14$  hours

14 hours x 4 days / month = 56 hours

IDR 16,936, - x 56 hours = IDR. 948,000, -

Rounded up IDR 950,000

#### Assessor Evaluation and Conclusion:

##### Auditor Verification on January 4, 2018

The company shows proof of improvement in the form of Internal Office Mail No. / AC-RS / XII / 2018 dated December 19, 2018 regarding Regulations on Working Hours & Security Premiums. The memorandum explains about setting a security work schedule that refers to 40 working hours a week with several settings such as:

- Working hours are divided into 3 shifts in 1 day (8 hours a day and 40 working hours a week).
- Setting a security work day at the estate in 1 week.

- The amount of additional premium per month is IDR 950,000.
- Proportion of premium reduction if employees not leaving for work.
- Proportion of reduction in working hours if employees not leaving for work.

However, the company has not shown the calculation / determination of the additional premium amount.

The company has shown proof of improvement and an explanation of the root cause analysis, corrective and corrective actions but additional clarification is still needed regarding the calculation / determination of the additional premium amount.

**Non-conformity is still OPEN**

**Auditor verification on January 9, 2018**

The company shows proof of improvement in the form of:

- Calculation of additional premium payments for estate security for 7 hours of work on the "off" day  
 $7 \text{ hours} / \text{day} = 7 \text{ hours} \times 2 \text{ hours} = 14 \text{ hours}$   
 $14 \text{ hours} \times 4 \text{ days} = 56 \text{ hours} / \text{month}$   
 $\text{IDR } 16,936, - \times 56 \text{ hours} = \text{IDR. } 948,000, -$   
Rounded up IDR 950,000
- So payment for an additional security premium on Off day is IDR 950,000, - every month.
- Work schedule for the Nusa Perkasa Estate (NPE) security. So the work schedule explained that security working hours on official days were 8 hours of work with 1 hour of rest. Whereas the security premium calculation on the "off" day uses a calculation of 7 working hours.

However, it has not shown the calculation of security premiums for the month that has a national holiday, because it adds days off for workers / security.

Based on the explanation above, it is still insufficient regarding the calculation of additional premiums if there are national holidays in a given month. Because the calculation of overtime / excess work hours of 56 hours new overtime answers about the calculation of the day off security every week in one month. What if there is a national holiday like the example in December 2018 as follows:

There is 1 holiday which is a national holiday, namely Christmas Day (December 25, 2018). In the fourth week of December 2018 there are only 4 effective working days and 3 days off. In order to explain the calculation in December.

**Auditor verification January 11, 2019**

For security who leaving for work on national holidays determined by the government, an additional premium will be given, the calculation is the same as the "Off" day that goes to work worth IDR 110,000 / national holiday.

The company shows proof of improvement, proof the December 2018 premium payment simulation example, - with a total premium of IDR 1,170,000 with a total workday of 4 days off and national holidays 1 day. The simulation of premium payments has exceeded the simulation of payment with overtime systems in accordance with the regulations with a total of IDR 1,059,100 (IDR 15,130 X 14 hours X 5 days off).

**Based on the explanation above, this discrepancy is stated to be fulfilled and this will be observed again in the next assessment.**

**Verified by : Dwi Haryati**

<b>NCR No.</b>	<b>: 2018.03</b>	<b>Issued by</b>	<b>: Muhammad Rinaldi</b>
<b>Date Issued</b>	<b>: 12 October 2018</b>	<b>Time Limit</b>	<b>: 11 January 2019</b>

NC Grade	:	Major	Date of Closing	:	11 January 2019
Standard Ref. & Requirement	:	<b>General COC 5.7.2</b> 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"><li>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.</li><li>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.</li><li>Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.</li><li>Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.</li></ul>			
<b>Evidence observed &amp; Non-Conformance Description</b> (filled by auditor): Based on the sales recap of CPO & PK and Data of Shipping Announcement, there are differences in physical delivery data with registration data on palmtrace, including: <ul style="list-style-type: none"><li>For shipping PK with Contract No. 00152 / BNS / KTR-IKS / LOK / III / 2018, the amount in the Shipping Announcement No. TR-e782ce62-0f8b is 508.5 tons while the sales recap is 250.68 tons.</li><li>For shipping PK with Contract No. 00154 / BNS / KTR-IKS / LOK / IV / 2018, the amount in Shipping Announcement No. TR-521686f3-57fb as much as 498.82 tons while the sales recap of 379.04 tons.</li><li>There is no PK sales record with Shipping Announcement No. TR-9a6fcfc2-ef8e with a total PK of 299.23 tons (Contract No. 00157 / BNS / KTR-IKS / LOK / V / 2018)</li></ul>					
<b>Root Cause Analysis:</b> <ul style="list-style-type: none"><li>GTM (Marketing) sells PK to Adei Plantation with a contract number No. 00152/BNS/KTR-IKS/LOK/III/2018, No. 00154/BNS/KTR-IKS/LOK/IV/2018 and No. 00157/BNS/KTR-IKS/LOK/V/2018. However, due to PK quality problems at PT BNS, GTM decided to take PK supplies from PT TMP, PT AIP and PT LTS and make shipping announcements on behalf of PT BNS.</li><li>Lack of understanding from GTM regarding Palm Trace that inter co transfers are not permitted in the Palm Trace system and shipping announcements must be made based on company that supplies products</li></ul>					
<b>Correction:</b> <ul style="list-style-type: none"><li>Contact RSPO &amp; UTZ to request a withdrawal of the shipping announcement received by PT Adei plantation.</li><li>Contact PT Adei plantation that the shipping announcement will be withdrawn and request to receive the shipping announcement withdrawal.</li><li>GTM issued a new shipping announcement for PT TMP, PT AIP and PT LTS.</li><li>GTM requests PT Adei plantation to receive a new shipping announcement.</li></ul>					
<b>Corrective Action:</b> <ul style="list-style-type: none"><li>Conducted a meeting with UTZ and RSPO to include internal transfer product options in the Palm Trace platform. Inform GTM about the results of meetings with UTZ and RSPO.</li><li>If inter transfer product is not allowed, then GTM will be informed for the next only to make an announcement for each company that supplies the product.</li></ul>					

**Assessor Evaluation and Conclusion:**

The company shows improvements, including:

- Information Transfer Letter for PK Contract Transfer of PT BNS No. 066 / MKT / VII / 2018 dated July 6, 2018 to PT ADEI Plantation & Industry regarding contract transfer no. 154 / BNS / KTR-IKS / LOK / IV / 2018 which explained that there was a transfer of PK supply for PT BNS's contract to PT Tunggal Mitra Plantations.
- Information Transfer Letter for PK Contract Transfer of PT BNS No. 064/MKT/VII/2018 dated July 6, 2018 to PT ADEI Plantation & Industry regarding contract transfer no. 152 / BNS / KTR-IKS / LOK / II / 2018 which explained that there was a transfer of PK supply for PT BNS's contract to PT Aneka Inti Persada.
- Plans to carry out "Cancel a confirmed shipping announcement" with completion targets until the second weeks in February 2019. Activities carried out include communicating the UTZ & RSPO secretariat to request cancellation of the shipping announcement, communicate to the buyer till make a new shipping announcement and inform the buyer.
- The results of communication between the company and UTZ (Palmtrace) starting from January 14, 2019 and on January 16, 2019, UTZ has informed regarding the cancellation of the shipping announcement to RSPO secretariat.

Based on the evidence of improvement above, this non-conformity is stated to be fulfilled and will be observed again in the next assessments related to the plans that have been made.

**Verified by** : **Muhammad Rinaldi**

NCR No.	: 2018.04	Issued by	: Muhammad Rinaldi
Date Issued	: 12 October 2018	Time Limit	: 11 January 2019
NC Grade	: Major	Date of Closing	: 11 January 2019
Standard Ref. & Requirement	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.		
Evidence observed & Non-Conformance Description (filled by auditor): The company has not been able to show evidence that CPO sales for the July-September 2018 and PK sales period June-September 2018 are sales with RSPO Claims in accordance with the Balance Sheet.			
Root Cause Analysis: <ul style="list-style-type: none"><li>Documentation on the unit is not yet available.</li><li>Regarding RSPO and non-RSPO claims are in Jakarta HO</li></ul>			
Correction: <ul style="list-style-type: none"><li>Make a documentation / Recording record of each sale and ensure CPO sales for the period July-September 2018 and PK for the period June-September 2018</li><li>Show a contract that lists RSPO / Non RSPO</li></ul>			
Corrective Action: <ul style="list-style-type: none"><li>Coordinating with Jakarta HO regarding products claimed on RSPO or Non RSPO basis</li></ul>			

**Assessor Evaluation and Conclusion:**

**11 January 2019**

The company shows some evidence of improvement, including:

- Recapitulation of CPO and PK sales for the period January-December 2018 which explains the number and status of product claims. For CPO in the period July-September 2018, there are sales of CPO with RSPO claims of 1,000.58 tons and conventional CPO sales (Non-RSPO) of 4,573.08 tons. For PK in the period June-September 2018, there are conventional PK sales of 1,621.28 tons.
- CPO and PK sales contracts for the period June-September 2018 that show sales with RSPO or Non-RSPO claims, for example Sales Contracts with No. 266 / BNS / KTR-MKS / LOK / VIII / 2018 dated August 16, 2018 and Invoice number / 00223 / BNS / X / 2018 dated October 25, 2018 which shows that there are 2,500 tons of RSPO claim sales (for Teluk Bakau Factory and Mandah Factory) and Delivery Order No. 00388/00266/08/18 / L-BNS-MKS explaining the contract details No. 266 / BNS / KTR-MKS / LOK / VIII / 2018 for the Teluk Bakau factory with the purchase of 1,000 tons of CPO.
- Shipping announcement with No. TR-3eb63e8bcc49 dated 30 October 2018 for the sale of 999.48 tons of CPO to PT Golden Hope Nusantara
- Proof of remove stock for example No. ST-TR-16606f0b-fc3c dated 11 January 2019 for the removing of conventional CSPK sales of 1,842.66 tons.
- Proof of remove stock for example No. ST-TR-d25e660c-f585 dated 11 January 2019 for the removing of conventional CSPO sales by 3,046.4 tons.

Based on this explanation, this nonconformity is stated to be fulfilled and will be observed again in the next assessment.

Verified by	:	Muhammad Rinaldi
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**3.4.2 Identification of Findings, Corrective Actions and Observations at ASA-1.3**

<b>NCR No.</b>	<b>:</b>	<b>2019.01</b>	<b>Issued by</b>	<b>:</b>	<b>Radytio Puspanjana</b>
<b>Date Issued</b>	<b>:</b>	<b>13 September 2019</b>	<b>Time Limit</b>	<b>:</b>	<b>ASA – 1.4</b>
<b>NC Grade</b>	<b>:</b>	<b>Minor</b>	<b>Date of Closing</b>	<b>:</b>	
<b>Standard Ref. &amp; Requirement</b>	<b>:</b>	<b>5.3.3</b> <b>A documented waste management plan to avoid or reduce pollution and its implementation shall be available</b>			
<b>Evidence observed:</b> Based on field observations known: <b>Hazardous waste</b> <ul style="list-style-type: none"> <li>Utilization of used pesticide packaging as a fuel tank, used spray equipment and used chemical packaging is stored in the warehouse office of division II Nusa Perkasa Estate, used rags contaminated beside generator room housing complex division 3 &amp; 4 NPE.</li> <li>Used pesticide container "brand capture" on canal block E05, Teluk Bakau Estate.</li> <li>Hazardous waste container in the form of used paint cans is stored in TBF scraped metal storage.</li> <li>Used filters are placed in the trash bin beside WTP station, TBF.</li> <li>2 used oil drums on the TBF housing complex (volleyball field).</li> </ul> <b>Domestic waste</b> <ul style="list-style-type: none"> <li>Domestic waste is disposed beside WTP station, TBF.</li> <li>Former domestic waste burned on TBF.</li> </ul> <b>Non-Conformance Description:</b> Based on the evidence, hazardous waste management has not been in accordance with PT BNS Hazardous and Non - Hazardous Waste Management SOP (Number. 7307 / BNS / 10, revised 11 September 2019, explained the used pesticide container and chemical for analysis is returned to temporary hazardous storage licensed (on factory) and transported to third party licensed, for domestic waste disposed on landfill.					
<b>Root Cause Analysis:</b> <ul style="list-style-type: none"> <li>There is still a lack of monitoring frequency for conducting inspection of Hazardous Waste and Domestic Waste management</li> <li>There is no special officer to monitor hazardous waste management</li> </ul>					
<b>Correction:</b> <ul style="list-style-type: none"> <li>Establishing "Kasie" as an officer for reconciliation of hazardous stock leaving the warehouse with hazardous waste entering the hazardous waste warehouse.</li> <li>Socialize procedure of hazardous and non-hazardous management to all workers.</li> <li>Issuing a memorandum from the Area Controller related to the obligation to return ex. Pesticide container when it will take a new chemical.</li> </ul>					
<b>Corrective Action:</b> <ul style="list-style-type: none"> <li>Conduct periodic inspections at least once a month related to hazardous packaging in housing or outside hazardous warehouse and management of domestic waste at home and at factory.</li> </ul>					
<b>Assessor Evaluation and Conclusion:</b>					
<b>Verified by</b>	<b>:</b>				

<b>NCR No.</b>	<b>:</b>	<b>2019.02</b>	<b>Issued by</b>	<b>:</b>	<b>Ardiansyah</b>
<b>Date Issued</b>	<b>:</b>	<b>13 September 2019</b>	<b>Time Limit</b>	<b>:</b>	<b>12 December 2019</b>
<b>NC Grade</b>	<b>:</b>	<b>Major</b>	<b>Date of Closing</b>	<b>:</b>	<b>05 December 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>:</b>	<b>6.1.3</b> <b>Plans for management and monitoring of social impacts to avoid or reduce negative impacts and promote positive ones, based on social impact assessment, through consultation with the affected parties, shall be available, documented and timetabled, including responsibilities for implementation.</b>			
<b>Evidence observed:</b> The management unit has a social impact management plan 2019 for internal and external.					
<b>Non-Conformance Description:</b> The management unit has not been able to show the plan for monitoring social impacts in 2019.					
<b>Root Cause Analysis:</b> Do not have a PIC to monitor and manage social impacts					
<b>Correction:</b> <ul style="list-style-type: none"> <li>Establish a PIC to accommodate the management plan, monitoring of the implementation of Social Impacts</li> <li>Establish a social impact monitoring program for 2019</li> </ul>					
<b>Corrective Action:</b> Record all management, monitoring and evaluation results systematically and can be accessed by all stakeholders.					
<b>Assessor Evaluation and Conclusion:</b> <b>Verification 4 December 2019</b> CH has demonstrated a social impact monitoring program in 2019 - 2020 which explains the management program, the results of its monitoring and evaluation. However, the results of the monitoring that were delivered did not explain all monitoring for aspects that were managed, such as effluent maintenance, hazardous waste management and transportation according to government regulations, providing educational assistance such as school opportunities at company locations, etc. In addition, the results of monitoring have not shown monitoring data on the management that has been carried out. Please also ensure that the non-compliance with this indicator is that there are no social impact monitoring plans. So that the <b>non-conformity No. 2019.02 is open</b> .  <b>Verification 5 December 2019</b> CH has demonstrated a social impact monitoring program for 2020 which informs about potential impacts, management programs, monitoring programs and time. The monitoring program has covered all aspects managed. Based on these evidence, <b>Non-conformity No. 2019.02 is closed</b> .					
<b>Verified by</b>	<b>:</b>	<b>Ardiansyah</b>			

<b>NCR No.</b>	<b>:</b>	<b>2019.03</b>	<b>Issued by</b>	<b>:</b>	<b>Ardiansyah</b>
<b>Date Issued</b>	<b>:</b>	<b>13 September 2019</b>	<b>Time Limit</b>	<b>:</b>	<b>ASA-1.4</b>
<b>NC Grade</b>	<b>:</b>	<b>Minor</b>	<b>Date of Closing</b>	<b>:</b>	

<b>Standard Ref. &amp; Requirement</b>	<b>6.1.4</b> 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.
<b>Evidence observed:</b> -	
<b>Non-Conformance Description:</b> The management unit has not been able to show records of the process of evaluating social impact management at least once every 2 years carried out with the participation of all parties affected.	
<b>Root Cause Analysis:</b> Don't have a PIC to monitor and manage social impacts	
<b>Correction:</b> <ul style="list-style-type: none"> <li>Establish a PIC to accommodate evaluations of the effectiveness of implementing Social Impacts</li> <li>Evaluating the management and monitoring of social impacts</li> </ul>	
<b>Corrective Action:</b> Record all management, monitoring and evaluation results systematically and can be accessed by all stakeholders.	
<b>Assessor Evaluation and Conclusion:</b>	
<b>Verified by</b>	:

<b>NCR No.</b>	:	<b>2019.04</b>	<b>Issued by</b>	:	<b>Ardiansyah</b>
<b>Date Issued</b>	:	<b>13 September 2019</b>	<b>Time Limit</b>	:	<b>12 December 2019</b>
<b>NC Grade</b>	:	<b>Major</b>	<b>Date of Closing</b>	:	<b>5 December 2019</b>
<b>Standard Ref. &amp; Requirement</b>	:	<b>6.3.1</b> The mechanism, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested, as long as that information is supported with adequate initial evidence.			
<b>Evidence observed:</b> The results of interviews with communities in "Parit Sabar Menanti" revealed that the communities had lodged a complaint with the company regarding the operational impact on the surrounding community. The results of interviews with management revealed that the complaint was conveyed to company representatives via a communication device (HP). Based on the Complaints Handling Procedure (SPO / 6.3 / PKM) it is known that complaints must be submitted in writing to the company.  The results of interviews with workers revealed that workers had lodged complaints with companies regarding housing conditions. Based on the Complaints Handling Procedure (SPO / 6.5 / PKK) it is known that complaints must be submitted in writing to the company.					
<b>Non-Conformance Description:</b> The management unit has not been able to show evidence that the grievance mechanism is known to all affected parties.					

<b>Root Cause Analysis:</b> <ul style="list-style-type: none"> <li>Lack of socialization related to SOP in handling complaints to the public and employees</li> <li>Has not periodically updated and evaluated stakeholders to ensure the effectiveness of complaints handling SOP socialization</li> </ul>	
<b>Correction:</b> <ul style="list-style-type: none"> <li>Conducting socialization to the surrounding communities directly affected by the company's operations</li> <li>Conducted outreach to all PT BNS workers and all evidence of the outreach was documented</li> <li>Assign officers to carry out the socialization</li> </ul>	
<b>Corrective Action:</b> <ul style="list-style-type: none"> <li>Documenting all incoming complaint letters from both internal and external companies</li> <li>Conducting regular socialization and communication to the public carried out by the Public Relations and company leaders</li> </ul>	
<b>Assessor Evaluation and Conclusion:</b> <b>Verification 4 December 2019</b> <p>CH has shown the recording of the socialization of the grievance mechanism conducted on 25-26 October 2019 to 786 PT BNS workers and the socialization on 11 November 2019 to 40 people from the surrounding village (1 village head and 39 communities). However, the company has not shown that the participants of the socialization, especially the surrounding community who participated in the activity were directly affected by the company's operations. <b>Non-conformity No. 2019.04 is open.</b></p> <b>Verification 5 December 2019</b> <p>The CH has shown a list of stakeholders that was updated in November 2019. Based on that list, it is known that the mechanism for submitting complaints has been submitted to key stakeholders / affected parties who are located around the company's operational area. Based on this explanation, <b>Non-Conformity No. 2019.04 is closed.</b></p>	
<b>Verified by</b>	<b>: Ardiansyah</b>

### 3.5.3 Opportunity for Improvement

No	Ref. Std.	Description
1	2.2.1	Ensuring that the use of land is in accordance with the land rights owned
2	2.2.2	Re-ensure that the position of the boundary stone is in accordance with the coordinates issued by BPN
3	4.6.7	Ensure the spraying equipment are stored in the space provided by company.
4	5.2.3	Ensure that HCV signboard maintenance is carried out according to schedule
5	6.2.3	Have records related to communication and follow-up of communication that has been done
6	6.5.3	Reconfirm progress in housing improvement for workers.

**3.5.4 Noteworthy Positive Components**

No	Description
1	Teamwork, adequate PIC competency during the assessment process
2	Already have an ISPO Certificate
3	Electricity supply to the community around the factory

**3.6 Summary of Arising Issues from Public and auditor verification**


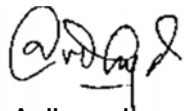
Public Issues (Institution/ NGO/Community)	Auditor Verification
<b>Plantation Agency of Indragiri Hilir Regency (9<sup>th</sup> September 2019)</b> <ul style="list-style-type: none"> <li>The company already has the documents of land rights in the form of concession and permits for business activities</li> <li>The company has reported its business activities to the plantation agency every semester.</li> <li>There is no area expansion in PT BNS.</li> <li>There is no environmental issues related to company's operational.</li> <li>The company has adequate facilities and infrastructure of fire.</li> <li>There are no negative issues such as fires.</li> <li>CSR programs are considered good and reported every semester.</li> <li>When there is a request for information from the agency, it has received a good response from the company.</li> </ul>	<ul style="list-style-type: none"> <li>The company has had all plantation permit and has been complied all obligation reports.</li> <li>Implementation of environmental management and monitoring has been explained in criteria 5.1.2 and 5.1.3.</li> <li>Based on hydrant simulation, known that company has adequate facilities and infrastructure of fire and functioning properly.</li> <li>Has been verified by the auditor, that the mandatory report by the company has been submitted to the relevant agency and further explained in indicator 1.1.2 regarding the provision of information to stakeholders.</li> </ul>
<b>Labour and Transmigration of Indragiri Hilir Regency (9<sup>th</sup> September 2019)</b> <ul style="list-style-type: none"> <li>All of Manpower monitoring has conducted by manpower agency of Riau Province.</li> <li>The company has reported WLTk report.</li> <li>There are no issues related to industrial relations during last year.</li> <li>The applicable minimum wage is the Provincial Minimum Wage in 2019.</li> <li>All the workers have been included in BPJS employment dan health.</li> <li>There is no work accident information that is severe or fatal in the past 1 year.</li> <li>Contract worker has been registered in the Manpower Agency of Indragiri Hilir District.</li> </ul>	<p>Has been verified by the auditor, all mandatory reports by the company have been submitted to the relevant agency and further explained in indicator 1.1.2 regarding the provision of information to stakeholders.</p> <p>It has been accordance with indicator criteria 1.2 6.5, 6.6, 6.7.</p>
<b>Environmental Agency of Indragiri Hilir Regency (9<sup>th</sup> September 2019)</b> <ul style="list-style-type: none"> <li>The company has an environmental permit.</li> <li>The company has land applications permit which are still valid.</li> <li>Hazardous waste permit is still valid.</li> <li>The Company regularly reports mandatory reporting such as hazardous waste report and report of Environmental Management Plan – Environmental Monitoring Plan.</li> <li>Company always consult with environmental agency related environmental management.</li> </ul>	<ul style="list-style-type: none"> <li>It has verified by auditor team, the company has reporting mandatory report such as RKL/RPL report every semester.</li> <li>Implementation of environmental management and monitoring has been explained in criteria 5.1.2 and 5.1.3.</li> <li>The issue about to store hazardous waste has become <b>nonconformity No. 2019.01.</b></li> </ul>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>There are no issues about environmental pollution or fire at PT BNS.</li> <li>The time to store hazardous waste has exceeded of the time determined in the permit and regulation.</li> </ul>	
<b>National Land Agency of Indragiri Hilir Regency.</b> <b>(9<sup>th</sup> September 2019)</b> <ul style="list-style-type: none"> <li>There are no customary rights or other traditional rights in the PT BNS plantation and POM area.</li> <li>There is no land conflict in the company's work area.</li> <li>The Company has carried out Reporting on mandatory land used at least 1 time a year in accordance with <i>Permen</i> ATR No. 7 of 2017.</li> <li>There is no determination of abandoned land for PT BNS.</li> <li>There is no overlap with mining companies.</li> <li>Requests for information responded quickly.</li> </ul>	<p>There is no negative issue. CH has implement operation activity in accordance with RSPO standard criteria 1.1; 2.1; 2.2; 2.3 and 6.4.</p>
<b>Local Contractor (Replanting &amp; Mechanical operation system Mill).</b> <b>(9<sup>th</sup> September 2019)</b> <ol style="list-style-type: none"> <li>Currently working on replanting work at the Nusa Perkasa Estate and Nusa Lestari Estate from uprooted to land preparation.</li> <li>Work done based on a work agreement that has been agreed upon by both parties and held by a contractor.</li> <li>In the agreement, aspects of occupational safety and employment have been determined for example related to work accident insurance and provision of PPE provided by the contractor.</li> <li>There is no problem regarding payment by the company. The calculation is based on the agreement of both parties and is paid on time according to the agreement.</li> <li>The company has conducted socialization related to aspects of safe working, human rights policies and the company's code of ethics.</li> </ol>	<p>The cooperation with contractors has been carried out fairly in accordance with agreements made by both parties.</p>
<b>Gender Committee (NLE, NPE, TBE &amp; TBF)</b> <b>(9<sup>th</sup> September 2019)</b> <ul style="list-style-type: none"> <li>The Gender Committee already has an activity program for the period of 2019, such as: <i>Posyandu</i> Activity, Checking of Kindergarten &amp; Daycare, Socialization of sexual harassment and visit to Elementary School.</li> <li>During the period 2018-2019 there has been no complaints related to sexual harassment. Reporting mechanisms reported through the board of the gender committee will then be submitted to the Manager estate or Mill.</li> </ul>	<p>The Company already has an organizational structure of the Gender Committee and mechanism in case of sexual violation. In addition, there have been policies regarding the protection of women's reproductive rights. The above is in accordance with Criterion 6.9.</p>



Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>In addition, employees get H1 &amp; H2 leave by reporting to the Clinic and being given a rest for H1 Leave. While for Leave H2 given a before and after childbirth.</li> <li>The company has demonstrated an effort to facilitate access in obtaining adequate and adequate food ingredients, for example by the establishment of employee cooperatives that sell daily basic necessities.</li> </ul>	
<p><b>Worker Union Estate and Factory (NLE, NPE, TBE and TBF) (9<sup>th</sup> September 2019)</b></p> <ul style="list-style-type: none"> <li>The Company give workers the freedom to become union members.</li> <li>The company has implemented regulations related to minimum wage in accordance with provincial sector minimum wage.</li> <li>There are no complaints related to employee discrimination, immorality, and the use of child labor.</li> <li>The company absorbs local labor from the surrounding villages.</li> <li>Appointment of contract workers done gradually, after expiration of the contract is usually directly appointed to permanent workers.</li> <li>The minimum age of workers is 18 years.</li> <li>The company has adjusted the minimum wage in 2018 and has paid the shortfall in April 2018.</li> <li>All workers including contract workers (PKWT) have been registered with BPJS membership in employment and health.</li> <li>The appointment of workers (promotions) remains carried out according to needs and through the assessment process. Including assessment for contract workers (PKWT) has been carried out in accordance with procedures. The appointment will be made if it meets the requirements and there is a need from the company.</li> <li>There is no discrimination in the acceptance and promotions, all receive equal opportunities according to procedures.</li> <li>The company has provided PPE for workers who are used while working and the PPE procedure will be damaged will be replaced with a record of damage due to work factors. Monitoring the use of PPE that still needs to be improved.</li> <li>Currently Corrective Labour Agreement (PKB) is still valid</li> <li>Calculation of overtime in Teluk Bakau Factory has adjusted of overtime in PKB.</li> <li>Every worker is given freedom in association, for example by becoming a member of SPSI.</li> <li>Complaints of workers to SPSI have been submitted to companies with bipartite discussions</li> <li>Progress on the construction of permanent housing still</li> </ul>	<p>The auditor has verified the criteria of 6.5; 6.6; 6.7 and 6.8.</p> <p>Progress of building permanent housing for employees has been documented for all unit.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>progresses.</p> <ul style="list-style-type: none"> <li>• Every worker has been equipped with a Work Agreement that explains the rights of workers and OSH.</li> </ul>	
<p>Communities of Rotan Semelur Village (Parit Sabar Menunggu)</p> <ul style="list-style-type: none"> <li>• Impact from mill is haze and boiler ash sometimes goes to communities housing, depends on wind direction.</li> <li>• In 1989 there is agreement to make canal from river to mill and the company will maintain the canal. But for last few years, there is no maintaining of canal and this is cause flood.</li> <li>• CH not optimize for using the local contractor.</li> <li>• There is community area that manage by CH near the WWTP.</li> <li>• The soil to make dike is using community land.</li> <li>• There is no assistance for clean water.</li> </ul>	<p>CH has provide CSR to minimize the negative impact from mill operation such as provide medical assistance. Beside that, CH also maintain the machine to reduce the negative impact.</p> <p>CH has communicate with communities regarding to maintenance for canal near the mill and the process of maintenance is still on going.</p> <p>The contractor that using by company mostly is local contractor, only one contractor which not local contractor which is contractor for replanting.</p> <p>Field visit in area near WWTP that inform is use by CH found that the area is access road from public port to village and workers housing. This road is public available and not private use by company.</p> <p>The condition of nature in peat area make limitation for clean water, the company also have difficulties for clean water.</p>
<p>Communities of Makmur Jaya Village (Dusun Bente)</p> <ul style="list-style-type: none"> <li>• CH has given CSR to community such as school transport, celebration of religious, etc.</li> <li>• The impact of replanting is oryctes and the company has handle the impact.</li> <li>• There is no fire issue and the company always provide assistance if there is fire in communities land.</li> <li>• There is no negative issue cause by company.</li> </ul>	<p>There is no negative issue from communities. CH has implement in accordance with RSPO standard criteria 6.1; 6.3 and 6.11.</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	<p><b>Formal Sign-off of Assessment Findings</b></p> <p>Here under 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>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Bhumireksa Nusasejati Head of PSQM</p>  <p><u>Alagendran Maniam</u></p> <p>Thursday, 5 December 2019</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Ardiansyah</u></p> <p>Thursday, 5 December 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	Plantation Agency	Tembilahan, Indragiri Hilir Regency, Riau province		Phone	9 <sup>th</sup> September 2019	√	
2	Labour Agency	Tembilahan, Indragiri Hilir Regency, Riau province		Phone	9 <sup>th</sup> September 2019	√	
3	Environment Agency	Tembilahan, Indragiri Hilir Regency, Riau province		Phone	9 <sup>th</sup> September 2019	√	
4	National Land Agency	Tembilahan, Indragiri Hilir Regency, Riau province		Phone	9 <sup>th</sup> September 2019	√	
5	Gender Committee (NLE, NPE, TBE & TBF)	Tembilahan, Indragiri Hilir Regency, Riau province		Direct visit and interview	9 <sup>th</sup> September 2019	√	
6	Worker Union of Nusa Lestari Estate, Nusa Perkasa Estate, Teluk Bakau estate and Teluk Bakau Factory	Indragiri Hilir Regency, Riau province		Direct visit and interview	9 <sup>th</sup> September 2019	√	
7	Local Contractor Replanting & Mechanical operation system Mill).	Indragiri Hilir Regency, Riau province		Direct visit and interview	9 <sup>th</sup> September 2019	√	
8	Jaringan Masyarakat Gambut Riau	Indonesia	<a href="mailto:jmgriau@gmail.com">jmgriau@gmail.com</a>	email	5 <sup>th</sup> September 2019		√
9	Pusat Pengembangan Sumberdaya Wanita Sumatera	Indonesia	<a href="mailto:ppswsumatera@yahoo.com">ppswsumatera@yahoo.com</a>	email	5 <sup>th</sup> September 2019		√
10	WWF	Indonesia	<a href="mailto:suhandri@wwf.or.id">suhandri@wwf.or.id</a>	email	5 <sup>th</sup> September 2019		√
11	Sawit Watch	Indonesia	<a href="mailto:info@sawitwatch.or.id">info@sawitwatch.or.id</a>	email	5 <sup>th</sup> September 2019		√
12	WALHI	Indonesia	<a href="mailto:info@walhi.or.id">info@walhi.or.id</a>	email	5 <sup>th</sup> September 2019		√
13	Rotan Semelur village (3 persons) including previous land owners.	Sub-District of Pelangiran, Indragiri Hilir Regency		Direct visit and interview	09 <sup>th</sup> September 2019	√	
14	Makmur Jaya village (5 persons)	Sub-District of Kateman, Indragiri Hilir Regency		Direct visit and interview	11 <sup>th</sup> September 2019	√	
15	• Hazardous waste temporary	Teluk Bakau POM		Direct interview	10 <sup>th</sup> September 2019	√	

	<ul style="list-style-type: none"> <li>warehouse</li> <li>• Warehouse (2 workers)</li> <li>• WTP (1 workers)</li> <li>• Clinic (1 worker)</li> <li>• WWTP (1 workers)</li> </ul>						
16	<ul style="list-style-type: none"> <li>• BSS &amp; BMS House officer (1 worker).</li> <li>• Housing resident (1 worker)</li> <li>• Daycare (1 worker)</li> <li>• Water engine pump room (1 worker)</li> <li>• Fire Fighting Equipment Storage (3 worker)</li> <li>• Teacher (3 worker)</li> <li>• Workshop (5 worker)</li> <li>• Hazardous waste temporary warehouse 1 worker)</li> <li>• Clinic (1 worker)</li> </ul>	Nusa Perkasa Estate		Direct interview	11 <sup>th</sup> September 2019	√	
17	<ul style="list-style-type: none"> <li>• BSS &amp; BMS House officer (1 worker).</li> <li>• Housing resident (1 worker)</li> <li>• Daycare (1 worker)</li> <li>• Water engine pump room (1 worker)</li> <li>• Fire Fighting Equipment Storage (4 worker)</li> <li>• Clinic (1 worker)</li> <li>• Workshop (4 worker)</li> </ul>	Nusa Lestari Estate		Direct interview	10 <sup>th</sup> September 2019	√	

**Appendix 2. Assessment Program**

DATE	09 – 14 September 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Monday, 09 September 2019</b>		
06.25 - 08.10	<b>JAKARTA → BATAM</b>	<b>Auditor Team</b>
11.00 - 15.00	<b>Traveling from Batam to Plantation Site</b>	
16.00 - 17.00	<b>Opening Meeting</b> <b>Review of Time Bound Plan and Partial Certification</b> <b>Review of previous findings</b> <b>Verification of Basic Information Mill and Estate</b>	<b>Manager</b> <b>Representative</b> <b>PT BNS &amp; Auditor</b> <b>Team</b>
<b>Tuesday, 10 September 2019</b>		
08.00 – 12.00	<ul style="list-style-type: none"> <li>Stakeholder Consultation to Related Agencies in Indragiri Hilir District by phone.</li> <li>Interview with Gender Committee, Worker's Union, Local Contractor for Mill and Estate (CPO, kernel and FFB transporter), Third Party Supplier (if any), Plasma cooperative (if any).</li> <li>Stakeholder consultation to affected communities (<i>Aparat Desa, Tokoh Masyarakat</i> and <i>pemilik lahan sebelumnya</i>) surrounding the plantations and previous land owner.</li> </ul>	<b>Radytio</b>
		<b>Radytio</b>
		<b>Aradiansyah</b>
	<b>Field Visit to Nusa Lestari Estate</b>	
	<ul style="list-style-type: none"> <li>Manuring, Spraying, Harvesting, Integrated Pest Management (IPM), and Worker Welfare (payments, complaint mechanism)</li> <li>Legal operational</li> <li>High Conservation Value Area, Empty Fruit Bunch Application, Fragile Soil Management</li> <li>Worker facilities (housing, health clinic, clean water, etc) and Hazardous Waste Material (B3) management, Land Fire facilities, Storage, ect.</li> </ul>	<b>Yudhi/ Abdi</b>
12.00 – 14.00	<b>Break</b>	<b>All Auditor</b>
14.00 – 17.00	<b>Field Visit to Teluk Bakau POM</b>	<b>All Auditor</b>
	<ul style="list-style-type: none"> <li>Workshop, Chemical Storage, Loading Ramp (Grading), waste management</li> <li>Supply Chain &amp; Operational activities</li> <li>WWTP (IPAL), Land Application (LA), WTP, Hazardous Waste Material (LB3) management</li> </ul>	
<b>Wednesday, 11 September 2019</b>		
08.00 – 12.00	<b>Field Visit to Nusa Perkasa Estate</b>	<b>All Auditor</b>
	<ul style="list-style-type: none"> <li>Manuring, Spraying, Harvesting, Integrated Pest Management (IPM), and Worker Welfare (payments, complaint mechanism)</li> <li>Legal operational</li> <li>High Conservation Value Area, Empty Fruit Bunch Application, Fragile Soil Management</li> <li>Worker facilities (housing, health clinic, clean water, etc) and Hazardous Waste Material (B3) management, Land Fire facilities, Storage, ect.</li> </ul>	
12.00 – 14.00	<b>Break</b>	<b>All Auditor</b>
14.00 – 15.00	<ul style="list-style-type: none"> <li>Continue Field Observation and field observation clarification</li> </ul>	<b>All Auditor</b>

DATE	09 – 14 September 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
15.00 – 17.00	<ul style="list-style-type: none"> <li>Continue document verification and completing checklist</li> </ul>	
<b>Thursday, 12 September 2019</b>		
08.00 – 12.00	<b>Field Visit to Teluk Bakau Estate</b> <ul style="list-style-type: none"> <li>Manuring, Spraying, Harvesting, Integrated Pest Management (IPM), and Worker Welfare (payments, complaint mechanism)</li> <li>Legal operational</li> <li>High Conservation Value Area, Empty Fruit Bunch Application, Fragile Soil Management</li> <li>Worker facilities (housing, health clinic, clean water, etc) and Hazardous Waste management, Land Fire facilities, Storage, etc.</li> </ul>	All Auditor
12.00 – 14.00	<b>Break</b>	All Auditor
14.00 – 17.00	<ul style="list-style-type: none"> <li>Continue Field Observation and field observation clarification</li> <li>Continue document verification and completing checklist</li> </ul>	All Auditor
<b>Friday 13 September 2019</b>		
08.00 -10.00	<b>Closing Meeting</b>	All Auditor
10.00 - 17.00	<b>Travel from Plantation Area to Batam</b>	All Auditor
<b>Saturday 14 September 2019</b>		
07.00 -12.00	<b>Batam → JAKARTA</b>	All Auditor