

*Roundtable on Sustainable Palm Oil Certification  
RSPO*

**[ ✓ ] Re-Certification**

Name of Management Organisation : Gawi Bahandep Sawit Mekar Palm Oil Mill, PT Gawi Bahandep Sawit Mekar subsidiary of Triputra Agro Persada  
 Plantation Name : PT Gawi Bahandep Sawit Mekar supply base of Gawi Bahandep Sawit Mekar Estates  
 Location : Village of Jahitan, Sub District of Seruyan Hilir, District of Seruyan, Province of Kalimantan Tengah, Indonesia  
 Certificate Code : **MUTU-RSPO/138**  
 Date of Certificate Issue : 28 November 2019                      Date of License Issue : 28 November 2019  
 Date of Certificate Expiry : 27 November 2024                      Date of License Expiry : 27 November 2020

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
RC	20 to 23 May 2019	Trismadi Nurbayuto (Lead Auditor), Brigitta Prita, Haikal Ramadhan Kharismansyah, Satria Adi Putra	Ganapathy Ramasamy	Ardiansyah

Assessment	Approved by MUTUAGUNG LESTARI on:
RC	28 November 2019

**TABLE OF CONTENT**

**FIGURE**

Figure 1. Location Map of PT GBSM	1
Figure 2. Operational Map of PT GBSM	2

Abbreviations Used	3
--------------------	---

**1.0 SCOPE of the CERTIFICATION ASSESSMENT** 5

1.1 Assessment Standard Used	5
1.2 Organisation Information	5
1.3 Type of Assessment	5
1.4 Location of Mill and Plantations	5
1.5 Description of Area Statement	6
1.6 Planting Year and Cycles	6
1.7 Description of Mill and Supply Base	7
1.8 Estimate Tonnage of Certified Product	7
1.9 Other Certifications	8
1.10 Time-Bound Plan	8

**2.0 ASSESSMENT PROCESS** 11

2.1 Assessment Team	11
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	11
2.3 Stakeholder Consultation and Stakeholders Contacted	14
2.4 Determining Next Assessment	14

**3.0 ASSESSMENT FINDINGS** 15

3.1 Summary of Assessment Report of the RSPO Certification	15
3.2 Summary of Assessment Report of Supply Chain Requirement	41
3.3 Conformity Checklist of Certificate and Logo Use	50
3.4 Summary of RSPO Partial Certification	51
3.5 Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components	54
3.6 Summary of Arising Issues from Public, Management and Auditor Responses	62

**4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY** 68

4.1 Formal Signing of Assessment Findings	68
---	----

**APPENDICES**

1. List of Stakeholders Contacted in the RSPO Certification Process	69
2. Assessment Program	71

Figure 1. Location Map of PT GBSM

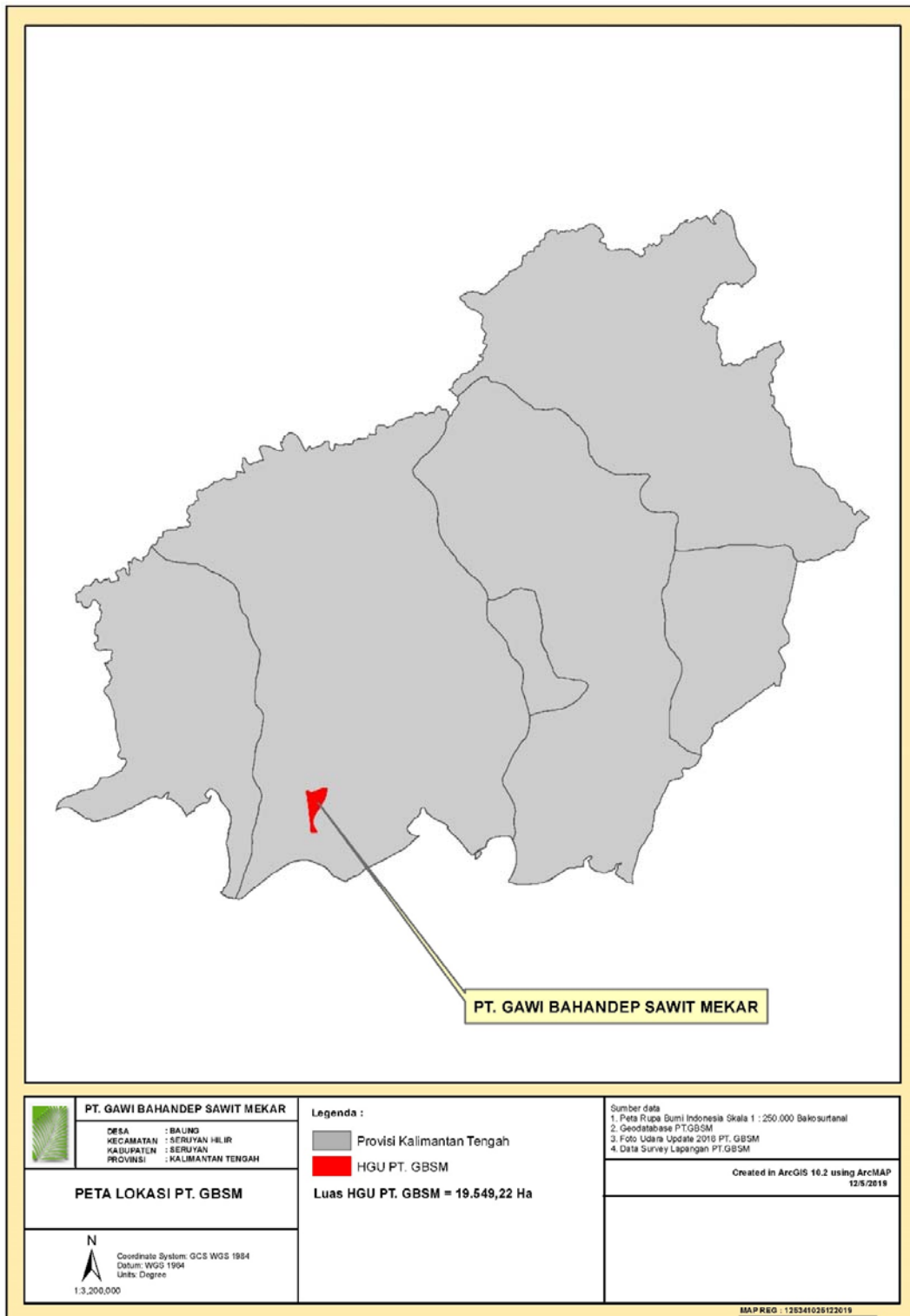
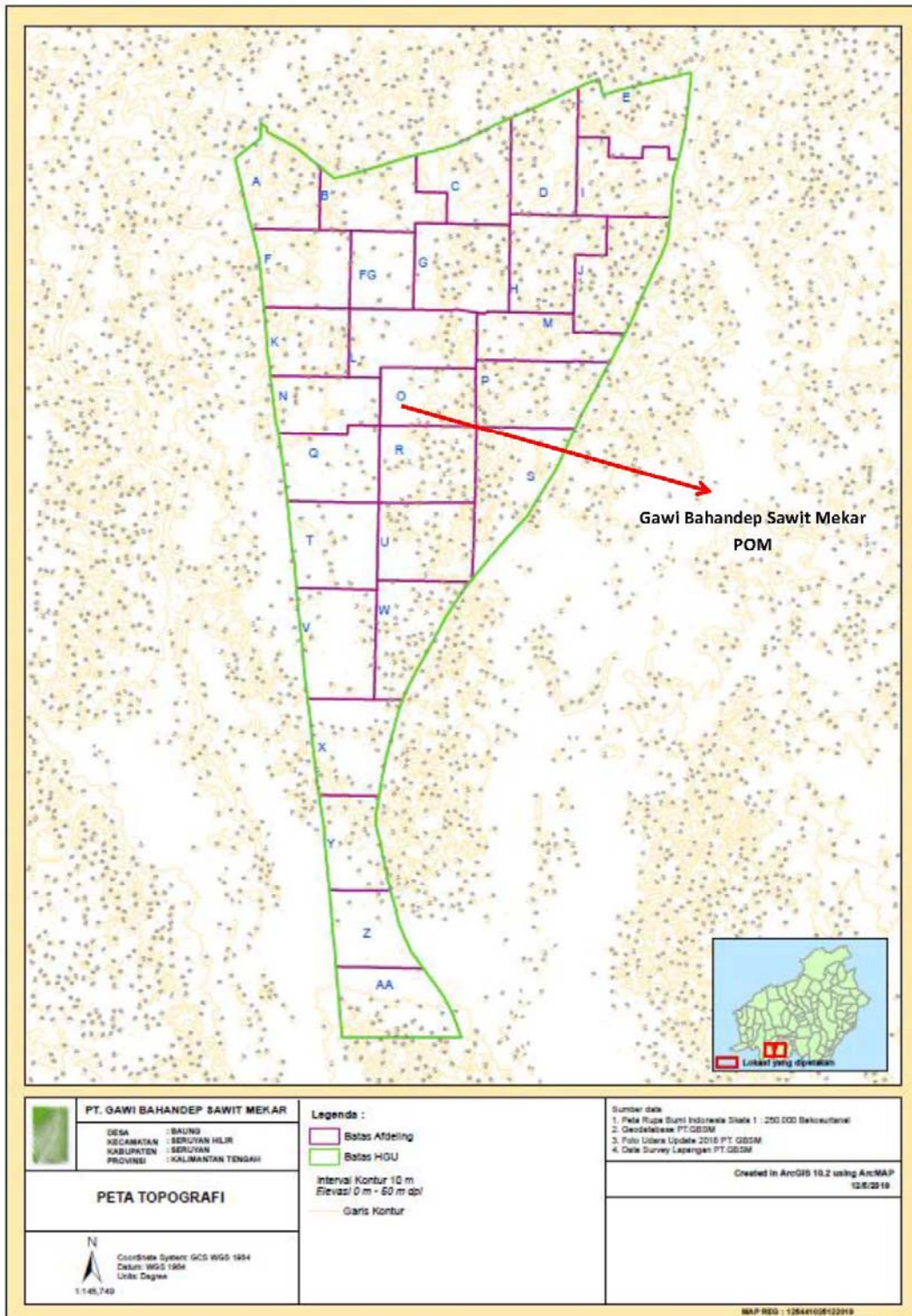


Figure 2. Operational Map of PT GBSM



**Abbreviations Used**

ALS	:	Assessor Licensing Scheme
ASA	:	Annual Surveillance Assessment
APAR	:	<i>Alat pemadam api ringan</i> (Fire Distinguisher)
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> (Worker and Health Insurance)
CB	:	Certification Body
CEO	:	Chief Executive Officer
CH	:	Certificate holder
CITES	:	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Corporate Social Responsibility
CV	:	Curriculum Vitae
DELH	:	<i>Dokumen Evaluasi Lingkungan Hidup</i>
EFB	:	Empty Fruit Bunch
EIA	:	Environmental Impact Assessment
EM	:	Estate Manager
FFB	:	Fresh Fruit Bunch
FPIC	:	Free, Prior, Informed, Consent
FR	:	Frequency Rate
GBSM	:	Gawi Bahandep Sawit Mekar
GHG	:	Greenhouse Gases
GM	:	General Manager
HCV	:	High Conservation Value
HCVRN	:	High Conservation Value Resource Network
HGB	:	Building Use Title
HGU	:	<i>Hak Guna Usaha</i> (Land use title)
HIRAC	:	Hazard Identification, Risk Assessment, and Control
IPM	:	Integrated Pest Management
KER	:	Kernel Extraction Rate
KUD	:	Smallholders Cooperative
LSU	:	Leaf Sampling Unit
MCU	:	Medical Check Up
MSDS	:	Material Safety Data Sheet
OER	:	Oil Extraction Rate
OFI	:	Opportunity For Improvement
OHS	:	Occupational Health and Safety
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> OHS Committee
PIC	:	Person In Charge
PK	:	Palm Kernel
PKB	:	<i>Perjanjian Kerja Bersama</i> (Collective Labour Bargaining)
POM	:	Palm Oil Mil
POME	:	Palm Oil Mil Effluent
PPE	:	Personal Protective Equipment
RKL	:	<i>Rencana Kelola Lingkungan</i>
RPL	:	<i>Rencana Pemantauan Lingkungan</i>
RSPO	:	Roundtable on Sustainable Palm Oil
RTE	:	Rare, Threatened, and Endangered

SCCS	:	Supply Chain Certification Standard
SEM	:	Senior Estate Manager
SMK3	:	<i>Sistem Manajemen Keselamatan dan Kesehatan Kerja</i> (Occupational Safety and Health System Management)
SOP	:	Standard Operating Procedure
SPSI	:	<i>Serikat Pekerja Seluruh Indonesia</i> (Worker Union)
SR	:	Severity Rate
SSU	:	Soil Sampling Unit
TAP	:	Triputra Agro Persada
WTP	:	Water Treatment Plant
WWTP	:	Wastewater Treatment Plant



<b>1.0</b>	<b>SCOPE of the CERTIFICATION ASSESSMENT</b>		
<b>1.1</b>	<b>Assessment Standard Used</b>	<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 30<sup>th</sup> 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>	
<b>1.2</b>	<b>Organisation Information</b>		
1.2.1	Organization name listed in the certificate	PT Gawi Bahandep Sawit Mekar subsidiary of PT Triputra Agro Persada	
1.2.2	Contact person	Dian Novita Putri	
1.2.3	Organisation address and site address	<ul style="list-style-type: none"> <li>• RSPO registered company: Gedung The East 23 Floor, Jl. DR Ide Anak Agung Gde Agung Kav E 3.2 No.1 Jakarta Selatan, Indonesia.</li> <li>• Liaison Office: Jl. Sawit Raya 1 No 2 RT 02 RW 01 Mentawa Baru Ketapang Kotawaringin Timur District, Kalimantan Tengah Province, Indonesia</li> </ul>	
1.2.4	Telephone	021 – 5794 4737	
1.2.5	Fax	021 – 5794 4745	
1.2.6	E-mail	<a href="mailto:dian.putri@tap-agri.com">dian.putri@tap-agri.com</a>	
1.2.7	Web page address	<a href="http://www.tap-agri.com">www.tap-agri.com</a>	
1.2.8	Management Representative who completed the application for certification	George Oetomo	
1.2.9	Registered as RSPO member	1-0038-07-000-00, 27 June 2007	
<b>1.3</b>	<b>Type of Assessment</b>		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base <ul style="list-style-type: none"> <li>• Gawi Bahandep Sawit Mekar Mill, Estate 1, Estate 2 &amp; Estate 3</li> </ul>	
1.3.2	Type of certificate	Single  Date of first certificate validity from 16 July 2014 until 15 July 2019 with Certificate No. RSPO 00008 issued by Sucofindo. Transferred to PT Mutuagung Lestari on April 2019 (RC-1).	
<b>1.4</b>	<b>Locations of Mill and Plantation</b>		
1.4.1	Location of Mill		
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Gawi Bahandep Sawit Mekar Mill	Jahitan Viilage, Seruyan Hilir Sub District, Seruyan District, Kalimantan Tengah Province,	S 02° 57' 00"      E 112° 20' 55"

	Indonesia				
1.4.2	Location of Certification Scope of Supply Base				
	<b>Name of Supply Base</b>	<b>Location</b>	<b>Coordinate</b>		
			<b>Latitude Longitude</b>		
	Estate 1	Baung Village, Seruyan Hilir Sub District, Seruyan District, Kalimantan Tengah Province, Indonesia	S 02° 88' 25" E 112° 31" 40"		
	Estate 2	Baung and Jahitan Village, Seruyan Hilir Sub District, Seruyan District, Kalimantan Tengah Province, Indonesia	S 02° 95' 23" E 112° 35' 49"		
	Estate 3	Jahitan and Muara Dua Village, Seruyan Hilir Sub District, Seruyan District, Kalimantan Tengah Province, Indonesia	S 02° 95' 23" E 112° 35' 49"		
<b>1.5</b>	<b>Description of Area Statement</b>				
1.5.1	Tenure				
	• State		<b>19,594.22</b> Ha		
	• Community		- Ha		
1.5.2	<b>Area Statement</b>				
	• <b>Total area</b>		<b>19,594.22</b> Ha		
	• <b>Mature area</b>		15,430.29 Ha		
	• <b>Immature area</b>		41.33 Ha		
	• <b>Mill</b>		8.19 Ha		
	• <b>Emplishment</b>		79.80 Ha		
	• <b>Infrastructure</b>		1,527.55 Ha		
	• <b>Nursery</b>		45.92 Ha		
	• <b>Occupation</b>		1,991.07 Ha		
	• <b>HCV</b>		470.07 Ha		
<b>1.6</b>	<b>Planting Year and Cycles</b>				
1.6.1	Age profile of planting year				
	<b>Planting Year</b>	<b>Hectarage (Ha)</b>			
		<b>Estate 1</b>	<b>Estate 2</b>	<b>Estate 3</b>	<b>Total</b>
	2006	1,038.64	757.09	0	1,795.73
	2007	2,684.13	1,116.42	0	3,800.55
	2008	578.42	225.57	0	803.99
	2009	49.98	0	0	49.98
	2010	336.75	2,185.42	338.08	2,860.25
	2011	405.66	390.28	2,672.02	3,467.96
	2012	92.79	289.49	712.47	1,094.75



	2013	202.31	117.27	623.28	942.86		
	2014	0	44.46	299.31	343.77		
	2015	4.23	2.95	263.27	270.45		
	<b>Total Mature Area</b>	<b>5,392.91</b>	<b>5,128.95</b>	<b>4,908.43</b>	<b>15,430.29</b>		
	2016	0	9.52	31.81	41.33		
	<b>Total Immature Area</b>	<b>0</b>	<b>9.52</b>	<b>31.81</b>	<b>41.33</b>		
	<b>TOTAL</b>	<b>5,392.91</b>	<b>5,138.47</b>	<b>4,940.24</b>	<b>15,471.62</b>		
1.6.2	New Planting area after January 2010	- Ha					
1.6.3	Planting Cycle	1 <sup>st</sup> Cycle					
<b>1.7</b>	<b>Description of Mill and Supply Base</b>						
1.7.1	Description of Mill						
	<b>Name of Mill</b>	<b>Capacity (tonnes/ hour)</b>	<b>FFB Processed (tonnes/year)</b>	<b>CPO</b>		<b>Palm Kernel</b>	
				<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	<b>Out put (tonnes)</b>	<b>Extraction (%)</b>
	Gawi Bahandep Sawit Mekar	75	425,462.19	93,765.22	22.04	18,196.01	4.28
	<i>*Production data source from May 2018 to April 2019</i>						
1.7.2	Description of Certification Scope of Supply Base						
	<b>Name of Estate</b>	<b>Total Area (Ha)</b>	<b>Planted Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/ha/year)</b>	<b>Supplied to Mill</b>	
						<b>FFB (tonnes/year)</b>	<b>%</b>
	Estate 1	5,754.77	5,392.91	133,776.26	24.81	133,776.26	100
	Estate 2	6,790.26	5,138.47	108,194.99	21.06	108,194.99	100
	Estate 3	7,049.19	4,940.24	65,548.04	13.27	65,548.04	100
	<b>TOTAL</b>	<b>19,594.22</b>	<b>15,471.62</b>	<b>307,519.29</b>	<b>19.87</b>	<b>307,519.29</b>	<b>100</b>
	<i>*Production data source from May 2018 to April 2019</i>						
1.7.3	FFB description from other source						
	<b>Name of sources/Organisation (RSPO certified / non-certified)</b>	<b>Type of Organisation</b>	<b>Number of smallholders</b>	<b>Production Area (Ha)</b>	<b>Supplied to Mill</b>		
					<b>FFB (tonnes/year)</b>		
	PT Mega Ika Khansa	Company-Non RSPO	-	-	48,272.78		
	PT Salonok Ladang Mas	Company-Non RSPO	-	-	2,014.84		
	PT Gading Sawit kencana	Company-Non RSPO	-	-	1,926.07		
	Loading Ramp Sebabi	Independent supplier	-	-	25,404.69		
	Loading Ramp KM 42	Independent supplier	-	-	415.07		
	Farmers	Independent supplier	-	-	39,909.45		
	<b>TOTAL</b>					<b>117,942.90</b>	
	<i>*Production data source from May 2018 to April 2019</i>						
1.7.4	Product categories			FFB, CPO, PK			
<b>1.8</b>	<b>Tonnage of Product</b>						
1.8.1	Past Annual Claim Certified Product			Previous Certificate Claim July 16 <sup>th</sup> 2018 to July 15 <sup>th</sup> 2019		Actual certified product May 1 <sup>st</sup> 2018 to April 30 <sup>th</sup>	

		(tonnes/year)	2019 (tonnes/year)					
	• FFB Production	306,487.56	307,519.29					
	• CPO Production	71,718.09	70,628.03					
	• Palm Kernel (PK) Production	13,791.94	13,549.44					
1.8.2	Product selling							
	Tonnage of selling product	Period of actual selling product May 1 <sup>st</sup> 2018 to April 30 <sup>th</sup> 2019						
	• CSPO sold as RSPO certified product	2,788.62 MT						
	• CSPK sold as RSPO certified product	4,425.80 MT						
	• CSPO sold under other scheme	0						
	• CSPK sold under other scheme	0						
	• CSPO sold as conventional	62,344.88 MT						
	• CSPK sold as conventional	9,019.70 MT						
1.8.3	Estimate of Certified FFB Claim							
	<b>Name of Estates</b>	<b>Total Area (Ha)</b>	<b>Planted Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/ha/year)</b>			
	Estate 1	5,754.77	5,392.91	140,500	26.05			
	Estate 2	6,790.26	5,138.47	113,600	22.11			
	Estate 3	7,049.19	4,940.24	68,900	13.95			
	<b>TOTAL</b>	<b>19,594.22</b>	<b>15,471.62</b>	<b>323,000</b>	<b>20.88</b>			
	<i>*Projected FFB production for 28 November 2019 to 27 November 2020</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	<b>Name of Mill</b>	<b>Capacity (tones/ hour)</b>	<b>FFB Processed (tonnes/year)</b>	<b>CPO</b>		<b>Palm Kernel</b>		<b>Supply Chain Module</b>
				<b>Out put (tones)</b>	<b>Extraction (%)</b>	<b>Out put (tones)</b>	<b>Extraction (%)</b>	
	GBSM	75	323,000	74,290	23	14,535	4.50	MB
	<i>*Projected CSPO and CSPK production for 28 November 2019 to 27 November 2020</i>							
1.9	Other Certifications							
	ISPO			Number of certificate ISPO IUS-ISPO-20190001 by Intertek Utama Service Date of issued certificate on August 22 <sup>nd</sup> , 2019 to August 21 <sup>st</sup> , 2024				
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
	<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 Plan</b>						
	Brahma Binabakti	2015	Brahma Binabakti Estate	2015	District of Muaro Jambi, Province of Jambi, Indonesia	Certified		

		Brahma Binabakti Estate (Non HGU)	2023	District of Muaro Jambi, Province of Jambi, Indonesia	-
		Plasma Pelayung (full managed scheme smallholder)	2020	District of Batang Hari, Province of Jambi, Indonesia	-
Gawi Bahandep Sawit Mekar	2014	Gawi Bahandep Sawit Mekar	2014	District of Seruyan, Province of Kalimantan Tengah, Indonesia	Certified
		Koperasi Usaha Mandiri	2024	District of Seruyan, Province of Kalimantan Tengah, Indonesia	-
First Lamandau Timber International	2019	First Lamandau Timber International Estate	2020	District of Lamandau, Province of Kalimantan Tengah, Indonesia	Waiting for LUCA & Final Conservation Liability Prior to Initial Certification
		Plasma Tangga Batu	2022	District of Lamandau, Province of Kalimantan Tengah, Indonesia	Socialization, Training and Certification Preparation
		Plasma Belibi	2023	District of Lamandau, Province of Kalimantan Tengah, Indonesia	Socialization, Training and Certification Preparation
		Plasma Sungai Buluh	2024	District of Lamandau, Province of Kalimantan Tengah, Indonesia	Socialization, Training and Certification Preparation
		Plasma Bayat	2025	District of Lamandau, Province of Kalimantan Tengah, Indonesia	On-going progress of forest production release accomplishment
PT Muaratoyu Subur Lestari	2021	PT Muaratoyu Subur Lestari	2021	Muara Toyu, Long Kali, Paser District, Province of Kalimantan Timur, Indonesia	-
PT Etam Bersama Lestari	2022	PT Etam Bersama Lestari	2022	Pelawan, Sangkulirang, Kutai Timur District, Province of Kalimantan Timur, Indonesia	-
PT Hamparan Perkasa Mandiri	2022	PT Hamparan Perkasa Mandiri	2022	Busang, Kutai Timur District, Province of Kalimantan Timur, Indonesia	-
1.10.2	<b>Progress of Associated Smallholders and Out growers for Certifiable Standard</b>				
	<b>Usaha Mandiri Cooperative.</b>				
	The Company shows a Cooperation Agreement between <i>Koperasi Usaha Mandiri</i> and PT Gawi Bahandep Sawit				

<p>Mekar under number 02 / KUM-SPK / Plasma / II / 2015 dated March 24<sup>th</sup>, 2015. The period of this cooperation is valid from the date of signing up to 25-35 years. Koperasi Usaha Mandiri does not delivery FFB to Mill, because it is under development. The progress of the development of Plasma until February 2019 was 177 ha and land clearing was 419 ha.</p>
--

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>RC</b>	<p>1. <b>Trismadi Nurbayuto (Lead Auditor)</b>. Indonesian Citizen. Diploma of Forest Management from Forestry Faculty; Associate Degree of Economic from Economic and Management. He has experienced as field assistant on oil palm plantation year of 2008. Therefore he has experienced as HCV and SEIA Assessor on 2010-2013. He has been followed HCV identification and management training; ISO training (9001;14001; 22000); ISPO Lead Auditor's training; Safety Expert; RSPO Lead Auditor's; OHS Auditors by Government Regulation No 50 year of 2012; and RSPO Next. He has been conducted audit on ISPO and RSPO scheme since year of 2013 as an Auditor on several aspect as environment, OHS, Legality, Best Management Practices, Social, Worker Welfare, Conflict Resolutions, Long term Business Plan and Supply Chain on Palm Oil Mill. During this assessment verify environment, GHG &amp; HCV.</p> <p>2. <b>Brigitta Prita (Auditor)</b>. Citizen of Indonesia. Bachelor of Forestry, Department of Forest Resources Conservation and Ecotourism. She had attended Training ISPO by Commission ISPO on June 2013, Training ISO 9001:2008 Quality Management System on January 2014, In House Training 17021 and 17065 management system and Product Quality, Training High Conservation Value by IPB on September 2015, In House Training HCV on August 2016, In House Training Roundtable Sustainable Palm Oil on January 2014; In House Training ISO 14000:2004 Environmental Management System. She has been audit experience ISPO &amp; RSPO since April 2013 in the environmental, conservation, waste management and worker welfare aspects. During this assessment verify legal, land conflict, social and SCCS aspect.</p> <p>3. <b>Satria Adi Putra (Auditor)</b>. Indonesian citizen, Diploma III majoring in Palm Oil Plantation. Have experience of work more than six years since 2009 as the operational staff of private oil palm plantations in Indonesia. Training have been followed including Occupational Health and Safety Expert, Orang Utan and Wildlife Management, ISPO Auditor Training, RSPO Awareness, IHT Potential Mapping and Conflict Resolution in Production Forests, OHSAS 18001, SA 8000, RSPO Lead Training, Lead Auditor Training for ISO 9001, ISO 14001, ISO 17021, ISO 17065, ISO 19011, ISO 22000. During this audit, he verify Best Management Practices and Transparencies.</p> <p>4. <b>Haikal Ramadhan Kharismansyah (Auditor)</b>. Indonesian citizen, Bachelor of Agriculture department of plant and pest disease (Agrotechnology). He has 3 years experience as an Agronomy Staff in private oil palm plantation in Indonesia. Training which had attended including Basic Management Development Program Agronomy, Integrated Urban Pest Management, Integrated Pest Management, ISO 9001 : 2015, Auditor ISPO, RSPO awareness, ISO 22000 awareness, SA 8000. Did some audit ISPO scheme with aspects Best management practices. During this assessment verify OHS and Worker Welfare.</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>RC</b>	<p>Number of auditors : 4 auditor          Number of days for <b>RC</b> at site : 5 days          Number of working days for <b>RC</b> at site: 20 Working days.</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>RC</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Gawi Bahandep Sawit Mekar to the requirements of RSPO Principles and Criteria 2013, endorsed 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, Rev. June 2017 (Module E for CPO Mill)).</p> <p>The first day, team travel from Jakarta to Sampit by plane and travel to site by car, then continued with the 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.</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</p>

	<p>information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site. Some opportunities for improvement of the results RC delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase <b>ASA-1.1</b>. Improvement of findings from previous assesment findings were observed by auditors at this RC assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of RC.</p> <p>The assessment program please find Appendix 2.</p>
<p><b>2.2.3</b></p>	<p><b>Locations of Assessment</b></p>
<p><b>RC</b></p>	<p><b>Gawi Bahandep Sawit Mekar POM</b></p> <ul style="list-style-type: none"> <li>• <b>Empty Bunch Press.</b> Based on field observations sighted that there are three unit empty bunch press.</li> <li>• <b>Water Treatment Plant.</b> Field observations and staff interviews related to working hours, occupational safety and health (PPE), water sources, water treatment, chemicals used, MSDS, occupational accidents, first aid boxes, health checks, Fire Distinguisher and workplace conditions.</li> <li>• <b>Effluent Pond.</b> Field observations and staff interview related working hours, OHS and PPE. Based on field observations result sighted that there are eight effluent ponds.</li> <li>• <b>Control Well (Non Land Application area), Block D36.</b> Based on field observations there are water on the well and it has signboard with coordinate.</li> <li>• <b>Control Well (Housing area), Block C36.</b> Based on field observations there are water on the well and it has signboard with coordinate.</li> <li>• <b>Land application Block D32.</b> Field observations and staff interviews related to application areas, number of beds, rotation of application land, bed capacity, working hours, work of helper, wastewater streaming techniques, bed wash, work equipment, wall bed improvement, occupational safety and health (PPE), recording of work, medical examination. There are 43 flatbed with operation quarterly of year per block.</li> <li>• <b>Grading Station.</b> Observation and interview with grading work related to the implementation of SOP, OHS and employment.</li> <li>• <b>Sterilizer Station.</b> Observation of application and interview with sterilizer operators related to SOP, OHS and employment.</li> <li>• <b>Engine Room.</b> Observations and interviews with engine room operators on employment, occupational safety and health and defined work procedures.</li> <li>• <b>Kernel Stations.</b> Observations and interviews with kernel station operators regarding employment, occupational safety and health and defined work procedures.</li> <li>• <b>Boiler Station.</b> Observations and interviews with boiler operators regarding labor, occupational safety and health and defined work procedures.</li> <li>• <b>Chemical storage.</b> Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health related to OHS and medical examination, wages and complaint mechanism.</li> <li>• <b>Hazardous waste warehouse.</b> Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse, wages and complaint mechanism.</li> <li>• <b>Workshop.</b> Observations and interviews related to wages and overtime, waste management activities, OHS implementations and health inspections</li> <li>• <b>Central Warehouse.</b> Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse, wages and complaint mechanism, PPE Stock, and the others.</li> <li>• <b>Hydrant No.6.</b> Observation related simulation of emergency situation at mill area.</li> </ul> <p><b>Estate 1</b></p> <ul style="list-style-type: none"> <li>• <b>EFB Application Block C16, Afdeling B.</b> Observation related to waste management and nutrient cycle strategy.</li> <li>• <b>Census and Disease Census, Block D14, Afdeling B.</b> Interviews on census mechanism, medical examination, PPE, and labor aspect.</li> </ul>

**Estate 2**

- **Bakung River (buffer zone) as HCV1.2; HCV1.3; HCV4.1; Block G36/G37.** Observation HCV area. the condition of the HCV area is well maintained, good delineated and signed clearly. It is also accessible.
- **Boundary stones BPN GBSM 061, Block K40.** Observation on boundaries poles, coordinates, maintenance, and demarcation.
- **Boundary stones BPN GBSM 062, Block J42.** Observation on boundaries poles, coordinates, maintenance, and demarcation.
- **Boundary stones BPN GBSM 063, Block J44.** Observation on boundaries poles, coordinates, maintenance, and demarcation.
- **Bakung River (buffer zone) as HCV1.2; HCV1.3; HCV3; HCV4.1; Block F34-45.** Observation HCV area. the condition of the HCV area is well maintained, good delineated and signed clearly. It is also accessible.
- **HCV1.2; HCV1.3; HCV3; HCV4.1, Block F34-F35.** Observation HCV area. the condition of the HCV area is well maintained, good delineated and signed clearly. It is also accessible.
- **Water Pond, Block E34.** Based on field observation sighted that there are safety signboard near of pond.
- **Bakung River (buffer zone) as HCV1.2; HCV1.3; HCV3; HCV4.1; Block F24-F25.** Observation HCV area. the condition of the HCV area is well maintained, good delineated and signed clearly. It is also accessible and sighted that a rehabilitation area.
- **Land Fill, Block A35.** Organic waste
- **Anorganic waste management, at Block A34.** Anorganic rubbish shelter, based on interview with staff sighted that there will be collectors who take every weeks.
- **Fertilizer, Block B20, Afdeling OF.** Interviews of fertilizer mechanism, work tools, chemicals used, doses used, medical examinations, extra fooding, PPE, labor aspect and environment.
- **Road Maintenance, Block B20, Afdeling OF.** Observation related road maintenance, labor aspect, safe working practice and use of PPE.
- **Beneficial Plant, Block D/E 5, Afdeling ON.** Observation related planting of *Turnera subulata*, *Casia sp* and *Antigonon leptopus*.
- **Pesticide Warehouse.** Field observations related to condition of the storge, symbols, MSDS, channels and pesticide spill containers, and pesticide stock, and management of hazardous and toxic materials.
- **Fertilizer Warehouse.** Field observations related to condition of the storge, symbols, MSDS, channels and pesticide spill containers, and pesticide stock, and management of hazardous and toxic materials.
- **PPE and Washing House.** Field observations and staff interviews related to the condition and facilities of PPE and washing houses.
- **Workshop** Observation and interviews with employees related to management of hazardous waste and hazardous material, training, provision of PPE, training, emergency response facilities
- **Solar tank** Observation Hazardouse waste management, MSDS, Symbols and the others.
- **Interviews and Simulations with Emergency Response Groups** Observations related to the preparedness of the emergency response team, the ability and understanding of members, the completeness of the fire prevention equipment.
- **Generator House.** Observation about azardouse maintenance and emergency facilities.
- **Housing.** Observation and interview regarding to feasibility of facilities, complain mechanism, waste management, clean water and access to basic needs.
- **Day Care.** Interview related to worker welfare, complain mechanism, and feasibility of facilities

**Estate 3**

- **Harvesting, Block C73-C77, Afdeling OX.** Observation and interviews with transporter, foremen and harvest workers related to work procedures, health insurance and labor protection, safe working practices and use of PPE.
- **Spray Circle & Path, Block F59, Afdeling OW.** Interviews of spraying mechanism, work tools, chemicals used, doses used, medical examinations, extra fooding, PPE, labor aspect and environment.
- **Subsidence Pole, Piezometer and Logger, Block F43, Afdeling OR.** Observation related peat and water management.



	<ul style="list-style-type: none"> <li>• <b>Water Level, Block E/D 63, Afdeling OV.</b> Observation related water management in the peat area.</li> <li>• <b>Outlet Drain, Block F 61/62, Afdeling OW.</b> Observation related water management in the peat area.</li> </ul> <p><b>Public Consultation.</b></p> <ul style="list-style-type: none"> <li>• <b>Muara Dua Village.</b> Interview with Head of Village, Village Secretary and 13 person. Based on interview with several villagers, there is no environment pollution issues, fire cases, and land dispute issues during last year. The company has realized the CSR program, however there are several aspiration from the villagers.</li> <li>• <b>Jahitan Village.</b> Interview with former Head of Village. Based on interview with sighted information that good relation between company and the villagers. There are aspiration from independent smallholders regarding fertilizer providing, they hope that the company can help supply the fertilizer for the smallholders. Because they have difficulty in finding the fertilizer.</li> <li>• <b>Interview with Previous land owners.</b> Two persons from Muara Dua Village and one person from Jahitan Village. The land acquisition process through FPIC. There are no intimidation during negotiate process between company and land owners. There are also several enclave area on the operational area, when the land owner disagree with acquisition prices.</li> <li>• <b>Interview with FFB Suppliers.</b> Based on interview with him there are transparencies regarding agreement and FFB prices, there is no complaint for payment system.</li> </ul> <p><b>Tuesday, May 21<sup>st</sup> 2019.</b> Public consultation with Environmental Agency, Manpower &amp; Transmigration Agency, Agriculture Agency Plantation sector. Interview with internal stakeholders such as Gender Committee, Labor union, Local contractor, FFB Supplier and others.</p>
<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>RC</b>	<p>Summary of stakeholder consultation process Consultation of stakeholders for PT GBSM was held by:</p> <ul style="list-style-type: none"> <li>• Public Notification in RSPO and Mutuagung website on April 4<sup>th</sup>, 2019.</li> <li>• Public consultation with Environmental Agency, Manpower &amp; Transmigration Agency, Agriculture Agency Plantation sector. Interview with internal stakeholders such as Gender Committee, Labor union, Local contractor, FFB Supplier and others on May 21<sup>st</sup>, 2019.</li> <li>• Public consultation with local communities (Muara Dua Village &amp; previous land owners in Jahitan village &amp; Muara Dua) on May 21<sup>st</sup>, 2019.</li> <li>• Public consultation with NGO by email on 3 May 2019.</li> </ul> <p>Numbers of input from stakeholders were clarified by PT. Gawi Bahandep Sawit Mekar.</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	Please find appendix 1
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit ASA 1.1 will be conducted eight (8) to twelve (12) months after this <b>Recertification</b> .

**3.0. ASSESSMENT FINDINGS**

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

MUTUAGUNG LESTARI has conducted an assessment of Gawi Bahandep Sawit Mekar POM – PT Gawi Bahandep Sawit Mekar, Triputra Agro Persada. Group operation consisting of one (1) mill and three (3) oil palm estate.

During the assessment, there were three (3) Nonconformities were assigned against Major Compliance Indicators and four (4) 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 actions that had been reviewed and accepted by Auditors in form of documentation evidence(s) e.g. (document record/photographic/etc...). Those corrective actions taken that consist of two (2) Major non-conformities had been closed out shall be verified during next assessment, and one (1) Major non-conformity still open until next surveillance based on RSPO email on October 30<sup>th</sup>, 2019.

MUTUAGUNG LESTARI found that Gawi Bahandep Sawit Mekar POM – PT Gawi Bahandep Sawit Mekar, Triputra Agro Persada Group complied with the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30<sup>th</sup> 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 June 2017 (Module E 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 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</b>	<p>The company has shown PT GBSM stakeholder list in 2019 which includes provincial government (6 stakeholders), district government (12 stakeholders), community leaders (27 stakeholders), plasma communities (6 stakeholders), police (7 stakeholders), military (2 stakeholders), worker unions (2 stakeholders), hospitals (2 stakeholders), insurance (2 stakeholders) and suppliers/contractors (25 stakeholders).</p> <p>The company show mandatory reports such as:</p> <ul style="list-style-type: none"> <li>• P2K3L report quarter 1 of 2019 to the Department of Manpower &amp; Transmigration of Seruyan District on April 4<sup>th</sup>, 2019.</li> <li>• Fire prevention report quarter I 2019 workplace to the Provincial Plantation Office of Kalimantan Tengah on April 8<sup>th</sup>, 2019.</li> <li>• Report on land use for 2018 has been sent to the Head of National Land Agency of Seruyan District on January 14<sup>th</sup>, 2019</li> <li>• Report on plantation business development in January 2019 with letter number 04/GSM/SKR-CSP-SK/II/19.</li> </ul>	
<b>1.1.2</b>	<p>The company has procedures for Receiving and Handling Information Requests (SOP/SUPP/II/2017/001) dated February 20, 2017 revision 2. SOPs can be accessed but need approval. The company will response the information request in four days.</p> <p>The types of information that can be accessed by the public include information on CSR, information relating to HCV, SIA, and AMDAL, Information on HSE, commercial data (can only be submitted verbally according to the direction of the CEO Region), information related to bills or completeness data on contractors, suppliers, purchase of FFB, job information, internships, or comparative studies and employment information.</p>	

The company records incoming and outgoing mail in the Register of Inboxes and Outgoing Letters. For example, the letter of entry on November 17, 2018 from the Regent of Seruyan (No.140/804/DPMD/XI/2018) concerning the Participation of the Basic Food Packages. The company responded to the request for information on November 21, 2018 with the results of approving the application.

**Status: Comply**

**1.2**

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

**1.2.1.**

The Company has list of document that can be accessed publicly in accordance to SOP/SUPP/V/2017/004, such as:

- CSR informations
- Land use rights document
- OSH committee implementation report
- Environment document (HCV and management and monitoring environment report)
- SIA report and its management report
- Complaint and grievance document
- Continual improvement document
- RSPO Audit Report
- Human right policy
- Etc.

The document also set stakeholder who can access the document. These documents are available in estate and mill office. CH also has monitoring and management report, such as OHS implementation report, report of environmental management and monitoring plan, land use report, and plantation activities report. These documents also can be accessed by public through the mechanism which has determined by the company.

**Status: Comply**

**1.3**

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

**1.3.1**

Company has commitment related to integrity and ethical conduct in all operational activities listed in Standing Instruction No 004/SI-DIR/II/2013 on February 22<sup>nd</sup>, 2013 and ethical guide book. It states about fair business practices, prohibitions on corruption, bribery, fraud in the use of funds and resources, etc. Based on interview with worker in Mill, estate, and local contractor of FFB transporter, it is known that they understand about ethical conduct. This policy is available in Indonesian Language. Ethical conduct for contractor also written in work agreement.

**Status: Comply**

**PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS**

**2.1**

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

**2.1.1.**

The company shows a list of laws and regulations that apply in the scope of the Company which was updated on 11 March 2019 with details:

1. Employment: Law (11); Government regulation (7); Presidential Regulation (4); Presidential Decree (1); *Permenaker* (10); Minister of Finance Regulation (3) & Minister of Manpower and Transmigration (6) & others.
2. Environment & conservation: Law (6); Government regulation (12); President Regulation (2); Presidential Decree (1); Presidential Instruction (1); and others.
3. OHS: 63 Regulations consist of laws; Presidential Decree; Government regulation; and others.
4. Corporations: 29 regulations consist of laws; Government Regulation; President Regulation; and others.

5. Agriculture Minister regulation No.29 of 2018; Minister of Finance Regulation No. 35 of 2018; Regulation of the Director General of Customs & Excise No.PER-06 / BC / 2018 concerning Amendments to the Director General of Customs & Excise Regulation.
6. Plantation: 34 regulations consisting of Law, Government Regulation; President Regulation; *Permentan*, *Agrarian* Regulation; and others.
7. Minister Regulation of agrarian & spatial No.14 2018 concerning location permits, Decree *Dirjenbun* No.29 2017 concerning Palm Oil rejuvenation guidelines; Minister of Agriculture Decree No.46 of 2015; Minister of Forestry Regulation No. 16 of 2014 and others.

**Environment aspect**

- EIA in accordance to Kalimantan Tengah Governor Decree number 188.44/224/2009 dated 7 August 2009 with mill capacity 90 MT/hours and area 20,000 Hectare. It has been addendum in accordance to Head of Investment and one stop service agency number 503-F.1/01.002.SK.DPMPTSP/III/2019 dated 21 March 2019.
- Land application permit in accordance to Seruyan District Decree number 188.45/338/2016 dated 1 August 2016 with area 1,427.33 Hectare.
- Hazardous Waste Store Permit in accordance to Seruyan District Decree number 188.45/163/2014 dated 8 April 2014. The extension permit process has been submitted to the related agency on 23 April 2019.

**OHS & Worker Welfare Aspect**

- Compliance to Safety Act no. 1 of 1970 Article 3, such as by monitoring the implementation of occupational safety and health, conducting accident investigations, hazard risk analysis, medical check-up, machine operation by persons authorized and socialized safe work practices. Technical standard related disturbance of immovable source such as noising, vibration and odor accordance with Minister Decision of Environment number 48/1996, number 49/1996 and 50/1996. The company also carried out health checks for mill and estate employees on 2018. Medical checks include checking cholinesterase, audiometry and spirometry.
- The company has endeavored to protect workers from hazards and risks by providing PPE for high noise areas such as earplugs and earmuffs, and for areas with potential dangers of dust, smoke and ash in the form of masks. In addition to the provision of PPE, protection for workers is done by performing regular health checks in the form of audiometry and spirometry. As well as testing the air quality in the factory environment to ensure that the working environment in a safe condition in accordance with requirement (refer to indicator 4.7.3)
- Workers at specific station have completed with license (boilerman, electrician, and heavy equipment operator) in accordance with requirement (refer to indicator 4.7.3)  
For example Boiler Operator, License No. 15.8050.OPK3-PUBT-B.I/III/2015 (1<sup>st</sup> class boiler operator), valid until March 20, 2020; Electrical technician, License No. 13395/TK3-LIST/IX/2016-P0, Wheel loader operator, License No. 17448-OPK3/PAA/II/2013.
- There are a fire mitigation officers based on Kepmenakertrans No. 186 Tahun 1999 *Unit Penanggulangan Kebakaran*. For example:
  - *Ahli Kebakaran Kelas B* No. Ser.0151/KoordK3-KEB/IV/2018, valid until 13 April 2021,
  - *Ahli Kebakaran Kelas C* No. Ser.00568/ReguK3-KEB/VI/2017, valid until 16 June 2020
  - *Ahli Kebakaran Kelas D* No. Ser.00886/Perank3-KEB/IV/2015, valid until 20 July 2021
- Already has an organizational structure of Guiding Committee of Occupational Safety & Health and reporting regularly every three months (refer to indicator 4.7.4).
- The Certification unit has comply with minimum wage referring the decree of Kalimantan Tengah Governor (refer to indicator 6.5.1)

**2.1.2; 2.1.3; & 2.1.4.**

On the Internal Memo No. MI-005/MD/SUST/XII/2012 dated December 11, 2012 issued by the Sustainability Division regarding Implementation & Compliance with Applicable Laws, explains the person in charge for each stage or process in fulfilling the regulations, including:

- The Corporate Legal Division is responsible for analyzing the applicable regulations and in following developments or changes in regulations
- Responsible for implementing regulations according to aspects including Manpower (HR Division), OHS & Environment (Sustainability Division), Licensing and / or site legality (Document & License Region), Licensing and / or legality of the head office (Corporate Legal Division), Agronomy (Division of Legal Division) Estate), Mill (Mill Division), Taxation (Tax Division), Information and Technology (IT & Legal Division), etc.
- Sustainability Division cc Department Document Control as the person in charge of audits to ensure compliance with

regulations.

The list of laws and regulations will be updated by the Corporate Legal Division and sent to the relevant department or work unit every time if there is a change. That list will still being update no later than one year whether there is no change of regulations.

From the explanation above, it is known that the documentation system which includes written information regarding legal requirements has been maintained with the person responsible for managing the document also determined by the company.

**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 company has legal documents including:

**1. Location Permit.**

- Provision of location permits according to the Seruyan District Decree Number 147 of 2004 covering an area of ± 20,000 ha on December 23<sup>rd</sup>, 2004 for the purposes of palm oil plantation development. PT Gawi Bahandep Sawit Mekar is located in Empa Village, Tanjung Baru, Jahitan and Muara Dua Seruyan Hilir District, Seruyan Regency.
- The amendment to Decree No.147 of 2004 dated March 7<sup>th</sup>, 2005 covering an area of ± 22,000 ha dated March 7<sup>th</sup>, 2005 for the purpose of building Plantation PT GBSM located in the villages of Empa, Tanjung Baru, Jahitan and Muara Dua, Seruyan Hilir District, Seruyan District.
- The amendment to Decree No.46 of 2005 dated December 2006 covering an area of ± 19,647.98 ha for the purposes of palm oil construction. PT GBSM is located in Empa, Tanjung Baru, Jahitan and Muara Dua Villages, Seruyan Hilir District, Seruyan District.

**2. Plantation Business Permit.**

- Plantation business permit No. 525/460 / Ek / XII / 2006 dated December 4<sup>th</sup>, 2006 covering an area of 19,647.98 ha located in Baung, Empa & Jahitan Village, Seruyan Hilir District, Seruyan District, Kalimantan Tengah Province.

**3. Permit the release of forest area.**

- Release of convertible production forest area covering 19,647.98 ha according to *Kepmen Kehutanan* Number SK.507 / Menhut-II / 2006 dated November 22<sup>nd</sup>, 2006 located in Seruyan Hilir Subdistrict, Seruyan District, Kalimantan Tengah Province on behalf PT GBSM for palm oil plantation cultivation in accordance with laws and regulations.

**4. Land use title Decree.**

- Provision of Land use title by PT Gawi Bahandep Sawit Mekar with number 10-HGU-BPN-RI-2008 covering 19,594.22 ha for 35 years from February 22<sup>nd</sup>, 2008 by the Head of the National Land of the Republic of Indonesia located in Baung Village, Jahitan Village and Muara Dua Village, Seruyan District, Kalimantan Tengah Province.

**5. Land Use Title Certificate.**

- *HGU* No. 23 April 21<sup>st</sup>, 2008 located in Baung, Jahitan and Muara Dua Villages ending on April 21<sup>st</sup>, 2043. NIB 15.11.00.00.00108 Measuring letter dated March 18, 2008, No. 22 / Seruyan / 2008 with an area of 19,294.88 ha.
- *HGU* No. 24 dated April 21<sup>st</sup>, 2008 is located in Baung, Jahitan and Muara Dua Villages, ending April 21<sup>st</sup>, 2043 NIB 15.11.00.00.00109. Measuring letter dated March 18<sup>th</sup>, 2008, No.23 / Seruyan / 2008 covering 299.34 ha.

**2.2.2.**

Based on field visit, in boundary stones BPN GBSM 061, Block K40; BPN GBSM 062, Block J42 & BPN GBSM 063, Block J44; observation on boundaries poles, coordinates, maintenance, and demarcation.

The company shows maintains of land use title boundary stones report for the period January - March 2019 which informs the poles number, location consists of Blocks & coordinates, implementation of maintenance, recommendations, before & after photos. The number of poles are 156 of GBSM. For example on the GBSM 001 poles located in Block AA12 with coordinates X = 645087 and Y = 9681412 in good condition and carried out routine and periodic maintenance on February 4<sup>th</sup>, 2019.

**2.2.3; 2.2.4; 2.2.5 & 2.2.6.**

Based on interview with 2 person in Muara Dua Village and 1 person in Jahitan village. its known :

- The company has conducted land acquisition with collective system in Muara Dua Village covering area of 2,750 Ha. However land acquisition in Jahitan Village were conducted to each persons.
- Land prices determination in accordance to negotiations both of parties.



- There were no intimidation and coercion by the company during land acquisition process.
- All land owners gets a copies of the agreement.

The company shows the SOP of receipt and resolution of complaints from stakeholders number 124299/GBSM/PRO-CSR-HO/IV/17 approved by the President Director on April 28<sup>th</sup>, 2017. In the procedure for resolving complaints related to contracts or agreements & land disputes, it is explained that:

- Complaints about agreement in the contract.  
Complaints are conveyed by stakeholders due to violations of the agreement stated in the contract.
- Complaints about land disputes.

The company show documentation of land compensation for example such as:

- Compensation for land dated May 14<sup>th</sup>, 2013 covering an area of 16.16 ha located in Baung Village, Seruyan Hilir District, in the Afdeling OE block L5 & L6 location of IDR 5,250,000 / ha or a total of IDR 84,840,000 and the minutes of measurement Number 10 / BAPL-GSM / V / 2013 dated May 10<sup>th</sup>, 2013. Available maps with a scale of 1: 12,500 Blocks L05 4.40 ha and L06 11.76 ha, legend maps, projections and others. As well as news of the handover of compensation that was signed by the Director of the Company, Land owners, Village Team, Head of Village and Seruyan Hilir District.

Field observations and interviews with Jahitan and Muara Dua Villages revealed that there was no intimidation at the time of land acquisition. Land is handed over voluntarily without coercion from any party.

**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.**

The company shows the SOP of receipt and resolution of complaints from stakeholders number 124299/GBSM/PRO-CSR-HO/IV/17 approved by the President Director on April 28<sup>th</sup>, 2017. In the procedure for resolving complaints related to contracts or agreements & land disputes, it is explained that:

- Complaints about agreement in the contract.  
Complaints are conveyed by stakeholders due to violations of the agreement stated in the contract.
- Complaints about land disputes.

The company show documentation of land compensation for example such as:

- Compensation for land dated May 14<sup>th</sup>, 2013 covering an area of 16.16 ha located in Baung Village, Seruyan Hilir District, in the Afdeling OE block L5 & L6 location of IDR 5,250,000 / ha or a total of IDR 84,840,000 and the minutes of measurement Number 10 / BAPL-GSM / V / 2013 dated May 10<sup>th</sup>, 2013. Available maps with a scale of 1: 12,500 Blocks L05 4.40 ha and L06 11.76 ha, legend maps, projections and others. As well as news of the handover of compensation that was signed by the Director of the Company, Land owners, Village Team, Head of Village and Seruyan Hilir District.

Based on interview with 2 person in Muara Dua Village and 1 person in Jahitan village (previous land owners) its known :

- The company has conducted land acquisition with collective system in Muara Dua Village covering area of 2,750 Ha. However land acquisition in Jahitan Village were conducted to each persons.
- Land prices determination in accordance to negotiations both of parties.
- There were no intimidation and coercion by the company during land acquisition process.
- All land owners gets a copies of the agreement.

Company stored documentation of relevant information related to acquisition activities and the use of land, either in the form of written documentation, as well as photos. Related to the settlement of land disputes is recorded in CSR. While legal of HGU stored in the Legal Department. The language used for the whole documentation is Indonesian. The handover of compensation that was signed & witnessed by the Director of the Company, Land owners, Village Team, Head of Village and Seruyan Hilir District.

**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**

PT GBSM has a 12-year long-term plan listed in the 2019-2030 Financial Long Term Projection document that was approved by top management. The document contains projections of production, CPO, PK, Revenue CPO and PK, estates cost, mill cost, purchase price of FFB, CPO price, PK price, purchase of plasma FFB, profit and loss, and net profit and loss. The personnel who are responsible for managing the long-term plan are the managers or leaders of each business unit, both estate and mill. In addition, the company already has an operational internal auditor team that acts as a supervisor for monitoring plantation operations and factories.

The company has shown documents of the Coordination Meeting and Management Review Report that are carried out every 3 months. The Coordination Meeting and Management Review Report (Q4) informs the discussion of the achievement of annual performance from monthly and other estate production. An evaluation of the achievement of the current year budget has been carried out at the end of each year, as a consideration in the preparation of the following year's budget.

Based on the results of document review and field visits it is known that the earliest planting year was 2006 or 13 years. There are no plans for replanting activities.

**Status: Comply**

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

**4.1**

**Operating procedures are appropriately documented and consistently implemented and monitored.**

**4.1.1**

The company has the Triputra Agro Persada Group Agronomic Technical Guidelines with the number of documents compiled by the Management Development Dept. Head, Research and Development Division Head, Estate Division Head, Deputy CEO Region and authorized by the Director of Estate, CEO Group. Procedures have been set from the procedure for land clearing to harvesting activities.

In addition, the company has also demonstrated the procedure for the Triputra Agro Persada Group Mill Guidelines with the number of documents prepared by the Dept. Head of the Audit Mill, the Mill Production Control Sub Division Head and approved by Director of Mill, MD for Trading and Downstream, Group CEO. Procedures have been set from the procedure for receiving fruit to the activities of the bunch analysis. Mill Technical Guidelines Triputra Agro Persada Group, which explains work instructions, safe work practices, work permits, PPE standard for each station, personnel competencies, etc. The procedure covers all operational activities of the mill

Based on field visits and interviews with spray workers in Blok F59 Afdeling OW, Estate 3 is known that workers have understood procedures related to spraying activities such as not spraying near water bodies and not spraying against the wind.

**4.1.2; 4.1.3**

The company has a list of all procedures for estate and mill operations. The company performs storage of old versions of SOP documents, while revisions are documented in the latest SOP bundle. In the SOP there is an identity/code revision and what things are revised. The final revision of each SOP will be stored in each estate unit and mill.

The company has an internal company supervision system that aims to monitor operational implementation in accordance with the procedures, among others by conducting internal RSPO audits every year, conducting internal and operational audits including examining aspects of procedure/SOP implementation and administration. In addition, there are also internal monitoring activities (estate) such as field trips to the estate and mill carried out by leaders (CEOs and management).

The company has shown the Plan Identification Control Action (PICA) document carried out by the Quality Assurance Audit (AQA) on December 11, 2018. The audit has been conducted periodically and regularly covering all procedures owned by the company, including the following Identification Problem: pruning quality over or under (nonstandard) located in Afdeling OC, OD etc.; Corrective Action is to provide understanding to harvesters regarding the importance of maintaining pruning conditions and carrying out pruning progressive activities; PIC is assistant to the head of the estate.



**4.1.4.**

FFB receiving procedures from third parties have been recorded in Fresh Fruit Bunch SOP no. SOP / SUPP / I / 2016/001. FFB receiving from outgrowers in PT. GBSM are coming independent farmers in the surrounding plantation.

Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	Supplied to Mill
		FFB (tonnes/year)
PT Mega Ika Khansa	Company-Non RSPO	48,272.78
PT Salonok Ladang Mas	Company-Non RSPO	2,014.84
PT Gading Sawit kencana	Company-Non RSPO	1,926.07
Loading Ramp Sebabi	Independent supplier	25,404.69
Loading Ramp KM 42	Independent supplier	415.07
Farmers	Independent supplier	39,909.45
<b>TOTAL</b>		<b>117,942.90</b>

Based on the description, total FFB from contractor local as much as 117,942.90 ton/year for period May 1<sup>st</sup>, 2018 until April 30<sup>th</sup> 2019.

**Status: Comply**

**4.2**

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

**4.2.1; 4.2.2**

The company has procedures related to the management of soil fertility listed in the Agronomic Technical Guidelines for fertilization. The procedure is divided into several parts, including manual fertilization with number 024 / PT / II / 2014, organic fertilization with application of liquid waste number 026 / PT / VIII / 2014 and EFB Applications with No.059 / PT / IX / 2014.

The company (Estate 1, Estate 2 and Estate 3) has shown footage of the fertilization realization program. The recording of fertilization includes fertilizing NPK 13-6-27 in Afdeling OA, Estate 1 through March 2019 covering an area of 447.04 Ha with an annual budget covering an area of 1,555.83 Ha (realization of 29% compared to the set budget).

The company has shown records of fertilizer use per ton of FFB period 2018-2019. For example, for the type of borate fertilizer are 0.78 kg of fertilizer / ton of FFB. Based on field observations in Block B20 Afdeling OF Estate 3, it is known that workers understand related fertilization procedures such as not fertilizing close to water bodies and fertilizing according to the recommended dosage.

**4.2.3**

The company has demonstrated procedures related to soil and leaf sampling. Procedures related to Soil Sampling Units are regulated in SOP number 069 / PT / VIII / 2014, the SSU is carried out for blocks that have not been taken soil sampling or 5 years in Leaf Sampling Unit blocks in an effort to determine the development of nutrient levels in the soil in detail in each block that will be used as a support for fertilizer recommendations. The company also has a Leaf Sampling Unit (LSU) procedure with number 050/PT/VIII/2014. In the procedure, it was known that the Leaf Sampling Unit (LSU) was carried out by estate coordinated with Research and Department (R&D) every 1 year.

The company conducts soil analysis conducted by the Analytical Laboratory (PT Hijau Persada Sejahtera) on June 5, 2018 with Reference number 2S / HAL-HPS / Int / VI / 2018. The realization of the evaluation of soil fertility status at PT GBSM was carried out by observing the determination of pH, organic C content, total N (in%), total P content and available P, K content, Mg content, Na content, Ca content and Exchange capacity value Cation (CEC). The company has shown proof of implementation in accordance with the SOP, among others, showing leaf test results report with Reference No. 29L/HAL-HP/Int.IV/2018 dated March 20, 2018 Analytical Laboratory (PT Hijau Persada Sejahtera). The indicators that were observed were the levels of N, P, K, Mg, B, Cu and Zn and supporting data in the form of visual observations.

**4.2.4**

The company has shown Recap of Documents for Realization of FFB processed in 2018 - 2019 which produce solid waste and fuel consumption. Based on the document, it is known that the company has used oil palm waste as a way to recycle nutrients. The

application of EFB for fertilization in the period 2018-2019 is as much as 20,355.97 tons, fiber for boiler fuel is as much as 14,927.71 tons and shells as much as 1,988 tons.

**Status: Comply**

### 4.3

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

##### 4.3.1; 4.3.2

The company has shown PT GBSM Land Distribution Map on May 8, 2019 with a scale of 1: 100,000 which sources of *Peta Rupabumi* data (Scale 1: 250,000 *Bakorsurtanal* and PT GBSM Database).

The recapitulation of the distribution of PT GBSM land types includes mineral land covering an area of 6942.16 ha, sand covering an area of 6432.30 ha and peat area of 6219.76 ha.

In addition, the company has shown the PT GBSM Slope Map on May 8, 2019 with a scale of 1: 100,000 which is the *Peta Rupabumi* Indonesia data source (Scale 1: 250,000 *Bakorsurtanal* and PT GBSM Database). The recapitulation of PT GBSM land types is flat (0- 8%) covering an area of 19,460.29 Ha and ramps (8-15%) covering an area of 133.93 Ha.

The company has a planting and insertion procedure with number 040 / PT / XII / 2014 dated 15 December 2014. In point number 2, planting techniques are described for hilly areas. Basically for hilly areas the technique of land clearing using a terrace that aims to conserve the soil. For the terrace area the planting technique is carried out using the Violle Lining System.

Based on the results of field visits in Blok H/I32, in areas with ramp slopes it was known that the company had planted legumes/cover crops, carried out midrib arrangement between the stand (u-shape implementation) and carried out conservation of ferns (*Nephrolepis bisserata*) inter row. This is the company's effort to retain nutrients and prevent erosion/runoff.

##### 4.3.3

The company has shown the Road Maintenance Program document for the period January-March 2019. The data include the Road Maintenance Program (Service Road) at 184.183 meters, realization up to 236.432 meters in March (the achievement of over 22.09% against budget).

Based on the results of a field visit to Block B20 Afdeling F, Estate 1, it is known that the company has carried out road maintenance activities manually, in general the road conditions are in good condition and can be passed by FFB transport trucks.

##### 4.3.4

The company has a Work Instructions of Peat Subsidence Monitoring with No. IK / 001-SOP / R & D / V / 2017/001 rev 00 dated June 2, 2017.

The company has recorded land subsidence by installing a subsidence pole in the PT GBSM area. Monitoring is carried out every 1 month, the data is listed in the PT GBSM Peat/OCM Observation Form, and the installation of pole is 18 observation points. As for land subsidence data at PT GBSM, among others, monitoring was carried out at the Subsides on block AA16, Afdeling OA Estate 1 on April 24, 2019, it was found that there was a 12 mm land subsidence (based on peat subsidence observation resume data July 2017-April 2019).

The company has also shown the Survey / Water Management Monitoring document January-March 2019. Monitoring is carried out on 97 sample points in all PT GBSM operational areas and data collection is carried out twice a month.

Based on the results of field visits in the G43 Block, Afdeling OR Estate 3 is known that the company has installed subsidence pole which are useful as a monitoring tool for decreasing the land surface. In addition, the company has also conducted a land cover management program by not eliminating weeds (*Nephrolepis sp*) in the inter row, which aims to reduce surface flow and maintain moisture in the soil.

##### 4.3.5

Based on the results of document review and field visits it is known that the earliest planting year was 2006 or 13 years. There are no plans for replanting activities.

##### 4.3.6

The company has procedures related to the management of fragile soils contained in the Agronomic Technical Guidelines as follows: SOPs for Top Soil and EFB Applications with number 059/PT/IX/2014.

The company has shown Recap of Documents for Realization of FFB processed in 2018 - 2019 which produce solid waste and fuel consumption. Based on the document, it is known that the company has used oil palm waste as a way to recycle nutrients. The application of EFB for fertilization in the period 2018-2019 is as much as 20,355.97 tons.

Based on the results of field visits in Block C16, Afdeling B, Estate 1, it is known that the company has carried out EFB applications with a dose of 250 kg/stand.

Status: Comply

**4.4**

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

**4.4.1**

The company has water management plan from POM and Estate which presented in EIA (RKL/RPL) Report 2<sup>nd</sup> Semester 2018. The plan has covers surface and ground water quality testing, biota, water used efficiency, etc. based on RKL/RPL review, it could be concluded that all parameter tested were bellows threshold as required by regulation of health minister number 492 year 2010.

**4.4.2**

The company has HCV map with scale 1:50,000 which informs location of riparian zone of Bakung River and Kelua River; Peat Swamp Ecosystem. There are also water ponds map with scale 1:100,000 sighted that 31 water ponds on the estate. The company has procedure riparian and water pond protection number TAP/SOP/120-HCV/003 dated 23 January 2013. It was explain about riparian management, for example: prohibition of chemical applications. Furthermore, based on observation to riparian zone of Bakung River at Block F34-F35, it was known that HCV management program has satisfactory implemented on the field such as installation of signboard and marking of prohibited zone for agrochemicals application which presented through red paint marks on the palm. And also rehabilitation with *Melaleuca sp* planting on the riparian.

**4.4.3**

The Mill has Effluent Treatment Plant (ETP) with eight ponds, before flows into the permitted flatbed as land application. Mill management has conducted monthly water quality testing on ETP outlet which carried out by accredited laboratory. Based on testing results on January to March 2019, it was informed that all parameter tested were bellows threshold limit as required by Minister of Environment Regulation No. 29/2003. Based field visit in at block D32, its known that the company is utilizing the liquid waste from the palm oil mill. The results of interviews with Land Application workers, known that workers do maintenance by reopening the blocked flow path and elevate the embankment for every bed Land Application to prevent runoff.

**4.4.4**

Permit of surface water consumption is presented in Kalimantan Tengah Governor Decree No. 570/06/DPIPR-IPAP/DPMPSTP-2018 dated January 2019. Based on Average of water consumption data from January to December 2018, it was informed that average of water consumption for oil palm processing were 1.01 m<sup>3</sup>/ton FFB. This processing figure was still bellows its target which was 1.50 m<sup>3</sup>/ton FFB. Based on interview from mill management, it was informed that water retribution tax has paid every year as for example presented in receipt from Finance Agency of Kalimantan Tengah Province dated February 28<sup>th</sup> 2019.

Status: Comply

**4.5**

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

**4.5.1; 4.5.2**

The company has procedures related to integrated pest control listed in the Agronomic Technical Guidelines including Rat Pest Control with number 042 / PT / XII / 2014, Control of *Ganoderma* with number 047 / PT / VI / 2014 and Pest Control UPDKS with number 041 / PT / VI / 2014.

The company has shown plans for integrated pest control. The integrated pest control plan at PT GBSM includes the development of Tyto alba and planting of beneficial plants such as *Turnera subulata*, *Casia cobanensis* and *Antigonon leptopus*. Besides that, The company has shown an effort to reduce chemicals, among others, by making several owl cages (*gupon*), among others, the

installation of owl cages (*gupon*) at Estate 1 as many as 57 cages with occupational rates of 61.4% (35 active *gupon*s).

The company has shown records related to integrated pest control (EWS). The recording included EWS training on November 3, 2018 at Afdeling OO Block E37 (Estate 2), with training materials including determining the type of nettle caterpillar, nettle caterpillar attack, nettle caterpillar census, horn beetle census, horn beetle attack, rat pest, *Tiratabha*, Termites, *Ganoderma* and know the attack of each pest. The training was attended by 10 people consisting of census workers, foremen and assistant Research & Department. The company has also shown the minutes of the appointment of PT GBSM's EWS Estate II Team on February 7, 2019, which stipulates the number of EWS teams consists of 10 people.

Based on the results of interviews with census workers in Block D14 Afdeling B, Estate 1 is known that potential pests currently are nettle caterpillars pests but in general are still below the economic threshold.

Status: Comply

**4.6**

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

**4.6.1; 4.6.2.**

The company has SOP related to safe in the use of chemicals, among others, listed in the Spot Spraying Procedure No. 016/PTV/2014 dated 12 May 2014 Revision 00.

The company had a weed control procedures listed in document No. 055/PT/VII/2014 dated July 13, 2014 Revision 00 which contain active ingredients of pesticides used in accordance with the type of target weeds.

The company has made efforts to avoid the development of resistance to weeds such as the use of different types of pesticides, regulation of spray rotation and spraying according to selective weeding.

The company has shown program documents and the realization of the application of pesticides listed in the Monthly Estate Report. The documents include the CPT (Circle and Path) Spray activity on Estate 2 in April 2019 having a program covering 957.66 Ha with realization of 538.22 Ha (under realization of 43.79%).

The company also had Monitor Pesticide Toxicity Units document in the 2017-2018 period. The document details the type of material used, acute oral toxicity (oral LD50), dose/ha, LD50, active ingredient (%) and active ingredients/ha.

Based on field visits and interviews with spraying workers in Block F59, Afdeling OW Estate 3 is known that labor has sprayed according to procedures such as not spraying near water bodies, having knowledge of the types of pesticides used, understanding the dosage used and capable of identifying the target weeds. Based on this, it can be concluded that the company can show procedures and implementation regarding security in the use of chemicals.

**4.6.3.**

The company has shown plans for integrated pest control. The integrated pest control plan at PT GBSM includes the development of *Tyto alba* and planting of beneficial plants such as *Turnera subulata*, *Casia cobanensis* and *Antigonon leptopus*. Besides that, the company has shown an effort to reduce chemicals, among others, by making several barn owl box (*gupon*), among others, the installation of barn owl box at Estate 1 as many as 57 barn owl box with occupational rates of 61.4% (35 active *gupon*s).

Based on the results of a field visit to Blok D/E 56, Afdeling OM, Estate 2, it is known that the company has planted *Turnera subulata* and *Antigonon leptopus* which aims to provide a living medium for predators of nettle caterpillars.

**4.6.4.**

The company has an SOP related to security in the use of chemicals, among others, listed in the No. Spot Spraying procedure. 016/PTV/2014 dated 12 May 2014 Revision 00. Besides that, the company has also shown Internal Memo No. 001/TAP/MIN-EST-HO/II/13 dated February 22, 2013 made by the Estate Division Head and R & D Division Head and known by the Managing Director.

The company has shown the Monitor Pesticide Toxicity Units document in the 2017-2018 period. Based on the document, it is known that the company has reduced chemicals from the previous year, including a decrease in the use of chemicals with the active ingredient isopropyl amine glyphosate, methyl metsulfuron, triklopir, coumatetralyl and so on. The last use of pesticides with coumatetralyl active ingredients was carried out in 2018 with a decrease in use of 82.70% from the previous year.

Based on observations to the chemical warehouse (Estate I and Estate II), it is known that there are still pesticides included in groups 1A and 1B (Racumin - Coumatetralyl) WHO lists or listed in the Stockholm or Rotterdam Conventions. Related to this, the company has shown the Plan for Use of Racumin (Coumatetralyl) Period 2019-2020. Referring to the WHO classification of hazardous pesticides, PT GBSM has compiled a final plan for the use of coumatetralyl rodenticides in 2020. PT GBSM is committed to developing rat pest control using a biological agent, *Tyto alba*.

**4.6.5; 4.6.7 and 4.6.9**

The company has shown training records for all levels of workers and smallholders. Examples of training recordings include the following:

- Spray and PPE Training on 29 January 2019 at PT GBSM in Estate 2, the training was attended by 23 participants consisting of spray workers, foremen and staff.
- Spray and PPE Training in March 2019 at PT GBSM in Afdeling OL, the training was attended by 19 participants consisting of spray workers, foremen and staff.
- Company provided information materials on pesticide handling to all employees and independent smallholders, fruit quality, method to increase production on March 2019.

Based on interviews with the spraying team, the spraying team members have understood the procedures for using pesticides at work. Employees have been able to explain and demonstrate how to use pesticides safely and safely. Including the method of using and handling risks in accordance with the material safety data sheet (MSDS).

**4.6.8**

Based on document review, field visits and interviews with labor, it is known that the company does not apply pesticides with aerial method.

**4.6.6 and 4.6.10**

The company has documents relating to pesticide storage in TAP/SOP/120-SHE/0001 on hazardous and toxic materials waste management. In the procedure describes the terms of storage, technical building storage, storage procedures, disposal and reporting.

The company shows evidence that any pesticide packaging has been stored and not used for other purposes such as monitoring the exit gallon of ex-pesticide packaging in 2018. In the document described the number of gallons of pesticides coming out of the central warehouse and the entry (after application of the spaciousness) to the schedule waste.

Based on field visit in chemical storage, known that all chemicals has been separated from other materials, labels and symbols has been installed properly as well as Material Safety Data Sheet (MSDS) and others. The result of field observation in employee lodges, there is no indication of the use of agrochemical ex-packing for other purposes. Therefore based on field observation to Hazardous Waste Store sighted that all chemical containers used has been placed in accordance to national regulations.

**4.6.11**

The Company has a list of pesticide handlers in the List of Employees Spray for each Estate. Medical examination (cholinesterase) has been conducted on October 2018 to all pesticides workers in Estate 1, 2 and 3. The result of medical examination is informed to the workers and all pesticide operators are in a healthy condition (normal result). Based on interview with the operator pesticide, it is known that they are never get of occupational injury which caused by chemical such as irritation, skin rash or poisoning.

**4.6.12**

The company has a policy that prohibits pregnant and breast-feeding personnel working with chemical material. Based on interview with spraying personnel, it is known that there was neither pregnant nor breast-feeding female personnel who work with pesticide. Audit team also got information that the personnel have understood that female personnel cannot work with chemical material if they are pregnant or breast-feeding.

**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 were written in Bahasa. The policy has been legalized on 02 January 2012 by Director of Triputra Agro Persada. This policy is designed to control hazards in every activity that is in the working



environment to prevent accidents and occupational diseases. Management have work program of occupational health safety every year. The policy and work program regarding occupational health safety are in accordance with Government Regulation (*Peraturan Pemerintah*) No. 50 of 2012. Realization of the program of work will be monitored through regular meetings *P2K3* (Guiding Committee of Occupational Safety & Health) every month. This work program applies generally to all workers in the workplace. If the plans have been made yet on target then will be evaluated in the management review to assess effectiveness.

Based on the results of interviews with estate and mill workers, that workers understand the OHS policy and it's recognized that every morning meeting is always affirmed about the importance of safety and the use of PPE in work.

#### 4.7.2

The Company has established procedures to conduct an assessment of operational risks that could threaten the safety and health, namely Chapter III SOP Health, Safety and Environment (K3L) No. TAP/SOP/120-SHE/0001. The company shown the document of hazard identification, risk assessment and risk control which issued on May 2019. It will be reviewed if any occupational accident happen. The document describes the description/activity, potential hazards, risk assessment and risk control. Based on document review there are work locations with noise that threshold limit value, namely in boilers and power houses. Evaluate by giving PPE (earplug / earmuff) and audiometry examination once every 1 year. Based on site observation at boilers in GBSM Mill, 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 routine socialization about OHS, providing PPE, and OHS signboard are available in workplace.

The company has also made records related to health checks for each employee on the personal file. For example audiometry was conducted on Semester 2 of 2018 with check result there are no workers with hearing loss.

#### 4.7.3

Monitoring of noise levels in semester 2 of 2018, there are work locations with noise that exceeds threshold limit, in boilers and power houses. Evaluation by giving PPE (earplug / earmuff) and audiometry examination.

The results of observations and interviews with workers are known:

- Estate and Mill workshop welders do not have a welder certificate in accordance with Permenaker No. 02 of 1982.
- The sterilizer operator does not yet have a pressure vessel technician OHS license in accordance with Permenaker No. 37 of 2016.

Related to the above the company shows training program 2019 for SIO sterilizer operators and welders. In addition, a Training Submission Form is shown for class III welders and sterilizer operators. The form was sent via email on May 23, 2019 addressed to Sustainability. But still waiting for approval from HR Directorate.

Based on the explanation above, the company has not been able to demonstrate OHS training for welders and sterilizer operators in accordance with applicable regulations. **Non-conformity No. 2019.01 with Major category**

Based on field visits and interviews with workers, the company has provided PPE to workers. PPE provided adequate and appropriate based on the results of identification of sources of hazard and risk control. PPE for type of glove, ear plug, ear muff, helmet, apron, goggles and safety shoes can be replaced immediately if damaged. This is evidenced by shown the recording of PPE distribution documents to the workers and the workers recognition from interviews also confirmed it.

#### 4.7.4

The company already has persons that responsible for the OHS program within the organizational structure of Committee of Occupational Health and Safety (*P2K3*) established in each management unit. The organization routinely conducts monthly meetings on OHS issues in the workplace. The documentation of the meeting were recorded II. Based on interviews to workers who are members of the *P2K3* organization it is known that monthly meetings are always routinely conducted to discuss about OHS such as consistency of PPE usage, work accident report, fire simulation, checking of emergency response equipment, OHS sign board, cleanliness of work area, etc.

#### 4.7.5

The Company has procedures to identify potential emergency that is SOP of *K3L* (GSM /SOP/20-SHE/0001) and signed by the Managing Director dated. 22 March 2012 Sub III.7. "Preparedness and Emergency Response Team Works (*TKTD-General*)". The procedure has established relevant potential emergencies such as fire, pollution, riots, earthquakes, floods and other applications in the mill and estate.

There is an evacuation route in the mill and office.

Training and emergency simulations performed to ensure the competence of personnel in emergencies in their respective areas. Simulation activities have been evaluated about personnel, way of working, and equipment.

Estate and Mill has already licensed first aid officers and there was first aid internal training conducted on 10 August 2018. Based on field visits and interviews, it was found that all the foreman in each of activities were equipped with first aid kit and had been trained on the use of first aid boxes and the foreman explained the usefulness of each first aid kit.

**4.7.6**

The company has a policy in the framework of accident and health insurance for the employees, namely Internal Memo No. MI/HC/III/2016/009 dated March 9, 2016 and Internal Memo No. MI/HC/III/2016/010 dated March 21, 2016 regarding the membership and program fees *BPJS Ketenagakerjaan* and *BPJS Kesehatan*.

The payment for BPJS is conducted every month according to the available rule. Besides, the company also provide medical facilities for workers if work accident is occurred. Work accident will be reported to the *BPJS* Agency and claim for it will be done if the medical process has been completed. Based on interview with workers in estate and mill, it is known that both workers and their family is have been registered in health insurance (*BPJS Kesehatan*). There are some contractors in certification unit. Based on interview with contractor representative, it is known that the accident insurance for contractor workers is covered by the head of contractor itself.

**4.7.7**

The company has calculated the Lost Time Accident every month for monitoring the recording of occupational accidents. It shown the Lost Time Accident calculation per April 2019. This document informs the number of worker, number of working days, the number of non-effective working days, overtime, hours of work in total, the number of accidents, the number of working days lost, hours of work a year, the number of accidents a year, lost days a year. Calculation of SR and FR is reviewed regularly and will be evaluated at monthly meeting of OHS Committee.

**4.7.3** | Status: Non-conformity No. 2019.01 with Major category

**4.8**

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

**4.8.1 & 4.8.2**

The Company has determined the identification of training needs for 2018 and 2019. Also establishes the related program in 2018 and 2019. Training programs implemented for mill and estate from May 2018 to April 2019. Training categories are divided into several aspects, namely agronomy training, OHS training included training for workers exposed to high noise levels, general training, environmental training, and all aspect RSPO.

Based on interview with worker in estate and mill, they have received some training related to their work, such as work procedure training, emergency response, first aid training and training for workers exposed to high noise levels. The training has been documented into minutes of meeting, list of attendees, and photo activity.

Company has showed the documentation of training or socialization whether it is internal or external training in form of minutes of meeting, list of attendees, and photo activity. Company also kept training record for each worker, for example 22 March 2019 first aid training for foreman.

Based on interview with contractor, training to contractor worker is conducted by socialized the OSH policy or environment management every month by the OHS Officer.

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**

The company has an EIA in accordance to Kalimantan Tengah Governor Decree number 188.44/224/2009 dated 7 August 2009 with mill capacity 90 MT/hours and area 20,000 Hectare. It has been addendum in accordance to Head of Investment and One Stop Service Agency number 503-F.1/01.002.SK.DPMPTSP/III/2019 dated 21 March 2019. EIA scopes are preconstruction stage, construction, operational stage and post operational stage.

**5.1.2**

The company has Environmental Management and Monitoring Plan Document (RKL-RPL) year of 2009 and 2018 (after addendum). There are 12 parameters which should be monitor and manage by the company, for example: air quality, noise level, water quality, flora & fauna, forest fire, etc.

According to RKL-RPL matrix year of 2009, the company has an obligation to managing and monitoring operational effect to the water debit in upstream of Bakung River and downstream of Bakung River and also Kelua River. Until semester 2<sup>nd</sup> of 2018 the company has develop 31 unit water reservoir and also has conducted annual water debit measuring on three location.

Referring to the direction of the matrix *RKL-RPL* in 2009, company are required to manage and monitor the impact of its operations on the water flow in the Upper Bakung River, Downstream Bakung River and Kelua River. Currently the company has carried out management in the field by making 31 water reservoirs and monitoring water discharge on three rivers once a year. The company considers reporting and evaluating the realization of management and monitoring of operational impacts on water discharge (Observation).

**5.1.3**

Company done the environmental management and monitoring as outlined in the Report of the Environmental Management and Monitoring for regular basis. These report described realization of monitoring and management of the environment in accordance with environmental parameters in the *RKL/RPL*. Public consultation with Environmental agency of Seruyan indicate that the company has made environmental management and there is no issue of pollution caused by the company's operational activities. The company has conducted evaluation and made the reports in accordance with KepmenLH number 45 year of 2005. The implementation of environmental monitoring and management plan documented and reported every 6 months to related agency, such as the reporting for 2<sup>nd</sup> Semester of 2018 was on 8<sup>th</sup> May 2019 to the Environment and Forestry Ministry; dated 7<sup>th</sup> March 2019 to Environmental Agency of Kalimantan Tengah Province and dated 6<sup>th</sup> March 2019 to the Environmental Agency of Seruyan District.

**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.**

CH has conducted HCV assessment on 17 to 23 June 2013 by the Approved Assessor. Where the assessment was conducted in a participatory manner involving Muara Dua, Baung and Jahitan Village. The HCV1; HCV3; and HCV4 total area 470.07 Ha. Based on vegetation identification there are three Critical Endangered species, three Vulnerable species and two Least Concern species. In addition that, there are 47 wildlife species with three mammals, 41 birds and three reptiles. There is only one endangered species (*Hylobates albibarbis*).

**5.2.2.**

The CH has developed HCV Management Plan period of 2017 to 2021, for example: signboard installment and maintenance, enrichment species, HCV socialization, routinely patrol, and others. Based on field observation at Bakung River Riparian, Block G36/G37; and Block F24/25 sighted that the riparian is well maintained, good delineated and signed clearly.

**5.2.3.**

The CH has technical guidance for handling orangutans and wildlife protection number 001/PT-HCV/III/2015 signed by Group CEO. They had conducted training of Orangutan Conservation Task Force on 20 to 23 November 2018 collaboration with several

institutions: *Balai Konservasi Sumberdaya Alam* Samboja, Samarinda; *Balai Diklat Lingkungan Hidup dan Kehutanan* Samarinda, *Balai Konservasi Sumberdaya Alam* Sampit and Ecological and Conservation Center for Tropical Studies (Ecositrop). The training was attended by 25 members.

**5.2.4.**

The CH has conducted monitoring every year, the latest monitoring was conducted on February 2019. There are six mammals, 50 birds, and six herpetofauna. The RTE species were identify are *Pongo pygmaeus* and *Nasalis larvatus*. There are also other protected species such as: *Leptopilos javanicus*, *Anthraceros albirostris*, *Harpactes kasumba*, *Gracula religiosa*, *Elanus caeruleus*, Elang *Ichthyophaga ichthyaetus*, *Haliastur indus*, *Spilornis cheela*, *Microchierax fringillanus*, *Rhipidura javanica*, *Loriculus galgulus*, and *Priornallurus bengalensis*. The CH has evaluated monitoring result and it was considered for the next year management plan.

**5.2.5.**

Based on interview with villagers and management, it's known that there were no community areas that used as HCV areas. In addition, based on map verification and field visit result sighted that HCV were located on the HGU area.

**Status: Comply**

**5.3**

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

**5.3.1**

All waste products and sources of pollution have been identified and documented in identification and evaluation of pollution source document issued on 2019 such as activities in Estate office, housing, storage, workshop, laboratory, clinic, generator room, transportation, waste mill. Furthermore for pollution such as: land clearing and replanting activities, transportation FFB, fertilizer application, pesticide application, electricity generator, and POME. The type of gasses are CO<sub>2</sub>, CO, CH<sub>4</sub>, NO<sub>2</sub>, and others.

**5.3.2 & 5.3.3**

The CH has scheduled waste storage in each unit, mill and estate. The permit of Hazardous Waste Storage is in accordance with Seruyan Regent decree number 188.45/163/2014 dated 8 April 2014 valid until 5 years were located on three point (Mill and Estates), The CH has proposed extension permit to the related agency on 23 April 2019.

The waste is collected by the transporter of hazardous waste (PT Bank Sampah Indonesia). Document of hazardous waste transporting is in form of official report of handover and manifest. The latest handover of hazardous waste was on 28 January 2019 among others:

- Used oil: 5,528.5 Kg with manifest number ARB 0005568
- Used batteries: 521 Pcs with manifest number ARB 0005569
- Contaminated Packaging: 426.9 Kg with manifest number ARB 0005570
- Used Oil Filter: 527.6 Kg with manifest number ARB 0006687
- Used Spill Kit: 659.5 Kg with manifest number ARB 0005567
- Medical Waste 106.6 Kg with manifest number ARB 0005571
- Used Fluorescent Lamp : 28 Pcs with manifest number ARB 0006688

Based on field observation in housing complex, there is no hazardous waste that is reused. Waste recorded in hazardous waste balance sheet that updated every month. Based on interview with store officer sighted that chemical container used is re-used for pesticide mixing, other than that everything is collected at hazardous waste store.

The Domestic waste and other waste are managed in accordance with the management plan owned, all organic domestic waste from the housing complex is disposed of to the landfill, shell and fiber are used as boiler fuel. Based on the results of field visits to the GBSM Mill area it is known that shells and fiber are used as fuel, while EFB is used to be applied to the field. In addition, based on field visit in Landfill Block A34, the location is more than 1 km from housing area & water sources, not flooded areas, if the domestic waste is full it is covered with soil, and others. It's according with guideline & regulations. Based on interview with staff they have been trained related environmental requirements.

**Status: Comply**

**5.4**

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

**5.4.1**

The company has showed efficiency of fossil fuel use and the use of renewable energy for 2018 period such as: efficiency of Shell is 0.041 ton/ton FFB), efficiency of fiber is 0.15 ton/ton FFB. The efficiency of fuel use is 2.68 liter/ton FFB.

**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**

The company has a policy regarding land clearing without burning, which is stated in the internal memo No: MI-003 / MD / Sust / XI / 2012, dated November 12, 2012.

In addition, there are *Imas* Technical Guidelines (No: 008 / PT / II / 2014 dated February 18, 2014). In the policy it was written that land clearing was done mechanically without burning.

The company does not open land by burning. This is evidenced by the recording of land clearing No.4016100926 conducted by CV Hutama, in the document, it is known that land clearing activities are carried out mechanically and without combustion.

Based on the results of management interviews, document studies and field visits are known that the earliest planting year was 2006 or 13 years. There are no plans for replanting activities.

Based on the results of field observations to block C16, Afdeling B Estate 1, it was found that there was no indication of land clearing activities using the burn method.

**Status: Comply**

**5.6**

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

**5.6.1 & 5.6.2**

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 management plan for reducing it. Monitoring for emission and pollutants (air emission, air ambient, odor, noise, and vibration) from estate and mill was done periodically every semester, covered on *RKL/RPL* implementation report and reported to environmental agency periodically. 2nd Semester 2018 testing result indicates all parameters related to emission are still comply with standard quality.

All waste including emmissions and pollutions sources from Mill and estate are identified and recorded on waste and pollution identification risk 2019 document. Fossil fuel reducing have been implemented by fiber and shell usage. Realization of renewable energy have been monitored on monthly report for fiber and shell usage, the effluent quality has been monitored every months. Based on field visits in the boiler station any a fiber and shell is used as renewable fuel.

**5.6.3**

The CH already monitored and reported the significant emissions and pollutions annually using RSPO palmGHG calculator, for period 2018 describes as follow (calculator ver 3.0.1):

Summary of Net GHG Emissions

<b>Emmision per product</b>	<b>tCO2e/tProduct</b>
CPO	2.74
PK	2.74

<b>Production</b>	<b>t/yr</b>
FFB processed	439889.412
CPO produced	97916.597
PK produced	17794.875

Extraction	%
OER	22.26
KER	4.05

Land use	Ha
Planted area	17796.29
Planted on peat	1613.7895
Conservation Area	499.87

**Summary of field emission and Sinks**

Description	Own crop			Group		3 <sup>rd</sup> party		
	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e/tFFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	
<b>Sources</b>								
Land conversion	88854	5.74	0.29			9837.47	4.23	0.42
CO <sub>2</sub> emissions from fertilizer	113590.26	7.34	0.37			217.56	0.09	0.01
N <sub>2</sub> O emissions	36709.26	2.37	0.12			0	0	0
Fuel consumption	3706.05	0.24	0.01			457.4	0.2	0.02
Peat oxidation	88112.93	5.7	0.28			0	0	0
<b>Sinks</b>								
Crop sequestration	-144841.18	-9.36	-0.47			-21762.94	-9.36	-0.92
Sequestration in Conservation area	-4310.54	-0.28	-0.01			-273.27	-0.12	-0.01
<b>Total</b>	<b>181820.78</b>	<b>11.75</b>	<b>0.59</b>			<b>64043.95</b>	<b>-4.96</b>	<b>-0.49</b>

**Summary Oil Mill Emissions and Credits**

Remarks	tCO <sub>2</sub> e	tCO <sub>2</sub> e/t FFB
<b>Emissions sources</b>		
POME	71213.08	0.16
Fuel consumption	510.99	0
Grid electricity	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>71724.07</b>	<b>0.16</b>

**Palm Oil Mill Effluent (POME) Treatment**

Divert to compost (%)	0
Divert to anaerobic digestion (%)	100

**POME Divert to Anaerobic Digestion**

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

CH has conducted GHG emission calculations period 2018 Using Calculator Palm GHG version 3.0.1. Accurate data has been put into the RSPO PalmGHG Calculator (Palm GHG version 3.0.1) and has been verified. Summary of net GHG emissions from PalmGHG calculator of the audit report which calculation option is applied Apply Full Version.

**Status: Comply**

**PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills****6.1**

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

**6.1.1 & 6.1.2.**

The company shows Social Impact Assessment Report held on 18-27 May 2012 covering Baung Village, Jahitan Village & Muara Dua Village located in Seruyan Hilir District, Telaga Pulang Village, located in Danau Sembuluh District. The method is carried out by questionnaire and FGD (Focus Group Discussion) guide with a total of 107 people located in Baung, Jahitan, Muara Dua and Telaga Pulang Villages. Public consultation activities with stakeholders were carried out on 18-20 May 2012 attended by 61 participants (Baung Village, Telaga Pulang Village, Jahitan Village & Muara Dua Village) A visit from the Head of Muara 2 Village, Muara Dua BPD, Bappeda of Seruyan District.

The SIA document includes social assessments such as:

1. Changes in Work Patterns.
2. Low education and employment opportunities.
3. Organizational participation.
4. Involvement of village officials.
5. Business diversification.
6. Changes in the physical infrastructure of the area.
7. Changes in social life.

Analysis of the social impacts of the Company for example:

- a) Contribution to the improvement of road infrastructure.
- b) Increased employment.
- c) Income increase.

Negative impacts caused by the existence of the Company.

- a) Community suspicion of environmental pollution
- b) Decrease in fishery products.
- c) Land acquisition

**6.1.3.**

The company shows a report on the social monitoring plan and social management plan for the 2019 period that informs potential issues in the community, conditions in the company, information, prevention strategies or solutions and time. For example:

1. Access and land use rights for the period 2019 -2021.
2. Livelihoods such as daily work and working conditions for the period 2019-2021.
3. Livelihood activities.
4. Culture and religious values.
5. Increased health and education facilities.
6. Other social values caused by changes.

**6.1.4.**

Monitoring and review of social plan has been include in CSR program report for the 2018 period is explained about the forms of assistance provided so that program evaluations can be obtained such as:

- Program planning must work for every indicator to be fully fulfilled and still consistently involve the community in planning and implementation.
- Assessment of CSR programs that have high value in order to continue like the economy but of course continuous innovation can continue to be carried out in accordance with the needs of the field.
- Ensuring the implementation of the CSR program can run smoothly in accordance with the specified time.
- Improve programs in the economic sector, especially in empowering the business community based on the potential of each village so as to increase the income and independence of the community.

<b>6.1.5.</b>	The smallholders has been include in SIA report.
	<b>Status: Comply</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; 6.2.3</b>	<p>The company has procedures for Receiving and Handling Information Requests (SOP/SUPP/II/2017/001) dated February 20, 2017 revision 2. SOPs can be accessed but need approval.</p> <p>The types of information that can be accessed by the public include information on CSR, information relating to HCV, SIA, and AMDAL, Information on HSE, commercial data (can only be submitted verbally according to the direction of the CEO Region), information related to bills or completeness data on contractors, suppliers, purchase of FFB, job information, internships, or comparative studies and employment information.</p> <p>The company has shown PT GBSM stakeholder list in 2019 which includes provincial government (6 stakeholders), district government (12 stakeholders), community leaders (27 stakeholders), plasma communities (6 stakeholders), police (7 stakeholders), military (2 stakeholders), worker unions (2 stakeholders), hospitals (2 stakeholders), insurance (2 stakeholders) and suppliers/contractors (25 stakeholders).</p> <p>The company records incoming and outgoing mail in the Register of Inboxes and Outgoing Letters. For example, the letter of entry on November 17, 2018 from the Regent of Seruyan (No.140/804/DPMD/XI/2018) concerning the Participation of the Basic Food Packages. The company responded to the request for information on November 21, 2018 with the results of approving the application.</p>
	<b>Status: Comply</b>
<b>6.3</b>	<b>There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.</b>
<b>6.3.1; 6.3.2</b>	<p>The company has a Site Complaints Complaint Settlement procedure (No SOP / SUPP / XI / 2016/009 dated 25 November 2016 revision 00). The SOP explains that employee complaints can be submitted to direct manager, through suggestion boxes, and through bipartite LKS. If complaints cannot be resolved at the company level, then the complaint resolution is carried out in accordance with the rules of industrial relations. The person responsible for receiving complaints or complaints is the direct supervisor of the staff and staff of the Personal General Affairs.</p> <p>In addition, the company has an Internal Memo regarding Handling complaints from External Stakeholders listed in IK-37/GBSM/2017 which stipulates that complaints may be reported directly to RSPO. The company has carried out socialization related procedures, socialization on 28 June 2018 was conducted in Muara Dua Village and on June 26, 2018 in Telaga Pulang Village, Jahitan Village, and Baung Village. The company has presented PT GBSM's External Complaint Receipt Records document in 2019. Based on the document, there were no complaints that entered PT GBSM.</p> <p>Based on the results of consultations with stakeholders in the village of Jahitan and Muara Dua, it is known that the company has carried out socialization regarding procedures related to the Receipt and Complaint Settlement. In addition, stakeholders understand the procedure of settlement and resolution of complaints.</p>
	<b>Status: Comply</b>
<b>6.4</b>	<b>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.</b>



**6.4.1; 6.4.2; & 6.4.3.**

The procedure regarding compensation for loss of customary and legal rights of the land is documented in the procedure of Compensation on land SOP (002/TAP/PRO-CSP-HO/IV/10, Rev.02, dated 11/2/2013). SOP of Acceptance and settlement of complaints of Stakeholder also published with no 106 899 / TAP / PRO-CSR-HO / VI / 13.

The company shows the SOP of receipt and resolution of complaints from stakeholders number 124299 / GBSM / PRO-CSR-HO / IV / 17 approved by the President Director on April 28<sup>th</sup>, 2017. In the procedure for resolving complaints related to contracts or agreements & land disputes, it is explained that:

- Complaints about agreement in the contract.  
Complaints are conveyed by stakeholders due to violations of the agreement stated in the contract.
- Complaints about land disputes.

The company show documentation of land compensation for example such as:

- Compensation for land dated May 14<sup>th</sup>, 2013 covering an area of 16.16 ha located in Baung Village, Seruyan Hilir District, in the Afdeling OE block L5 & L6 location of IDR 5,250,000 / ha or a total of IDR 84,840,000 and the minutes of measurement Number 10 / BAPL-GSM / V / 2013 dated May 10<sup>th</sup>, 2013. Available maps with a scale of 1: 12,500 Blocks L05 4.40 ha and L06 11.76 ha, legend maps, projections and others. As well as news of the handover of compensation that was signed by the Director of the Company, Land owners, Village Team, Head of Village and Seruyan Hilir District.

Based on interview with 2 person in Muara Dua Village and 1 person in Jahitan village. its known :

- The company has conducted land acquisition with collective system in Muara Dua Village covering area of 2,750 Ha. However land acquisition in Jahitan Village were conducted to each persons.
- Land prices determination in accordance to negotiations both of parties.
- There were no intimidation and coercion by the company during land acquisition process.
- All land owners gets a copies of the agreement.

**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**

The results of the document review are as follows:

- The payslip of paramedic with ID 41/4122/0814/1525 in April 2019, with a basic wage of Rp. 2,957,500 and piece rate premiums of Rp. 300,000 (*premi* works 3 days on holidays).
- The payslip security in Mill with ID 41/4131/04/06/2 in April 2019, with a basic wage of Rp. 3,027,500 and overtime Rp. 3,036,250. The payslip security in Estate with ID 41/4122/0806/884, with a basic wage of Rp. 2,977,500, a fixed *premi* of Rp. 150,000 and attendance *premi* of Rp. 322,000. Information from management representative's overtime security of estate is paid with *premi* system.

Provisions for *premi* of paramedic and security refer to Directors Decree No. 105695/TAP/SKD-HRD-HO/13 dated 18 April 2013 concerning the Premi of the Central Kalimantan Region, effective date May 1, 2013.

- Nurse, *premi* diligence Rp. 350,000 and a *premi* productivity of Rp. 450,000. Additional *premi* of productivity provisions specifically for nurses if picket on holidays/weeks at the hospital or clinic in accordance with company instructions are paid Rp. 100,000
- Security, *premi* position of Rp. 150,000 and a *premi* productivity of Rp. 350,000 (if working on Sundays / holidays the change day provisions apply).

In addition the company has Internal Memo No. MI/HC/XI/2016/029 dated November 14, 2016 regarding site employee (estate and mill) overtime issued by the Human Capital Directorate. In the memo stated that the calculation of hourly overtime wages is 1/173 x monthly wages, with the calculation:

- Regular working day 1 hour: 1.5 x hourly wage, and 2<sup>nd</sup> hour etc.: 2 x hourly wage
- Holidays 1<sup>st</sup> to 7<sup>th</sup> hours: 2 x hourly wage, 8<sup>th</sup> hour: 3 x hourly wage, 9<sup>th</sup> hour etc: 4 x hourly wage

Referring to the explanation above, the company has not been able to show the application of wages for workers who work with excess work hours and who work on holidays (overtime) in accordance with applicable regulations and Internal Memos issued by the company. **Non-conformity No. 2019.02 with Major category**

Based on interview with local contractors come from Telaga Pulang and Baung Villages, contractor workers also received wages in accordance with minimum wage.

**6.5.2**

The Company has a Company Regulations for the period 2018-2020. The Company Regulations was registered at the *Keputusan Direktur Jenderal Pembinaan Hubungan Industrial dan Jaminan Sosial Tenaga Kerja* No. KEP.78/PHIJSK-PK/PP/II/2018 dated 17 January 2018, valid until 16 January 2020. Based on interview with some workers in mill and estate, it is known that they understand about Company Regulations.

While, contract worker has work agreement, for example agreement No. 573/HC/SPK/4122/01/2019 valid from 14 January 2019 until 13 January 2020. Work agreement is written in Bahasa and workers are understood the substance of the letter

**6.5.3**

Based on field observation in housing complex in Estate 2, it is known that company has been providing housing facilities, lighting and water, places of worship, school buses, clinics and educational facilities. Based on interview with the residents, it is known that there is no complaint related to housing facilities. The facilities provided by the company is adequate. And also it is known that one house is occupied by one family and the condition of housing is still in good shape.

**6.5.4**

The Company has noticed the basic needs related to decent food, adequate, and reasonable price. Currently, there is Employees Cooperative PT. GBSM, whose formation was facilitated by the Company.

For the needs of rice and side dishes, workers allowed to buy it to any merchant, but this time the Cooperative already provide for nine kinds of basic needs (groceries) with the reasonable price.

**6.5.1** | **Status: Non-conformity No. 2019.02 with Major category**

**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**

Freedom to form trade unions was stated and acknowledged in Company Regulations for the period 2018-2020. The Company Regulations was registered at the *Keputusan Direktur Jenderal Pembinaan Hubungan Industrial dan Jaminan Sosial Tenaga Kerja* No. KEP.78/PHIJSK-PK/PP/II/2018 dated 17 January 2018, valid until 16 January 2020.

**6.6.2**

Not all the issues discussed at the union meeting were discussed at a bipartite meeting. As an example :

- 1) On February 9, 2018 the union monthly meeting discussed the problem of long-term contract workers, the problem of articulated premiums, but in the bipartite meeting on March 29 it was not discussed.
- 2) On March 16, 2018 the union's monthly meeting discussed the issue of shaded female articulated harvesters, but in the bipartite meeting on April 27, 2018 it was not discussed.

**Verification on May 23, 2019**

The union held an internal meeting in April 2019 with discussions regarding complaints of damage to infrastructure (3 septic tank afdeling OF damaged). Related to this at the 16 April 2019 Bipartite meeting, as stated in the Minutes of Meeting of the PT GBSM Bipartite meeting, there was a discussion about the damage to the infrastructure, the company's response was to immediately repair the damage.

Referring to the explanation above, minor nonconformities are stated to be fulfilled.

**Status: Comply**

**6.7**

**Children are not employed or exploited.**

The Company has a policy on worker age requirements in accordance with applicable law. It is listed on: (1) Standard Operating Procedures Recruitment, SOP No. 01/TAP-HRD/PSO-RF/III/07 effective March 1, 2007, clause E.2, that the general requirements in recruitment are "at least 18 years old the time of admission "; and (2) Memorandum Status & Improved Employee foreman and below, no.704/HRD-IRR/XII/11 dated 1/12/2011, Subject Status and Appointment of Employees, in section B. Requirements Recruitment, point 1, aged 18 years to 45 years.

Based on document review and field observation, there are no workers under 18 years old. Based on public consultation with Manpower Agency of Seruyan District and field observation in estate and mill, there is no issue regarding child labor. Based on interview with worker in estate and POM, they know the minimum age to work in the company. Based on field observation in estate, auditors did not sighted any harvester accompanied by their wife or children.

**Status: Comply**

**6.8**

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

**6.8.1 & 6.8.2**

The Company has a policy of equal employment opportunities. It is set in: (1). Article 5 (Employee Recruitment) and Article 10 Promotion and Mutation from Company Regulation period 2018 – 2020 and SOP Recruitment are not mentioned the requirement of gender. Based on field observation and interview with spraying female worker, it is known that there is no issue or complain from worker regarding discrimination. Also, information from board of worker union stated that there is no issue related discrimination. The workers that has been interviewed is came from various social origin, race, and religion. Based on the origin of the workforce, the Company categorizes the labor into local and non-local. Local labor is labor that comes from the village and districts, while the non-local workforce is migrant employee outside the sub-district, district, and outside the province.

**6.8.3**

Company kept the personal file of each worker in estate office. Based on interview with management, the recruitment is conducted through the company requirement. The new recruitment is conducted in accordance with the procedure. It is based on skill, capabilities, and health condition for all workers. Company showed personal file for recruitment of 2018 such as new recruitment form, work agreement for probation worker, CV, school certificate, MCU result, employee assessment, and employee appointment letter.

**Status: Comply**

**6.9**

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

**6.9.1, 6.9.2, 6.9.3**

Company have policy to prevent all forms of abuse and sexual violence, as well as a policy to protect the reproductive rights of all workers, WI No. IK-27/GBSM/2014, and written policy form to protect women's reproductive rights on Internal Memo No. MI-028/CEO/HR/IX/2014, dated September 01, 2014. And there is a spraying work instructions, WI No. IK-14/GBSM/2013, that prohibits pregnant and lactating women workers for working with chemical/pesticide.

The Company has a gender committee that has representatives who are in each afdeling. There is Gender Committee activity for the 2018 and 2019 which describe the gender committee programs every year. The activities are gender meeting committee; socialization of gender committee, sexual harassment, and child protection. Examples of the realization of gender committee activities are gender committee meetings on March 21, 2019

Based on interview with the board of gender committee, the company provides the female worker with menstrual leave, pregnant and nursing leave for about 3 months. Pregnant and nursing female worker is prohibited to work related to chemical. And also, Company give special breast feeding time for female worker, but prohibit the worker from working with chemical material.

There is a gender issues handling mechanism in gender committee work instructions, WI No. IK-27/GBSM/2014, which contains the duties and responsibilities and vulnerabilities of the Gender Committee, and measures to address gender issues and also describe

in SOP No. SOP/SUPP/XI/2016/009. In such mechanism it is stated that every employee complaint must be received and recorded for completion and management shall provide protection to the complainant.

**Status: Comply**

**6.10**

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

**6.10.1 & 6.10.2.**

The Company shows a Cooperation Agreement between *Koperasi Usaha Mandiri* and PT Gawi Bahandep Sawit Mekar under number 02 / KUM-SPK / Plasma / II / 2015 dated March 24<sup>th</sup>, 2015. The period of this cooperation is valid from the date of signing up to 25-35 years. *Koperasi Usaha Mandiri* does not delivery FFB to Mill, because it is under development.

The progress of the development of Plasma until February 2019 was 177 ha and land clearing was 419 ha. The company shows the results of the purchase pricing team meeting of FFB of Kalimantan Tengah Province in March 2019. Pricing follows the price of the Kalimantan Tengah Provincial Plantation Office with details:

- Palm Oil Prices: IDR / Kg 6,463.93 including taxes.
- Palm kernel price: IDR / Kg 3,217.29
- Index 'K': 82.25%.

**6.10.3 & 6.10.4**

*Koperasi Usaha Mandiri* does not delivery FFB to Mill, because it is under development. The progress of the development of Plasma until February 2019 was 177 ha and land clearing was 419 ha.

Local contractors (building) come from Telaga Pulang and Baung Villages, Collaboration with the company for 10 years. The cooperation contract is carried out when there is a building activity, in 1 year the cooperation can be done twice, a copy of the contract is held by the contractor. Work inspection is always checked by the company, after being given a minutes of checking.

**Status: Comply**

**6.11**

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

**6.11.1.**

The company shows a evaluation report of CSR Program in 2018 which was attended by 17 villagers (Head of Jahitan Village, religious leaders of Jahitan Village, Head of Baung Village, and others) with details below: religion sector, education sector, culture sector, economic sector, infrastructure sector, and health sector.

There are realization CSR such as:

- *Posyandu* food assistance activities are carried out on January 18<sup>th</sup>, 2019 to *Puskedes* Jahitan Village.
- Assistance for teacher salaries for public elementary school Muara Dua on April 18<sup>th</sup>, 2019.
- Assistance for heavy equipment (*Bomax & graders*) to Baung Village for equitable distribution of roads from the Baung Village on February 15<sup>th</sup>, 2019.

**6.11.2.**

The Company shows a Cooperation Agreement between *Koperasi Usaha Mandiri* and PT Gawi Bahandep Sawit Mekar under number 02 / KUM-SPK / Plasma / II / 2015 dated March 24<sup>th</sup>, 2015. The period of this cooperation is valid from the date of signing up to 25-35 years. *Koperasi Usaha Mandiri* does not delivery FFB to Mill, because it is under development. The progress of the development of Plasma until February 2019 was 177 ha and land clearing was 419 ha.

**Status: Comply**

**6.12**

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

**6.12.1; 6.12.2; 6.12.3**

Internal Memo Ref 20180301/TAP/OPR-01-FLTI/III/18 dated March 1, 2018 issued by the Estate Manager and Senior Mill Manager, which states that:

1. All employees are committed to respecting the equality of rights of every other employee and not justifying practices based on

- non-work related aspects (nepotism, gender, ethnicity, religion and race)
- 2. Do not force to carry out work in the company environment
- 3. The entire process of employee recruitment is carried out in accordance with applicable laws and regulations, and no regulations are violated and there is no human trafficking practice.

Explanation of the HC Regional Office recruitment system in force at PT GBSM is carried out locally for operational workers, while for staff through the head office.

There are no workers coming from human trafficking and forced labor. Based on the results of interviews and the examination of contract documents, all workers working in accordance with the duties and responsibilities in the contract. There is no evidence of temporary and migrant workers. From company data, workers come from local and surrounding districts. The data of employee showed that all the workers were Indonesian Citizen. Based on field observation in estate, auditors did not sighted any harvester accompanied by their wife or children.

**Status: Comply**

**6.13  
Growers and millers respect human rights**

**6.13.1**

In Company Regulations 2018 - 2020 Chapter X Article 52 states that the company respects human rights and provides equal opportunities for each employee to advance and be given the opportunity to work and associate without restrictions and discrimination or because of differences in ethnicity, religion, race, and between group

Based on interview with worker in estate, it is known that they understand about human rights as worker. And also, from consultation with internal stakeholder and contractor, it is known that there is no complaint related to human rights violation. If there was a complaint, the complaint can still be resolved by amicable way between employees.

**Status: Comply**

**PRINCIPLE #7 Responsible development of new plantings**

**7.1**

**A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.**

**7.1.1; 7.1.2**

PT. GBSM started planting in 2006 while conducting HCV on January 23, 2013. To comply with the requirements and Remediation and Compensation Procedure, PT GBSM is required to submit a Land Use Changes Analysis report to RSPO for review by the Compensation Panel (Review phase III of RSPO March 11, 2019). At present, there is no new land development at PT GBSM.

**Status: Comply**

**7.2**

**Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.**

**7.2.1; 7.2.2**

PT. GBSM started planting in 2006 while conducting HCV on January 23, 2013. To comply with the requirements and Remediation and Compensation Procedure, PT GBSM is required to submit a Land Use Changes Analysis report to RSPO for review by the Compensation Panel (Review phase III of RSPO March 11, 2019). At present, there is no new land development at PT GBSM.

**Status: Comply**

**7.3**

**New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.**

**7.3.1, 7.3.2, 7.3.3, 7.3.4 & 7.3.5**

The Certification Holders were shows several LUCA reporting and review process from RSPO as follows:

- LUCA submission on 20 June 2017 as a follow up the previous email dated 29 December 2015.



- First stage review on 5 January 2018 by RSPO
- First Clarification review by the company dated 20 February 2018.
- Second stage review on 25 April 2015.
- Second clarification by the company on 17 July 2018.
- The company sends additional shape file data on 28 December 2018.
- Third stage review on 11 March 2019
- Third clarification by the company on 12 March 2019.
- The company was asked to the RSPO about review progress on 5 April 2019 and 2 May 2019.

However, based on above explanation sighted that the CH has not been able to show RaCP process has been approved by the Compensation Panel. **It was raised as nonconformity number 2019.03**

**7.3.1. Status: Nonconformity No 2019.03 with Major Category**

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

**7.4.1; 7.4.2**  
 PT. GBSM started planting in 2006 while conducting HCV on January 23, 2013. To comply with the requirements and Remediation and Compensation Procedure, PT GBSM is required to submit a Land Use Changes Analysis report to RSPO for review by the Compensation Panel (Review phase III of RSPO March 11, 2019). At present, there is no new land development at PT GBSM.

**Status: Comply**

**7.5 No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.**

**7.5.1.**  
 The company didn't open land in 2010. GBSM started planting in 2006 while conducting HCV on January 23<sup>rd</sup>, 2013.

**Status: Comply**

**7.6 Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.**

**7.6.1 – 7.6.6.**  
 The company didn't open land in 2010. GBSM started planting in 2006 while conducting HCV on January 23<sup>rd</sup>, 2013.

**Status: Comply**

**7.7 Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.**

**7.7.1; 7.7.2**  
 PT. GBSM started planting in 2006 while conducting HCV on January 23, 2013. To comply with the requirements and Remediation and Compensation Procedure, PT GBSM is required to submit a Land Use Changes Analysis report to RSPO for review by the Compensation Panel (Review phase III of RSPO March 11, 2019). At present, there is no new land development at PT GBSM.

**Status: Comply**

**7.8 New plantation developments are designed to minimise net greenhouse gas emissions.**

**7.8.1**  
 Based on document review and field observation, there is no new land clearing / area expansion after 2015. However the CH has been conducted GHG emission on 2016. Calculating method is using HCS approach steering groups, version 1.0 (August 2015) and the Carbon Assessment tool for new oil palm (RSPO, 2014). Based on HCS assessment there was HCS area of 499.87 Ha with carbon stock value 85.01 ton C/Hectare, each of HRM land cover was 64.95 ton C/Hectare and BM land cover was 39.08 ton C/Hectare.



**7.8.2**

There are two GHG emissions reduction scenarios, as follows:

- Scenario 1: type of land cover is HRM, BM and Scrub is converted for palm oil development; the converted area do not open for palm oil development, land cover of HKR is maintained to conversion area, PT GBSM has the own palm oil mill.
- Scenario 2: type of land cover is HKR, HRM, BM and scrub is converted for palm oil development, the converted area do not open for palm oil development, PT GBSM has the own palm oil mill.

**Status: Comply**

**PRINCIPLE #8 Commitment to continuous improvement in key areas of activity**

**8.1**

**Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.**

**8.1.1.**

The company shows that the RSPO PT GBSM Internal Audit Report dated 22-27 April 2019 by the Sustainability Division found that there were 8 nonconformities consisting of indicators 1.1.1; 1.1.2; 4.4.1; 4.3.3; 6.1.3; 6.1.4; SCCS (2). It has been corrected for all nonconformities in April 30, 2019 and May 9, 2019.

The company has implemented a commitment to continuous improvement, including:

- The company has carried out routine reporting for all reports related to environmental management
- The company has reduced GHG emissions

**Status: Comply**

**3.2. Summary of Assessment Report of Supply Chain Requirement**

**3.2.1 General Chain of custody requirements for the supply chain**

Clause	Requirement
<b>5.1</b>	<b>Applicability of the general chain of custody requirements for the supply chain</b>
5.1.1	<p>The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.</p> <p>The company shows the registration and reporting requirements for the right supply chain through the organization that manages the RSPO supply chain with the following details:            Sub License ID: CB73510.            Member Name: PT Triputra Agro Persada            Membership number: 1-0038-07-000-00, 27 June 2007            Member ID: RSPO_PO1000001618.            Start date: September 18, 2018.            End date: July 15, 2019.</p>
	<b>Status: Comply</b>
5.1.2	<p>Traders and distributors require a license obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.</p> <p>The company do not buy certified products from RSPO licensed traders, every CPO &amp; PK product is produced from the nucleus plantations and sold to buyers.</p>
	<b>Status: Comply</b>
5.1.3	<p>Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.</p> <p>The company shows the registration and reporting requirements for the right supply chain through the organization that manages the RSPO supply chain with the following details:            Sub License ID: CB73510.            Member Name: PT Triputra Agro Persada            Membership number: 1-0038-07-000-00, 27 June 2007            Member ID: RSPO_PO1000001618.            Start date: September 18, 2018.            End date: July 15, 2019.</p>
	<b>Status: Comply</b>
5.1.4	<p>Processing aids do not need to be included within an organization's scope of certification.</p> <p>There is no processing aids in GBSM Mill.</p>
	<b>Status: Comply</b>
<b>5.2</b>	<b>Supply chain model</b>

<b>5.2.1</b>	
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.	
The company uses module E - Mass Balance, because the company receives fruit from non-certified outside FFB.	
	<b>Status: Comply</b>
<b>5.2.2</b>	
The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	
The company only uses one module E, which is Mass Balance.	
	<b>Status: Comply</b>
<b>5.3</b>	<b>Documented procedures</b>
<b>5.3.1</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.	
The company has procedure of FFB, CPO & PK Traceabilities Mass Balance model dated January 22 <sup>nd</sup> , 2018 Rev 01 approved by the Region CEO. This procedure applies to informing methods of tracing raw materials and products used and produced from palm oil processing. The responsible parties are Senior Mill Manager / Mill Manager, Head of Administration, Assistant, Logistics Officer, scales officer, security officer and Grading Officer. The reference standard follows the revised RSPO Supply Chain Certification Standard 21 November 2014 June 14, 2017.	
The company shows procedure how to calculate and record certified FFB, CPO & PK Mass Balance model numbers TAP / SOP / 10-DCC / 003 rev 00 dated January 7, 2013 authorized by the Region CEO, this SOP aims to process mass balance calculation (mass balance) stock) certified quantities (CPO / PK) and non-certified products from Palm Oil processing. Responsible party Logistics Assistant, Head of Administration, Mill Manager or Senior Mill Manager.	
	<b>Status: Comply</b>
<b>5.3.2</b>	
The site shall have a written procedure to conduct annual internal audit	
The company has procedure of FFB, CPO & PK Traceabilities Mass Balance model dated January 22 <sup>nd</sup> , 2018 Rev 01 approved by the Region CEO. The reference standard follows the revised RSPO Supply Chain Certification Standard 21 November 2014 June 14, 2017. Internal audit and review activities are carried out at least once a year.	
	<b>Status: Comply</b>
<b>5.4</b>	<b>Purchasing and goods in</b>
<b>5.4.1</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	
GBSM Mill has not purchase CSPO or CSPK. The mill received FFB from certified and uncertified sources. Based on documents verification of FFB receives are known that all data such as name, address, date of transaction, date of issued claim, transport documentation were match without any non-compliance.	
	<b>Status: Comply</b>
<b>5.4.2</b>	
The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents	
GBSM Mill has not purchase CSPO or CSPK. The company has SOP of handling non-conforming oil palm products and/or documents describe in supply chain procedures for Mass Balance models dated 22 January 2018. Non-conforming of oil palm product has describe a false in deliveries and regarding of certified products record. The handling of this non-conforming are to corrected the record and monitored by mass balance record documents.	

	<b>Status: Comply</b>
<b>5.5</b>	<b>Outsourcing activities</b>
<b>5.5.1</b>	<p>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.</p> <p>The company has a cooperation agreement with CPO &amp; PK transportation for example:</p> <ul style="list-style-type: none"> <li>▪ Work agreement between the Company and <i>Koperasi Usaha Mandiri</i> Number 004 / GSMP / P-TRA-HO / I / 18 dated January 2, 2018 – December 31, 2018 for CPO transportation.</li> <li>▪ Work agreement between the Company and CV Ladang Mandiri Number 005 / GSM / P-TRA-HO / I / 18 dated January 2, 2018 – December 31, 2018 for CPO transportation.</li> <li>▪ Work agreement between the Company and CV Sinar Sampit Lestari Number 003 / GSM / P-TRA-HO / I / 18 dated January 2, 2018 – December 31, 2018 for CPO transportation.</li> <li>▪ Work agreement between Companies with CV Batuah Sehati Number 002 / GSM / P-TRA-HO / I / 18 dated January 2, 2018 – December 31, 2018 for CPO transportation.</li> <li>▪ Work agreement between the Company and CV Ladang Mandiri Number 008 / GSM / P-TRA-HO / I / 18 dated January 2, 2018 – December 31, 2018 for PK Transportation.</li> <li>▪ Work agreement between the Company and CV Hanesa Afon Number 009 / GSM / P-TRA-HO / I / 18 dated January 2, 2018 – December 31, 2018 for PK Transportation.</li> <li>▪ Work agreement between the Company and CV Bumi Makmur Number 030 / GSM / P-TRA-HO / VI / 18 dated June 25, 2018 - December 31, 2018 for PK Transportation.</li> <li>▪ Work agreement between the Company and CV Bintang Pace Jaya Number 015 / GSM / P-TRA-HO / VI / 19 dated January 2, 2018 – December 31, 2018 for PK Transportation.</li> <li>▪ Work agreement between the Company and CV Bintang Borneo Baru Number 009 / GSM / P-TRA-HO / III / 18 dated March 5, 2018 - June 4, 2018 for PK Transportation.</li> </ul> <p>An approval letter was signed by a third party / CPO &amp; PK contractor who stated that he did not object to the notification letter of RSPO supply chain certification standards or CB could access the Contractor to be audited if needed dated 2 &amp; 21 May 2019.</p>
	<b>Status: Comply</b>
<b>5.5.2</b>	<p>Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:</p> <ol style="list-style-type: none"> <li>a. The site has legal ownership of all input material to be included in outsourced processes;</li> <li>b. The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.</li> <li>c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</li> <li>d. d) The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance</li> </ol> <p>The company has legal ownership of CPO and PK products which in the transport of CPO and PK are given to third parties. An approval letter was signed by a third party / CPO &amp; PK contractor who stated that he did not object to the notification letter on RSPO supply chain certification standards or CB could access the Contractor to be audited if needed dated 2 &amp; 21 May 2019.</p>
	<b>Status: Comply</b>
<b>5.5.3</b>	

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.

Transportation of CPO and PK has been carried out by third parties and the company has detailed records of the contractors used, as follows:

Name of contractor for transportation	Address
<b>CPO</b>	
Koperasi Usaha Mandiri	Road of Natai Hijrah, Baung Village, Seruyan Hilir Subdistrict, Seruyan District, Kalimantan Tengah Province
CV Ladang Mandiri	Road of Kembali, Mentawa Baru, Ketapang, Kotawaringin Timur District, Kalimantan Tengah Province
CV Sinar Sampit Lestari	Road of Nila Putih, Bukit Tunggul, Jekan Raya City, Palangkaraya, Kalimantan Tengah Province
CV Batuah Sehati	Mentawa Baru Hulu, Mentawa Baru Ketapang, Kotawaringin Timur District, Kalimantan Tengah Province
<b>PK</b>	
CV Ladang Mandiri	Road of Kembali, Mentawa Baru, Ketapang, Kotawaringin Timur District, Kalimantan Tengah Province
CV Hanesa Afon	Mentawa Baru Hulu, Mentawa Baru Ketapang, Kotawaringin Timur District, Kalimantan Tengah Province
CV Bumi Makmur	Mentawa Baru Hilir, Mentawa Baru, Ketapang, Kotawaringin Timur District, Kalimantan Tengah Province
CV Bintang Pace Jaya	Road of Gunung Arjuno, Baamang Tengah, Kotawaringin Timur District, Kalimantan Tengah Province
CV Bintang Borneo Baru	Road walter Condrat, Baamang Tengah, Baamang Sub-District, Kotawaringin Timur District, Kalimantan Tengah Province

**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

It will be verified in the next surveillance.

**Status: Comply**

5.6

**Sales and goods out**

5.6.1

The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form: The name and address of the buyer

The company has showed the name of buyer and address such as:

Name of buyer	Product	Address
PT Louis Dreyfus Company (LDC)	CPO	Wisma 46 Kota BNI, road of Jendral Sudirman, Tanah Abang, Jakarta Pusat
PT Multimas Nabati Asahan	CPO	West Medan, Medan, Sumatera Utara, Indonesia.
PT Sukajadi Sawit Mekar	CPO	Spring Tower 06-62, Road of KL Yos Sudarso, Belawan, Sumatera Utara
PT Sinar Mas Agro Resource	CPO	Sinar Mas Land Plaza, Gondang Dia, Menteng, Jakarta Pusat, DKI Jakarta
PT Sari Dumai Sejati	CPO	Kebon Melati, Jakarta Pusat, DKI Jakarta
PT Wilmar Nabati Indonesia	CPO & PK	Road of Putri Hijau Number 10, West Medan, Medan, Sumatera Utara
PT Sinar Jaya Inti Mulya	PK	Village of Tanah Mas, Baamang Hulu, City of

		Baamang, Kotawaringin Timur District, Kalimantan Tengah Province.
	<b>Status: Comply</b>	
<b>5.7</b>	<b>Registration of transactions</b>	
<p>5.7.1 Supply chain actors who:</p> <ul style="list-style-type: none"> <li>• are mills, traders, crushers and refineries; and</li> <li>• 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</li> </ul>		
<p>The company has registered all transaction in RSPO IT Platform: Sub License ID: CB73510. Member Name: PT Triputra Agro Persada Membership number : 1-0038-07-000-00, June 27, 2007 Member ID: RSPO_PO1000001618. Start date: September 18, 2018. End date: July 15, 2019.</p>		
	<b>Status: Comply</b>	
<p>5.7.2 The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform:</p> <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>		
<p>The company shows sales data of CSPO &amp; CSPK for May 1, 2018 until April 30, 2019 with details CSPO sold as RSPO is 2,788.62 MT and CSPK sold as RSPO is 4,425.80 MT. CSPO and CSPK sold as conventional has been removed from stock. The reduction of the remaining is sold conventional to PT Wilmar Nabati Indonesia (buyer).</p>		
	<b>Status: Comply</b>	
<b>5.8</b>	<b>Training</b>	
<p>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</p>		
<p>The company shows the schedule for the SCCS training in 2019 period which will be held on May 18, 2019. Training is conducted once a year.</p>		
	<b>Status: Comply</b>	
<p>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</p>		



<p>The company shows realization of the training held on May 18, 2019 was located in the PT GBSM Office which was attended by mill workers (5 person). Ensure that all key personnel understand the traceabilities procedures for FFB, CPO &amp; PK Mass Balance model (OFI).</p>	
	<b>Status: Comply</b>
<b>5.9</b>	<b>Record keeping</b>
<b>5.9.1</b>	
<p>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</p>	
<p>The company has maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements.</p>	
	<b>Status: Comply</b>
<b>5.9.2</b>	
<p>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</p>	
<p>Based on standard operational procedure traceability of FFB, CPO, &amp; PK model Mass balance its known with retention documents is 5 years.</p>	
	<b>Status: Comply</b>
<b>5.9.3</b>	
<p>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.</p>	
<p>The company shows sales data of CSPO &amp; CSPK for May 1, 2018 until April 30, 2019 with details CSPO sold as RSPO is 2,788.62 MT and CSPK sold as RSPO is 4,425.80 MT. CSPO and CSPK sold as conventional has been removed from stock. The reduction of the remaining is sold conventional to PT Wilmar Nabati Indonesia (buyer).</p>	
	<b>Status: Comply</b>
<b>5.10</b>	<b>Conversion factors</b>
<b>5.10.1</b>	
<p>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 (<a href="http://www.rspo.org">www.rspo.org</a>); 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</p>	
<p>The company doesn't applied a conversion rate.</p>	
	<b>Status: Comply</b>
<b>5.10.2</b>	
<p>Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.</p>	
<p>The company doesn't applied a conversion rate.</p>	
	<b>Status: Comply</b>
<b>5.11</b>	<b>Claims</b>
<b>5.11.1</b>	
<p>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.</p>	
<p>Based on announcement and transaction report documents review, it concluded that all RSPO certified products submitted are in compliance with the RSPO Rules on Market Communications and Claims.</p>	

	<b>Status: Comply</b>
<b>5.12</b>	<b>Complaints</b>
<p><b>5.12.1</b> The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.</p>	
<p>Procedures for stakeholders complaints established in the document No. SOP/SUPP/III/2018/001 dated 19 March 2018 and work instruction No. 01/TAP/IKE-MKT-HO/II/19 dated 16 January 2019. Based on complaints document verification known that there is no complaint regarding SCCS for last 1 years.</p>	
	<b>Status: Comply</b>
<b>5.13</b>	<b>Management review</b>
<p><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</p>	
<p>The company has conducted a management review conducted on April 27, 2019.</p>	
	<b>Status: Comply</b>
<p><b>5.13.2</b> The input to management review shall include information on:</p> <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>	
<p>The company shows the results of management review dated April 27, 2019 which informs the discussion, follow-up, PIC, due date and information. For example:</p> <ol style="list-style-type: none"> <li>1. Work agreement for sales CPO &amp; PK not yet available at the site.</li> <li>2. There is no PIC for Traceabilities officer.</li> <li>3. Customer feedback, there were no complaint for buyer related sales of CPO &amp; PK certified.</li> <li>4. Work agreement for contractor CPO &amp; PK is not yet available.</li> </ol>	
<p>Follow-up improvements have been made in May 2019.</p>	
	<b>Status: Comply</b>
<p><b>5.13.3</b> The output from the management review shall include any decisions and actions related to:</p> <ul style="list-style-type: none"> <li>• Improvement of the effectiveness of the management system and its processes.</li> <li>• Resource needs.</li> </ul>	
<p>The company shows the results of management review dated April 27, 2019 which informs the discussion, follow-up, PIC, due date and information. For example:</p> <ol style="list-style-type: none"> <li>1. Work agreement for sales CPO &amp; PK not yet available at the site.</li> <li>2. There is no PIC for Traceabilities officer.</li> <li>3. Customer feedback, there were no complaint for buyer related sales of CPO &amp; PK certified.</li> <li>4. Work agreement for contractor CPO &amp; PK is not yet available.</li> </ol>	
<p>Follow-up improvements have been made in May 2019.</p>	
	<b>Status: Comply</b>

3.2.2 (Module E) CPO Mills - Mass Balance Requirements

Clause	Requirement												
E.1	Definition												
E.1.1	<p><b>Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and sales volume of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</b></p> <p>Gawi Bahandep Sawit Mekar Mill receives FFB from the estate that has been certified by RSPO and non-certified RSPO. Source or supplier of FFB received by the mill can be classified into four categories: own estates, smallholder, independent suppliers / third parties and others company.</p>												
	<b>Status: Comply</b>												
E.2	Explanation												
E.2.1	<p><b>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&amp;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.</b></p> <p>The company shows production for FFB, CPO &amp; PK with the following details:</p> <table border="1"> <thead> <tr> <th>Description</th> <th>Certificate period for ASA 4 July 16, 2014 – July 15, 2019 (MT)</th> <th>Actual period for May 1, 2018 – April 30, 2019 (MT)</th> </tr> </thead> <tbody> <tr> <td>FFB</td> <td>306,487.56 MT</td> <td>307,519.29</td> </tr> <tr> <td>CSPO</td> <td>71,718.09 MT</td> <td>70,628.03</td> </tr> <tr> <td>CSPK</td> <td>13,791.94 MT</td> <td>13,549.44</td> </tr> </tbody> </table>	Description	Certificate period for ASA 4 July 16, 2014 – July 15, 2019 (MT)	Actual period for May 1, 2018 – April 30, 2019 (MT)	FFB	306,487.56 MT	307,519.29	CSPO	71,718.09 MT	70,628.03	CSPK	13,791.94 MT	13,549.44
Description	Certificate period for ASA 4 July 16, 2014 – July 15, 2019 (MT)	Actual period for May 1, 2018 – April 30, 2019 (MT)											
FFB	306,487.56 MT	307,519.29											
CSPO	71,718.09 MT	70,628.03											
CSPK	13,791.94 MT	13,549.44											
	<b>Status: Comply</b>												
E.2.2	<p><b>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).</b></p> <p>The company has registered all transaction in RSPO IT Platform:            Sub License ID: CB73510.            Member Name: PT Triputra Agro Persada            Membership number : 1-0038-07-000-00, June 27, 2007            Member ID: RSPO_PO1000001618.            Start date: September 18, 2018.            End date: July 15, 2019.</p> <p>The company shows sales data of CSPO &amp; CSPK for May 1, 2018 until April 30, 2019 with details CSPO sold as RSPO is 2,788.62 MT and CSPK sold as RSPO is 4,425.80 MT. CSPO and CSPK sold as conventional has been removed from stock. The reduction of the remaining is sold conventional to PT Wilmar Nabati Indonesia (buyer).</p>												
	<b>Status: Comply</b>												
E.3	Documented procedures												

**E.3.1**

The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:

- a. Complete and up to date procedures covering the implementation of all the elements in these requirements;
- b. The name 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 procedures for the implementation of this standard.

The company has procedure of FFB, CPO & PK Traceabilities Mass Balance model dated January 22<sup>nd</sup>, 2018 Rev 01 approved by the Region CEO. This procedure applies to informing methods of tracing raw materials and products used and produced from palm oil processing. The responsible parties are Senior Mill Manager / Mill Manager, Head of Administration, Assistant, Logistics Officer, scales officer, security officer and Grading Officer. The reference standard follows the revised RSPO Supply Chain Certification Standard 21 November 2014 June 14, 2017.

The company shows procedure how to calculate and record certified FFB, CPO & PK Mass Balance model numbers TAP / SOP / 10-DCC / 003 rev 00 dated January 7, 2013 authorized by the Region CEO, this SOP aims to process mass balance calculation (mass balance) stock) certified quantities (CPO / PK) and non-certified products from Palm Oil processing. Responsible party Logistics Assistant, Head of Administration, Mill Manager or Senior Mill Manager.

Status: Comply

**E.3.2**

The site shall have documented procedures for receiving and processing certified and non-certified FFBs

The company shows SOP how to calculate and record certified FFB, CPO & PK models Mass Balance numbers TAP / SOP / 10-DCC / 003 rev 00 dated January 7, 2013 authorized by the Region CEO, this SOP aims to process mass balance calculation (mass balance) stock) certified quantities (CPO / PK) and non-certified products from Palm Oil processing. Responsible party Logistics Assistant, Head of Administration, Mill Manager or Senior Mill Manager.

Description of Procedure:

V.I. Input of FFB.

- 1. Each FFB that enters a certified estate must be labeled "certified" on the weigh note issued by Mill.
- 2. Enter data on receipts of FFB from nucleus estates and non-sustainable FFB in the appropriate column.

Status: Comply

**E.4**

**Purchasing and goods in**

**E.4.1**

The site shall verify and document the volumes of certified and non-certified FFBs received.

The company showed document for certified and non-certified FFB received for period May 1<sup>st</sup>, 2018 – April 30<sup>th</sup> 2019 with details bellows:

Month	FFB		
	RSPO Certified	Non Certified	Total
May 2018 to April 2019	307,519.29	117,942.90	425,462.19

Status: Comply

**E.4.2**

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

There is no overproduction of certified tonnage for period May 1<sup>st</sup> 2018 until April 30<sup>th</sup> 2019 with details bellow:

Description	Previous certificate ASA 4 RSPO on July 16 <sup>th</sup> 2014 – July	Actual period for May 1 <sup>st</sup> 2018 - April 30 <sup>th</sup> 2019

	15 <sup>th</sup> 2019 (MT)	(MT)
FFB	306,487.56 MT	307,519.29
CSPO	71,718.09 MT	70,628.03
CSPK	13,791.94 MT	13,549.44

**Status: Comply**

**E.5 Record keeping**

**E.5.1**

- a. 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 and / or three-monthly basis.
- b. All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.
- c. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a site is allowed to sell short. (i.e. product can be sold before it is in stock.)

The company has record and balance all receipts of RSPO certified FFB, CPO and PK in real time basis or three monthly basis with details below:

FFB for period May 2018 – April 2019.

Month	FFB		
	RSPO Certified	Non Certified	Total
May 2018 to April 2019	307,519.29	117,942.90	425,462.19

CSPO for period May 2018 – April 2019.

Month	CPO			CSPO Dispatch			
	RSPO Certified	Non Certified	Total	Sold as RSPO	Sold as under other scheme	Sold as conventional	Total
May 2018 to April 2019	70,628.03	23,137.19	93,765.22	2,788.62	0	62,344.88	65,133.50

CSPK for period May 2018 – April 2019.

Month	PK			CSPK Dispatch			
	RSPO Certified	Non Certified	Total	Sold as RSPO	Sold as under other scheme	Sold as conventional	Total
May 2018 to April 2019	13,549.45	4,646.56	18,196.01	4,425.80	0	9,019.70	13,445.50

**Status: Comply**

**3.3. Conformity Checklist of Certificate and Trademark Use**

<b>1.</b>	<b>Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client</b>	<b>X or√</b>
<b>RC</b>	PT Gawi Bahandep Sawit Mekar didn't use RSPO trademark and CB Logo.	√
	<b>Status: Comply</b>	
<b>2.</b>	<b>Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of Logo Use</b>	<b>X or√</b>
<b>RC</b>	PT Gawi Bahandep Sawit Mekar didn't use RSPO trademark and CB Logo.	√
	<b>Status: Comply</b>	
<b>3.</b>	<b>Implementation of Certificate and Trademark is not used on product</b>	<b>X or√</b>
<b>RC</b>	PT Gawi Bahandep Sawit Mekar didn't use RSPO trademark and CB Logo.	√
	<b>Status: Comply</b>	
<b>4.</b>	<b>Controlling of Certificate and Trademark, including withdrawing inappropriate logo.</b>	<b>X or√</b>
<b>RC</b>	PT Gawi Bahandep Sawit Mekar didn't use RSPO trademark and CB Logo.	√
	<b>Status: Comply</b>	



**3.4. Summary of RSPO Partial Certification.**

Compliance of the uncertified management units of Triputra Agro Persada Group 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.

Triputra Agro Persada Group Time Bound Plan (TBP) is explained in table 1.10. Triputra Agro Persada Group has six (6) management units with six (6) mill and thirteen (13) estates. Triputra Agro Persada Group has informed the TBP progress, MUTU has considered that Triputra Agro Persada Group is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Triputra Agro Persada Group on 20 June 2019 (revised) approved by Director.

MUTU has verified partial certification for un-certified unit's subsidiary of Triputra Agro Persada Group based on their Time Bound Plan. There are four uncertified unit of Triputra Agro Persada Group. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

- There is no significant land conflicts which have not been declared above
- The company has follow RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There is no 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
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	Internal audit has done for <ul style="list-style-type: none"> <li>- PT First Lamandau Timber International (PT FLTI)</li> <li>- PT Muaratoyu Subur Lestari (PT MSL)</li> <li>- PT Etam Bersama Lestari (PT EBL)</li> <li>- PT Hamparan Perkasa Mandiri (PT HPM)</li> <li>- Plasma 3 (Pemayung) – smallholders under PT Brahma Binabakti</li> </ul>
2.1.2	No replacement after dates defined in NIs Criterion 7.3 of: <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>	No new planting area replacing primary forest areas in accordance with principle 7.3 (after January 1, 2010). The non-certified unit under TAP Group has been conduct the HCV assessment, LUCA has done to the planting area which conducted prior to HCV assessment to calculate the potential loss of HCV area <ul style="list-style-type: none"> <li>- The process of LUCA's document of PT FLTI has been note as pass by the RSPO, and currently is on submitting the concept note for compensation.</li> <li>- The LUCA of PT MSL, PT EBL, PT HPM and Plasma Pemayung (PT BBB) is under review by the RSPO</li> </ul>
2.1.3	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	The LUCA study of PT FLTI, PT EBL, PT HPM and PT MSL, and Pemayung Plasma (PT BBB) has been conducted to calculate the potential loss of HCV area due to land clearance without prior HCV assessment.  Some of the LUCA's document is still under review process by RSPO RaCP's Reviewer, except for PT

		FLTI has been note as pass by the RSPO, and currently is on submitting the concept note for compensation.
2.1.4	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>There is no conflicts or complaints from stakeholders regarding the operation of PT FLTI, PT EBL, PT HPM, PT MSL, and Plasma Pemayang (PT BBB).</p> <p>The group has the SOP for land disputes settlement, namely: in the SOP of “<i>penerimaan dan penyelesaian keluhan dari pemangku kepentingan</i>” no. 106899/TAP/PRO-CSR-HO/VI/13 dated 3 June 2013 (clause of 4.3.2 poin c).</p> <p>The company has a procedure and mechanism for land acquisition no. 002/TAP/PRO-CSP-HO/IV/10 dated 26 April 2010, which explain on land identification include communities land, arable land, customary/traditional land, and land religious value.</p>
2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>There are no disputes or complaints related to PT FLTI, PT EBL, PT HPM, PT MSL, and Plasma Pemayang (PT BBB) employment.</p> <p>The group has a dispute settlement mechanism and SOP namely:</p> <ul style="list-style-type: none"> <li>- SOP for external parties no. SOP/SUPP/III/2018/001 dated 19 March 2018</li> <li>- SOP for internal, document no. SOP/SUPP/XI/2016/009 approved on 27 May 2019</li> </ul>
2.1.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>All unit has have HGU and IUP</p> <ul style="list-style-type: none"> <li>- PT HPM : Total area 8174.388 Ha (SK.106/HGU/BPN-RI/2009, IUP SK No. 188.4.45/152/Eks.1-IX/2014.</li> <li>- PT MSL : Total area 11255 Ha, (SK.123/HGU/BPN/RI/2009), IUP SK. Ek.525.26/0/Ek.Adm.SDA/IX/2013.</li> <li>- PT EBL : Total area 9977.70 Ha (SK. 151/HGU/BPN/RI/2009), IUP SK No. 775/Menhubun-II/2000 area of 10000 Ha.</li> <li>- Pemayang Plasma (PT BBB), progress of HGU process (on-going cadasteral).</li> </ul>

**3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.**

**3.5.1 Identification of Findings, Corrective Actions and Observations at ASA-4 Certification Assessment**

<b>NCR No.</b>	<b>: Other CB's</b>	<b>Issued by</b>	<b>: Other CB's</b>
<b>Date Issued</b>	<b>: -</b>	<b>Time Limit</b>	<b>: Re-Certification</b>
<b>NC Grade</b>	<b>: minor</b>	<b>Date of Closing</b>	<b>: 23 May 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 6.6.2. Records of meeting with labor unions or workers representatives shall be available.</b>		
<b>Evidence observed &amp; Non-Conformance Description (filled by auditor):</b> Not all the issues discussed at the union meeting were discussed at a bipartite meeting. As an example :			
1) On February 9, 2018 the union monthly meeting discussed the problem of long-term contract workers, the problem of articulated premiums, but in the bipartite meeting on March 29 it was not discussed			
2) On March 16, 2018 the union's monthly meeting discussed the issue of shaded female articulated harvesters, but in the bipartite meeting on April 27, 2018 it was not discussed.			
<b>Root Cause Analysis (filled by organization audited):</b> Trade unions did not submit trade union complaints at bipartite meetings.			
<b>Correction (filled by organization audited):</b> Minutes of the Bipartite meeting.			
<b>Corrective Action (filled by organization audited):</b> The union's socialization that the results of the union meeting must be delivered at the bipartite meeting.			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verification on May 23, 2019</b> The union held an internal meeting in April 2019 with discussions regarding complaints of damage to infrastructure (3 septictank afdeling OF damaged). Related to this at the 16 April 2019 Bipartite meeting, as stated in the Minutes of Meeting of the PT GBSM Bipartite meeting, there was a discussion about the damage to the infrastructure, the company's response was to immediately repair the damage.  Referring to the explanation above, minor nonconformities are stated to be closed.			
<b>Verified by</b>	<b>: Haikal Ramadhan Kharismansyah</b>		

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

<b>NCR No.</b>	<b>: 2019.01</b>	<b>Issued by</b>	<b>: Haikal Ramadhan Kharismansyah</b>
<b>Date Issued</b>	<b>: 23 May 2019</b>	<b>Time Limit</b>	<b>: 22 August 2019</b>
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 20 August 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 4.7.3  Records of Occupational Health and Safety (OHS) program (see 4.8) and Personal Protective Equipment (PPE) training in accordance with the result of hazard identification and risk analysis shall be available to all workers.</b>		
<p><i>Evidence observed (filled by auditor):</i>  The results of observations and interviews with workers are known:</p> <ul style="list-style-type: none"> <li>• Estate and Mill workshop welders do not have a welder certificate in accordance with Permenaker No. 02 of 1982</li> <li>• The sterilizer operator does not yet have a pressure vessel technician OHS license in accordance with Permenaker No. 37 of 2016.</li> </ul> <p>Related to the above the company shows training program 2019 for SIO sterilizer operators and welders. In addition, a Training Submission Form is shown for class III welders and sterilizer operators. The form was sent via email on May 23, 2019 addressed to Sustainability. But still waiting for approval from HR Directorate.</p>			
<p><i>Non-Conformance Description (filled by auditor):</i>  Based on the explanation above, the company has not been able to demonstrate OHS training for welders and sterilizer operators in accordance with applicable regulations.</p>			
<p><i>Root Cause Analysis (filled by organization audited):</i>  Identification of compliance with regulations for workers that require special expertise has not been done well, so there are some parts that have been missed such as welders and sterilizer operators. For this reason, it is necessary to improve the overall identification process and the plan for its fulfillment.</p>			
<p><i>Correction (filled by organization audited):</i></p> <ul style="list-style-type: none"> <li>• Estate &amp; Mill workshop welder certificate</li> <li>• Sterilizer operators receive boiler operator certification training with sterilizer related material</li> <li>• Identification of compliance with labor certification regulations and compliance plans</li> </ul>			
<p><i>Corrective Action (filled by organization audited):</i>  Ensure that all workers who require certification are scheduled to attend training based on the identification results that have been made such as Estate &amp; Mill welders and sterilizer operators.</p>			
<p><i>Assessor Evaluation and Conclusion (filled by auditor):</i>  <b>Verification 13 August 2019</b>  Management needs to re-identify the root causes and corrective actions.</p> <p>Evidence shown includes:</p> <ul style="list-style-type: none"> <li>- Reference Letter No. 267/SK/TPM/VIII/2019 issued by PT Tranindo Pratama Mulia (OHS Service Company) dated August 7, 2019 which explained on behalf of two workers who had participated in Welder certification training on 13 to 16 August 2019 in accordance with Permenaker 02 in 1982.</li> <li>- Reference Letter No. 218/MSI-LS/VIII/2019 issued by PT Mitra Sinergi Internasional on August 7, 2019 which explained one worker had participated in training on July 22-25, 2019.</li> </ul> <p>Non-conformity has not been fulfilled.</p>			
<p><b>Verification August 20, 2019</b></p>			

The root cause, corrective and corrective actions can be accepted. Non-conformities are stated to be fulfilled and will be observed again in the next assessment activity.

Verified by : Haikal Ramadhan Kharismansyah

NCR No.	: 2019.02	Issued by	: Haikal Ramadhan Kharismansyah
Date Issued	: 23 May 2019	Time Limit	: 22 August 2019
NC Grade	: Major	Date of Closing	: 07 October 2019
Standard Ref. & Requirement	: 6.5.1 Documentation of pay and conditions for employees based on the existing manpower regulations shall be available.		
<i>Evidence observed (filled by auditor):</i> The results of the document review are as follows: <ul style="list-style-type: none"> <li>The payslip of paramedic with ID 41/4122/0814/1525 in April 2019, with a basic wage of Rp. 2,957,500 and piece rate premiums of Rp. 300,000 (<i>premi</i> works 3 days on holidays).</li> <li>The payslip security in Mill with ID 41/4131/04/06/2 in April 2019, with a basic wage of Rp. 3,027,500 and overtime Rp. 3,036,250. The payslip security in Estate with ID 41/4122/0806/884, with a basic wage of Rp. 2,977,500, a fixed <i>premi</i> of Rp. 150,000 and attendance <i>premi</i> of Rp. 322,000. Information from management representative's overtime security of estate is paid with <i>premi</i> system.</li> </ul> Provisions for <i>premi</i> of paramedic and security refer to Directors Decree No. 105695/TAP/SKD-HRD-HO/13 dated 18 April 2013 concerning the Premi of the Central Kalimantan Region, effective date May 1, 2013. <ul style="list-style-type: none"> <li>Nurse, <i>premi</i> diligence Rp. 350,000 and a <i>premi</i> productivity of Rp. 450,000. Additional <i>premi</i> of productivity provisions specifically for nurses if picket on holidays/weeks at the hospital or clinic in accordance with company instructions are paid Rp. 100,000</li> <li>Security, <i>premi</i> position of Rp. 150,000 and a <i>premi</i> productivity of Rp. 350,000 (if working on Sundays / holidays the change day provisions apply).</li> </ul> In addition the company has Internal Memo No. MI/HC/XI/2016/029 dated November 14, 2016 regarding site employee (estate and mill) overtime issued by the Human Capital Directorate. In the memo stated that the calculation of hourly overtime wages is 1/173 x monthly wages, with the calculation: <ul style="list-style-type: none"> <li>Regular working day 1 hour: 1.5 x hourly wage, and 2<sup>nd</sup> hour etc.: 2 x hourly wage</li> <li>Holidays 1<sup>st</sup> to 7<sup>th</sup> hours: 2 x hourly wage, 8<sup>th</sup> hour: 3 x hourly wage, 9<sup>th</sup> hour etc: 4 x hourly wage</li> </ul> <i>Non-Conformance Description (filled by auditor):</i> Referring to the explanation above, the company has not been able to show the application of wages for workers who work with excess work hours and who work on holidays (overtime) in accordance with applicable regulations and Internal Memos issued by the company.			
<i>Root Cause Analysis (filled by organization audited):</i> A review of the Decree of the Board of Directors No. 105695/TAP/SKD-HRD-HO/13 dated 18 April 2013 related to payment of <i>premi</i> on Sundays or holidays			
<i>Correction (filled by organization audited):</i> Review the Directors' Decree No. 105695/TAP/SKD-HRD-HO/13 dated 18 April 2013 and in accordance with applicable regulations			
<i>Corrective Action (filled by organization audited):</i> Apply wages for workers who work on holidays (overtime) in accordance with regulations issued by the company.			

**Assessor Evaluation and Conclusion (filled by auditor):**

Verification 13 August 2019

The company shows Letter No. 001/TAP/HC-HO/VIII/19 dated 12 August 2019 regarding the explanation of the RSPO Major Non-conformity of PT GBSM. In the letter, it was explained that the *premi* given to the paramedics referred to the Decree of the Directors No. 105695/TAP/SKD-HRD-HO/13 dated 13 April 2013 concerning the *premi* Region of Central Kalimantan is not contradictory and the wages provided are not lower than the provisions of the applicable laws and regulations.

Related documents shown are still needed other supporting evidence including:

- Copy of Directors Decree No. 105695/TAP/SKD-HRD-HO/13 dated April 13, 2013
- Copies of paramedic wage slips for April, May, June and July 2019

As for the security, no evidence of improvement has been shown.

Based on the explanation above the non-conformity has not been fulfilled.

**Verification 20 and 21 August 2019**

In the Decree of the Board of Directors No. 105695/TAP/SKD-HRD-HO/13 April 13, 2013 concerning the *premi* of the Central Kalimantan Region is explained as follows:

- *Premi* diligence, *premi* position, *premi* productivity and *premi* expertise are given according to the positions mentioned above.
- *Premi* diligence, productivity and expertise are variable *premi* based on work performance and work attendance on workdays.
- Employees who do not come to work on workdays will do a reduction or deduction of *premi*.

***Premi* diligence**

- Will be reduced or deducted if the employee does not come to work due to absenteeism and or personal permission
- Will be forfeited if the employee does not work because of illness. The category of not working because of illness is a maximum of 3 days in 1 month, if an employee is sick for 4 days (accumulated) in the current month, then no *premi* diligence will be given (forfeited/canceled). A sick permit must be in accordance with the provisions (with a sick letter from an authorized doctor/nurse).

**Productivity *Premi* and Expertise *Premi***

- Will be reduced or deducted if the employee does not come to work on working days (leave, permission, sickness, absent)
- *Premi* deduction is calculated based on non-working days  $(N / 25) \times \text{Pemi}$ .
- Special extra productivity *premi* for nurses, if picket on holidays or weeks at the hospital or clinic in accordance with company instructions is paid Rp. 100,000 per day.

Referring to the explanation above regarding the provision of *premi* given for work performance and work attendance on weekdays, and there will be a reduction or deduction if employees do not come to work on working days (leave, sickness, permission, absenteeism).

And in Letter No. 001/TAP/HC-HO/VIII/19 dated 12 August 2019 stated through overtime simulation referring to regulations and 1 month premium calculated by adding up the diligence *premi*, productivity *premi* and Sunday *premi*, the company states that it is not contradictory and is not lower than the rules. If look at the 2013 decree, the explanation of the above letter is irrelevant, because the premium for diligence and productivity is clearly given to workers for work performance and work attendance on working days, not because of excess work hours or working on holidays. For those who work on holidays that apply special productivity *premi* provisions (Rp. 100,000 per Sunday) where this is still not in accordance with regulations related to the provisions of overtime (working on



holidays).

The company shows the Directors Decree No. SKD/DOE/III/2019 dated August 16, 2019 regarding Security *Premi* at Gawi Bahandep Sawit Mekar. Attachment 1

Positions	Premi			Remarks
	Diligence	Positions	Productivity	
Security (Leader)	500,000/ month	250,000/month	650,000/month	If working on Sundays or Holidays the conditions for changing days apply
Security		150,000/month	650,000/month	

Please show a simulation of overtime calculations (normal days and or holidays) for security (actual May to July 2019) with reference to the overtime provisions in accordance with the regulations compared to the applicable premium provisions in the company and attach the salaries slip of Mill security wage ID 41/4131/04/06/2. This is to prove that the new *premi* provisions are in accordance with the overtime regulation.

**Verification October 7, 2019**

*Paramedic Premi*

The company shows the Directors Decree No. SKD/DOE/IX/2019/052 dated 19 September 2019 concerning *Premi* of Productivity of Paramedic in the Central Kalimantan Region. The premium replaces Directors Decree No. 05695 / 05695/TAP/SKD-HRD-HO/IV/13 provided that the provisions come into force on October 1, 2019. In Appendix Decree 1 it is stated that the premium for Paramedic is set at Rp. 1,000,000 per month, with the calculation of *premi* including picket duty on Sundays or holidays a maximum of 3 times a month.

Simulation of overtime calculation on holidays maximum 3 times a month is Rp. 718,002 with reference to the 2019 minimum wage and Kepmenaker No. 102 of 2014.

Based on the verification of premium Decree Letter documents set by management and overtime calculation simulation, the *premi* determined is still in accordance with those stipulated in the applicable laws and regulations.

*Security Premi*

The company shows a simulation of *premi* calculation compared to the stipulation of overtime wages for security which shows that the stipulated *premi* are still in accordance with those stipulated in the applicable laws and regulations.

Referring to the explanation above, the non-conformity is stated to be fulfilled, with the application of the *premi* provisions will be re-observed in the next assessment audit.

**Verified by** : **Haikal Ramadhan Kharismansyah**

<b>NCR No.</b>	: 2019.03	<b>Issued by</b>	: Trismadi N
<b>Date Issued</b>	: 23 May 2019	<b>Time Limit</b>	: Next ASA
<b>NC Grade</b>	: Major	<b>Date of Closing</b>	:
<b>Standard Ref. &amp; Requirement</b>	: 7.3.1. There shall be evidence that no new plantings have replaced primary forest, or any area required to maintain or enhance one or more High Conservation Values (HCVs), since November 2005. New plantings shall be planned and managed to		

	<p><b>best ensure the HCVs identified are maintained and/or enhanced (see Criterion 5.2).</b></p>
<p><i>Evidence observed (filled by auditor):</i>          The Certification Holders were shows several LUCA reporting and review process from RSPO as follows:</p> <ul style="list-style-type: none"> <li>- LUCA submission on 20 June 2017 as a follow up the previous email dated 29 December 2015.</li> <li>- First stage review on 5 January 2018 by RSPO</li> <li>- First Clarification review by the company dated 20 February 2018.</li> <li>- Second stage review on 25 April 2015.</li> <li>- Second clarification by the company on 17 July 2018.</li> <li>- The company sends additional shape file data on 28 December 2018.</li> <li>- Third stage review on 11 March 2019</li> <li>- Third clarification by the company on 12 March 2019.</li> <li>- The company was asked to the RSPO about review progress on 5 April 2019 and 2 May 2019.</li> </ul> <p><i>Non-Conformance Description (filled by auditor):</i>          Based on above explanation sighted that the CH has not been able to show RaCP process has been approved by the Compensation Panel.</p>	
<p><i>Root Cause Analysis (filled by organization audited):</i>          The LUCA process has not yet been completed and is still under review</p>	
<p><i>Correction (filled by organization audited):</i>          Communicate with RSPO to ask about the progress of LUCA PT. GBSM</p> <ul style="list-style-type: none"> <li>• 12 July 2019: Email from RSPO regarding PT GBSM LUCA Review Results to 4, there are several things that must be clarified by the company</li> <li>• 26 July 2019: Email Response from the company to RSPO Compensation related to matters that must be clarified in PT GBSM's 4th review document</li> <li>• 28 July 2019: Email Confirmation question from RSPO related to HCV cutt off date used</li> <li>• 8 August 2019: Confirmation email from the company regarding the HCV cut-off date used</li> <li>• 18 August 2019: E-mail "PASS" status confirmation from RSPO compensation</li> <li>• 19 August 2019: Confirmation e-mail from the company regarding the "PASS" status to request time in making the remediation plan of PT. GBSM</li> <li>• August 27, 2019: Email the concept note from the company to the RSPO and immediately get a reply from the RSPO that the concept note will soon be reviewed by the compensation panel</li> <li>• 10 September 2019: E-mail confirmation from RSPO regarding the results of the Compensation Panel team meeting that the company must discuss recommendations for improvement in the remediation plan</li> </ul>	
<p><i>Corrective Action (filled by organization audited):</i>          Follow up on communication with the RSPO regarding the LUCA process of PT. GBSM</p>	
<p><i>Assessor Evaluation and Conclusion (filled by auditor):</i>          Verification August 21, 2019          The company shows communication via email between the company and the RSPO Secretariat.          LUCA review report for PT GBSM as PASS</p> <ol style="list-style-type: none"> <li>1. The total non-compliant land clearance is 18,089.80 Ha</li> <li>2. The total Final Conservation Liability is 0 Ha</li> <li>3. The total area requiring remediation is 6,117.8 Ha (clearance on deep peat). <b>Although it is noted that the remediation of these areas area already ongoing, you are still required purpose of completing the RaCP. The reviewer also recommend to provide details on the further delineation of the peat soil in the remediation plan</b></li> </ol>	

**Verification 30 October 2019 and 25 November 2019**

- RSPO email on 30 October 2019, stated PT GBSM is currently in the last stage of completing the remediation plan. CB's may proceed to conclude your audit with the NC open. Once the remediation plan is closed, CB's should close the NC.
- RSPO email on 25 November 2019, stated CB's can leave the Major NC open until the remediation plan is approved, before the next SA.

<b>Verified by</b>	<b>:</b>	<b>Trismadi N</b>
--------------------	----------	-------------------

**3.5.3 Opportunity for Improvement**

No	Ref. Std.	Description
1	<b>5.1.2. Major</b>	Referring to the direction of the matrix <i>RKL-RPL</i> in 2009, company are required to manage and monitor the impact of its operations on the water flow in the Upper Bakung River, Downstream Bakung River and Kelua River. Currently the company has carried out management in the field by making 31 water reservoirs and monitoring water discharge on three rivers once a year.  The company considers reporting and evaluating the realization of management and monitoring of operational impacts on water discharge (Observation).
2	<b>COC 5.8.2</b>	Ensure that all key personnel understand the FFB, CPO & PK Model Mass Balance traceability procedures.

**1.5.4 Noteworthy Positive Components**

No	Descriptions
1	Commitment to implement the principles of sustainable oil palm development.
2	Having competent human resources to implement the principle of sustainable palm oil development.
3	The Company has been certified ISPO in 2014.
4	The company has obtained <i>PROPER</i> peat in 2018.
5	The company has received zero accident and orderly participation from Employment insurance ( <i>BPJS</i> ) in 2018.

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

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p><b>Tuesday, May 21<sup>st</sup> 2019.</b>  <b>Food &amp; Agriculture Department</b>  <b>Plantation Sector of Seruyan District.</b>  <b>Head of Plantation Agency.</b></p>	
<p>The company has routinely sent reports on plantation business developments every 3 months. Assessment of plantation business has been carried out in the class II category, but is still awaiting a decree from the Governor so that the class certificate has not been completed. There are no additions related to location permits, plantation business permits, permit to release forest area and land use title. The company has a plasma named <i>Koperasi Usaha Mandiri</i>.</p> <p>The company has sent a CSR report along with the Report on Plantation Business Development. Land fire reports have been reported. Provision of information is done by electronic mail and are always met by the Company. The relationship and communication with the company goes well.</p>	<p>The company already has legality documents and has sent reports regularly.</p>
<p><b>Environmental Agency of Seruyan District.</b>  <b>Head of the Environmental Compliance Office</b></p>	
<p>Addendum to the environmental permit document related to the addition of the New Mill with a capacity of 90 tons / hour for 2019 period.</p> <p>Hazardous waste storage permit, Land application permit is still valid, hazardous waste report, Liquid waste is sent every 3 months and Report on <i>RKL / RPL</i> implementation is sent every 6 months. During this period of 2019 there have never been issues related to environmental pollution.</p> <p>There have been cases of pollution in Sembuluh lake involving 7 companies but have been verified by the Environmental Agency Seruyan District by visiting the area and conducting testing. The company has also conducted testing. But it is known that there is no dangerous pollution, high pollution associated with <i>E Choli bacteria</i>. Not a result of plantation activities such as liquid waste and others.</p> <p>Communication between Environmental Agency and company is going well. Every request for information has been responded to company.</p>	<p>The company has environmental documents and the permit related environment has been valid.</p> <p>The issues has been clarified by the company.</p>
<p><b>Manpower and Transmigration Agency Seruyan District.</b></p>	

Public Issues (Institution/ NGO/Community)	Auditor Responses
<b>Industrial Relations sector.</b>	
<p>The company has implemented the District Sectoral Minimum Wage in 2019 of IDR. 2,930,000. The payment system has been paid since February 2019. Labor unions have been registered with the Seruyan District Manpower Agency. The company has sent routine reports such as <i>WLTK</i>, <i>P2K3</i> and work accident reports. CLA has been endorsed. So far there has never been a report regarding contract workers, almost all workers have become permanent workers. There are no issues related to child labor and worker discrimination. Many local workers work in the company. Every request for information has been responded to Company.</p>	<p>The company has adjusted wages in accordance with applicable regulations.</p>
<b>National Land Agency of Seruyan District. Head of National Land Agency.</b>	
<p>There is no addition of location permit, Land use title, plantation business permit. So far there has never been a report regarding land disputes. The company has sent land use reports every 1 year. The company has 1,100 ha of plasma. The relationship of cooperation and communication is well established between the Company and the National Land Agency.</p>	<p>The company already has legality documents.</p>
<b>Labor Union of PT GBSM.</b>	
<p>Labor Union has existed since 2015, the number of members to date is ± 1000 employees with 4 management. Labor union has been registered with the Department of Manpower &amp; Transmigration of Seruyan District with Number SK 560/609 / Disnakertrans / V / 2015 dated May 21<sup>st</sup>, 2015. Internal meetings are held every 1 month. The contribution paid in the amount of IDR 5000 is paid manually without being deducted in the wage slip.</p> <p>Most workers have become permanent employees (<i>PKWTT</i>) and there are still 4 workers at Estate 2 (Harvest) who are still workers with probation. There are no <i>AKAD</i> workers and outsourcing.</p> <p>The premium system applies to Harvest workers adjusted to the base, especially the number of bunch for example, the base is more than 100 bunch. It will get a premium of IDR. 20,000. As for workers fertilizer applicators and pesticide applicators are calculated based on hours (more than 7 hours) excess wages are paid.</p>	<p>The company has provide labor union in GBSM. there isn't no issues related workers welfare.</p>



Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>PPE is given free of charge by the Company, if there is a damaged PPE, it is replaced by the Company. Every workers has been registered with health &amp; labor insurance.</p> <p>The latest CLA 2019 -222 has been registered with the Manpower Agency.</p>	
<b>Local contractor (Building).</b>	
<p>Local contractors come from Telaga Pulang and Baung Villages, Collaboration with the company for 10 years. The cooperation contract is carried out when there is a building activity, in 1 year the cooperation can be done twice, a copy of the contract is held by the contractor.</p> <p>The number of workers for building activities ranges from 15-20 workers. In the cooperation agreement, the PPE was provided by a local contactor. The contractor workers also received wages in accordance with minimum wage. For contractors, Health &amp; labor Insurance had not been provided. In the contract, it was explained that in the event of a work accident, this would be borne by the Contractor. Job checking is always checked by the company, after being given a minutes of checking payment can be made. The company has provided a code of conduct socialization policy.</p> <p>There has been socialization regarding OHS, PPE and hazardous waste management to the Contractor.</p>	<p>The company has been empowering local contractors.</p>
<b>Gender Committee of GBSM.</b>	
<p>Gender Committee socialization such as handling sexual harassment, about gender and so on every month. Every department (26) has a member of the gender committee as a forum to convey if there are problems of sexual abuse.</p> <p>Gender committee activities in 2019 such as: meetings, socialization, sexual harassment, violence in household and protection, cooking competitions, and healthy dental months for children &lt;5 years old.</p> <p>There have been cases of domestic violence and infidelity. But this has been overcome by the gender committee.</p> <p>Reproduction policy for Leave H<sub>1</sub> for 2 days and check first to Policlinic. Leave H<sub>2</sub> 90 days for recommendations from the doctor.</p>	<p>The company has provided a gender committee. There isn't no issues related sexual harrasement.</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>Every month there is an MCU for pesticide applicators and Fertilizer applicators. If woman worker is pregnant, then transferred to another job. If there are female workers who are breastfeeding, then they are given 45 minutes to report to the Assistant. A place for breastfeeding is provided.</p>	
<p><b>Muara Dua Village</b>  <b>Head of Village, Secretary of Village and 13 villagers.</b>  <b>Positive issues</b></p> <ol style="list-style-type: none"> <li>1. There is no land dispute issues.</li> <li>2. There is no environment pollution issues.</li> <li>3. There is no forest fire issued. In year of 2018 there was fire case in Tampadau Sub-Village (outside of HGU). However the company were helped the outage.</li> <li>4. The company has realized several CSR on health aspect, religious aspect, and community development.</li> <li>5. The company has socialized the HCV area and RTE species by banner and signboard on some locations.</li> <li>6. The company has informed of job opportunities as local contractor, currently there is one person who cooperates with the company.</li> <li>7. Communities has known about communication officer.</li> </ol> <p><b>Negative Issues</b></p> <ol style="list-style-type: none"> <li>1. The company didn't inform about plasma development progress in Baung Village.</li> <li>2. The company has informed the job vacancies, however there are no recruit by company.</li> <li>3. There were complaint form Tampudau Sub-Village in last year, related to the reduction of fish on swamp area. It cause the company didn't able to open the outlet water flow.</li> <li>4. The company can help the road maintenance at Muara Dua Village. In the last year there has not been able infrastructure aspect CSR by company.</li> </ol>	<ol style="list-style-type: none"> <li>1. Based on field observation result to the boundary stones and several location in estate. And also verification of external complaints record sighted that there are currently no land disputes with the villagers.</li> <li>2. Based on interview with Environment Agency of Seruyan Regency. And also review of environment management and monitoring plan realization on Semester I &amp; II year of 2018. There is no indication of environment pollution indications.</li> <li>3. Based on fire monitoring report and field visit to the several locations, it's known that no fire indications.</li> <li>4. The company has CSR realization record in 2018 and also develop CSR program in 2019.</li> <li>5. Based on document verification and field visit to the HCV area, it's known that the company has socialized about HCV and RTE species.</li> <li>6. The company had agreement with six local contractors.</li> </ol> <ol style="list-style-type: none"> <li>1. Based on document verification and interview with CSR staff, it's known that the company has conducted regular meeting every three month with the Usaha Mandiri Cooperative. The latest meeting was held on 22 February 2019. It discussed about plasma realization with area 177 Hectare and Land Clearing realization 419 hectare.</li> <li>2. The company has inform job vacancies to the surrounding village on 19 January 2019. In addition, based on worker list verification there are 14 workers in Muara Dua Village.</li> <li>3. Based on interview with company staff were explained that the water flow is inlet not yet outlet water flow. Therefore the company has closed the flow. In addition that the company has realized CSR for worship facilities on 25 September 2018. As well as helping with 101 day old chick, chicken feed, and vitamins on 10 March 2019. And also</li> </ol>

Public Issues (Institution/ NGO/Community)	Auditor Responses
	<p>freshwater fish cage material as community development in Tampudau Hamlet on 3 May 2019.</p> <p>4. According to interview with CSR staff and information logbook review. There are no formal complaint from villagers due to road maintenance in Muara Dua Village. However the company has been realized several infrastructure assistance on 17 April 2013, 14 August 2014, 2 October 2014, 12 September 2015, 20 July 2017 and 13 October 2017.</p>
<p><b>Previous land owners</b> Note: Auditor team has determined 11 people, however the auditor team only can meet 2 person in Muara Dua Village and 1 person in Jahitan Village.</p> <ul style="list-style-type: none"> <li>- The company has conducted land acquisition with collective system in Muara Dua Village covering area of 2,750 Ha. However land acquisition in Jahitan Village were conducted to each persons.</li> <li>- Land prices determination in accordance to negotiations both of parties.</li> <li>- There were no intimidation and coercion by the company during land acquisition process.</li> <li>- All land owners gets a copies of the agreement.</li> </ul>	<ul style="list-style-type: none"> <li>- Auditor team has verified examples of land compensations in Muara Dua Village year of 2011 and Jahitan Village year of 2015.</li> <li>- The land compensation process has gone through FPIC.</li> </ul>
<p><b>Former Head of Jahitan Village</b></p> <ul style="list-style-type: none"> <li>- The relations between the company and the villagers has been well established.</li> <li>- There is no environment pollution issues.</li> <li>- There is no forest fire issues.</li> <li>- The company has socialized the HCV area and RTE species by banner and signboard on some locations.</li> <li>- The company has informed of job opportunities as local contractor, currently there is one person who cooperates with the company.</li> <li>- Communities has known about communication officer.</li> </ul>	<p>The auditor team has verified record of CSR realizations and result of environment monitoring realizations, it's known that all environment parameter is comply with the regulation.</p>
<p><b>FFB Suppliers (Jahitan Village)</b></p> <ul style="list-style-type: none"> <li>- The FFB supply agreement is signed by both of parties in a transparent manner.</li> <li>- There are no complaint regarding to payment process. There is a delay due to the administrative process.</li> </ul> <p>Aspirations:</p> <ul style="list-style-type: none"> <li>- Smallholders hoping that the company can help procurement fertilizers for independent smallholders. Actually independent smallholders has difficulties related to capital to buy fertilizer. If allowed the company buys fertilizer and distribute to us. Therefore payment will be deducted from the</li> </ul>	<p>The auditor team has verified the work agreement sample and payment evidences.</p>

<b>Public Issues (Institution/ NGO/Community)</b>	<b>Auditor Responses</b>
FFB payments.	

<b>4.0</b>	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>
<b>4.1</b>	<b>Formal Sign-off of Assessment Findings</b>
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <p>PT Gawi Bahandep Sawit Mekar Management Representative</p> <p> <u>George Oetomo</u> Wednesday, 30 October 2019</p> <p>Mutuagung Lestari Lead Auditor</p> <p> <u>Trismadi Nurbayuto</u> Wednesday, 30 October 2019</p>

**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.	Food & Agriculture Department Plantation Sector of Seruyan District. Head of Plantation Agency.	Seruyan District, Kalimantan Tengah Province, Indonesia.	-	Interview	May 21 <sup>st</sup> , 2019	√	-
2.	Environmental Agency of Seruyan District. Head of the Environmental Compliance Office	Seruyan District, Kalimantan Tengah Province, Indonesia.	-	Interview	May 21 <sup>st</sup> , 2019	√	-
3.	Manpower and Transmigration Agency Seruyan District. Industrial Relations sector.	Seruyan District, Kalimantan Tengah Province, Indonesia.	-	Interview	May 21 <sup>st</sup> , 2019	√	-
4.	National Land Agency of Seruyan District. Head of National Land Agency.	Seruyan District, Kalimantan Tengah Province, Indonesia.	-	Interview	May 21 <sup>st</sup> , 2019	√	-
5.	Labor Union of PT GBSM.	Seruyan District, Kalimantan Tengah Province, Indonesia.	-	Interview	May 21 <sup>st</sup> , 2019	√	-
6.	Local contractor (Building).	Seruyan District, Kalimantan Tengah Province, Indonesia.	-	Interview	May 21 <sup>st</sup> , 2019	√	-
7.	Gender Committee of GBSM.	Seruyan District, Kalimantan Tengah Province, Indonesia.	-	Interview	May 21 <sup>st</sup> , 2019	√	-
8.	Muara Dua Village Head of Village, Secretary of Village and 13 villagers. Positive issues	Seruyan District, Kalimantan Tengah Province, Indonesia.	-	Interview	May 21 <sup>st</sup> , 2019	√	-
9.	Previous land owners Auditor team has determined 11 people, however the auditor team only can meet 2 person in Muara Dua Village and 1 person in Jahitan Village.	Seruyan District, Kalimantan Tengah Province, Indonesia.	-	Interview	May 21 <sup>st</sup> , 2019	√	-
10.	Former Head of Jahitan Village	Seruyan District, Kalimantan Tengah Province, Indonesia.	-	Interview	May 21 <sup>st</sup> , 2019	√	-
11.	FFB Suppliers (Jahitan Village)	Seruyan District, Kalimantan Tengah Province, Indonesia.	-	Interview	May 21 <sup>st</sup> , 2019	√	-
12.	Gawi Bahandep Sawit Estate. Estate 1 2 workers EFB application. 2 workers census & disease	Seruyan District, Kalimantan Tengah Province, Indonesia.	-	Interview	May 21 <sup>st</sup> & 22 <sup>nd</sup> , 2019	√	-



<p>census.</p> <p>Estate 2. 9 fertilizer applicators. 2 workers road maintenance. 1 worker beneficial plant.</p> <p>Estate 3. 4 workers and 1 foreman at harvesting 6 workers and 1 foreman at spray circle &amp; path. 1 worker at water level</p> <p>GBSM Mill 2 workers at grading station. 1 worker at sterilizer station. 1 worker at kernel station 2 worker at boiler station 1 worker at central warehouse. 2 workers at workshop.</p>					
--	--	--	--	--	--

**Appendix 2. Assessment Program**

DATE	20 to 24 May 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Monday, 20 May 2019</b>		
06.15 – 08.00 08.30 – 11.30 14.00 – 15.00 15.00 – 16.00	<b>Jakarta → Sampit (Nam Air IN – 172)</b> <b>Traveling Sampit → PT GBSM</b> <b>Opening Meeting</b> <b>Time Bound Plan, Partial Certification &amp; Previous NCR Verifications</b>	<ul style="list-style-type: none"> <li>• All Team</li> <li>• All Team</li> <li>• All Team</li> <li>• All Team</li> </ul>
<b>Tuesday, 21 May 2019</b>		
08.00 – 12.00	<ul style="list-style-type: none"> <li>• <b>Stakeholders consultation</b> to Nearest village, community leader, Previous Land Owners.</li> <li>• Stakeholders consultation with Government by phone &amp; stakeholders with Local Contractor, Gender Committee, Workers Union.</li> </ul> <p><b>Field Observation GBSM Estate (Estate 1, 2 and 3)</b></p> <ul style="list-style-type: none"> <li>• Manuring, Spraying, Harvesting, EFB application, best agricultural practices, Worker Welfare (payments, complaint mechanism)</li> <li>• Hazardous Waste Material (B3) management; Worker facilities (housing, health clinic, clean water, etc), Land Fill, and Firefighting facilities, Storage, ect.</li> </ul>	<ul style="list-style-type: none"> <li>• TNB</li> <li>• BRP</li> <li>• SAP</li> <li>• HRK</li> </ul>
12.00 – 13.30	<b>BREAK</b>	<b>All Team</b>
13.30 – 16.00 16.00 – 16.30	<ul style="list-style-type: none"> <li>• <b>Field observation clarification</b></li> <li>• <b>Document Review and Verification of Previous Non-Conformance Record</b></li> <li>• <b>Daily Progress</b></li> </ul>	<ul style="list-style-type: none"> <li>• All Team</li> </ul>
<b>Wednesday, 22 May 2019</b>		
08.00 – 12.00	<ul style="list-style-type: none"> <li>• Boundary Stones &amp; Conservation Area.</li> <li>• Manuring, Spraying, Harvesting, EFB application, best agricultural practices, Worker Welfare (payments, complaint mechanism) Afdeling ....</li> <li>• <b>Document Review and Verification of Previous Non-Conformance Record</b></li> </ul>	<ul style="list-style-type: none"> <li>• TNB</li> <li>• SAP</li> <li>• BRP &amp; HRK</li> </ul>
12.00 – 13.30	<b>BREAK</b>	<b>All Team</b>
13.30 – 16.00	<p><b>Field observation to GBSM POM</b></p> <ul style="list-style-type: none"> <li>• Security Post, FFB receiving, CPO &amp; PK Sending/SCCS Aspect).</li> <li>• FFB grading, FFB processing, OHS Aspect, Worker Welfare (payments, complaint mechanism).</li> <li>• Water Treatment Plant, Schedule Waste, Workshop, Chemical Storage, Leachate Water management.</li> <li>• Effluent Pond, Land Application, Water Intake, Boundary Stones and Conservation Area</li> </ul>	<ul style="list-style-type: none"> <li>• BRP</li> <li>• HRK</li> <li>• SAP</li> <li>• TNB</li> </ul>
<b>Thursday, 23 May 2019</b>		

DATE	20 to 24 May 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
08.00 – 12.00	<ul style="list-style-type: none"> <li>• Field observation clarification</li> <li>• Document Review and Verification of Previous Non-Conformance Record</li> </ul>	<ul style="list-style-type: none"> <li>• All Team</li> <li>• All Team</li> </ul>
12.00 – 14.00	<b>BREAK</b>	<b>All Team</b>
14.00 – 15.00 18.00 – 21.00	<ul style="list-style-type: none"> <li>• Closing Meeting</li> <li>• PT GBSM – Sampit</li> </ul>	<ul style="list-style-type: none"> <li>• All Team</li> </ul>
<b>Friday, 24 May 2019</b>		
08.20 – 11.30	<ul style="list-style-type: none"> <li>• SAMPIT → JAKARTA (NAM AIR IN-173)</li> </ul>	<ul style="list-style-type: none"> <li>• All Team</li> </ul>