

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

### **[ ✓ ] Surveillance**

Name of Management Organisation : Katari Agro Mill, PT Windu Nabatindo Lestari subsidiary of Bumitama Agri Ltd  
 Plantation Name : Katari Agro Estate; Pelantaran Agro Estate; Pantai Mas Estate  
 Location : Village of Keruing, Sub District of Cempaga Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia  
 Certificate Code : MUTU-RSPO/089  
 Date of Certificate Issue : 26 August 2016      Date of License Issue : 26 August 2019  
 Date of Certificate Expiry : 25 August 2021      Date of License Expiry : 25 August 2020

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-3	13 to 18 May 2019	Moh Arif Yusni (Lead Auditor), Arif Faisal Simatupang, Dwi Haryati, Yudhi Yuniarto Tallutondok, Radityo Puspanjana	Leonada	Ardiansyah

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-3	12 August 2019

PT Mutuagung Lestari • Raya Bogor Km 33,5 Number 19 • Cimanggis • Depok 16953 • Indonesia  
 Telephone (+62) (21) 8740202 • Fax (+62) (21) 87740745/6 • Email: [agri@mutucertification.com](mailto:agri@mutucertification.com) • [www.mutucertification.com](http://www.mutucertification.com)  
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 on March 12<sup>th</sup>, 2014 with registration number **ASI-ACC-055**

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Figure 1. Location Map of PT Windu Nabatindo Lestari

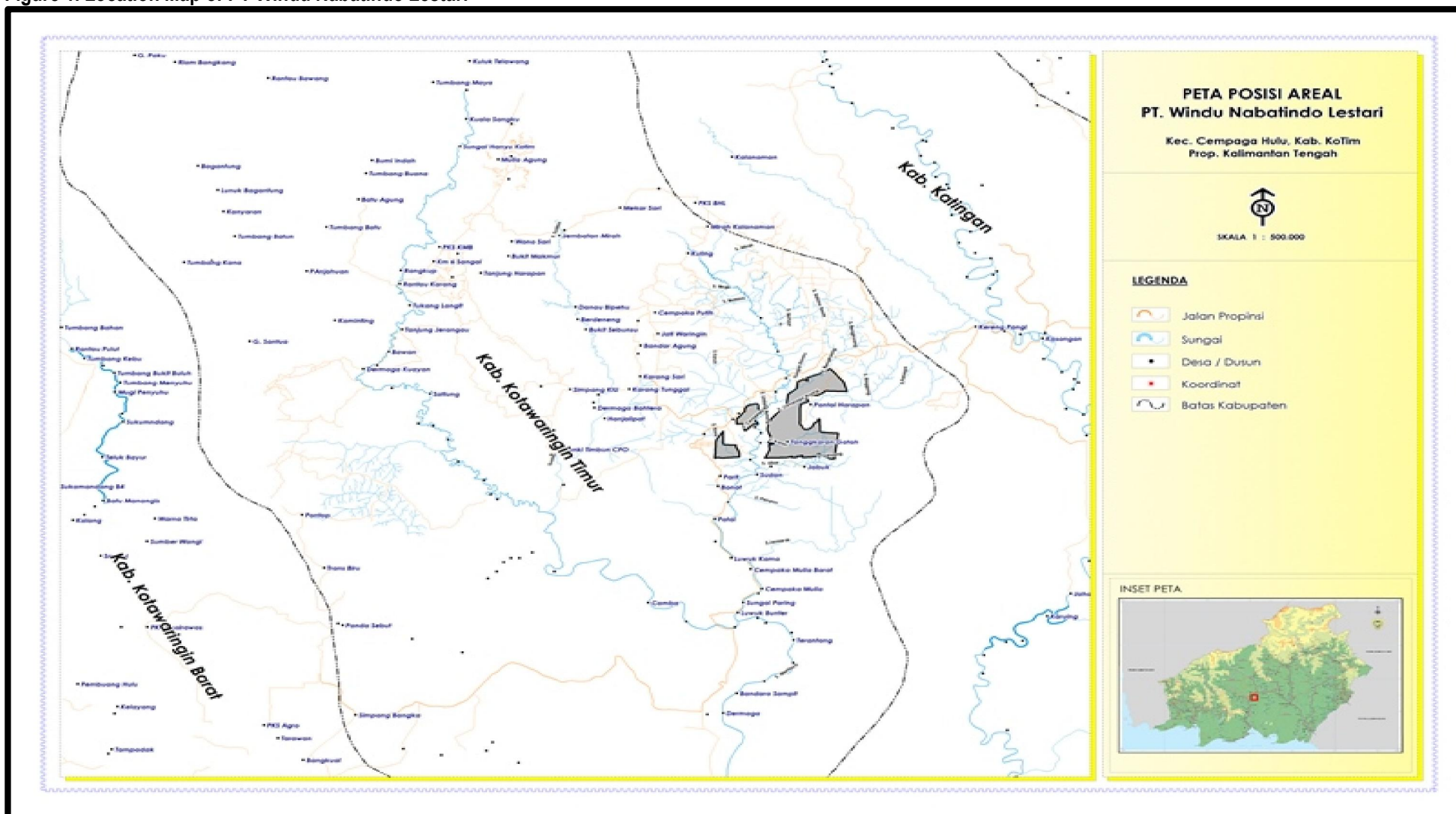
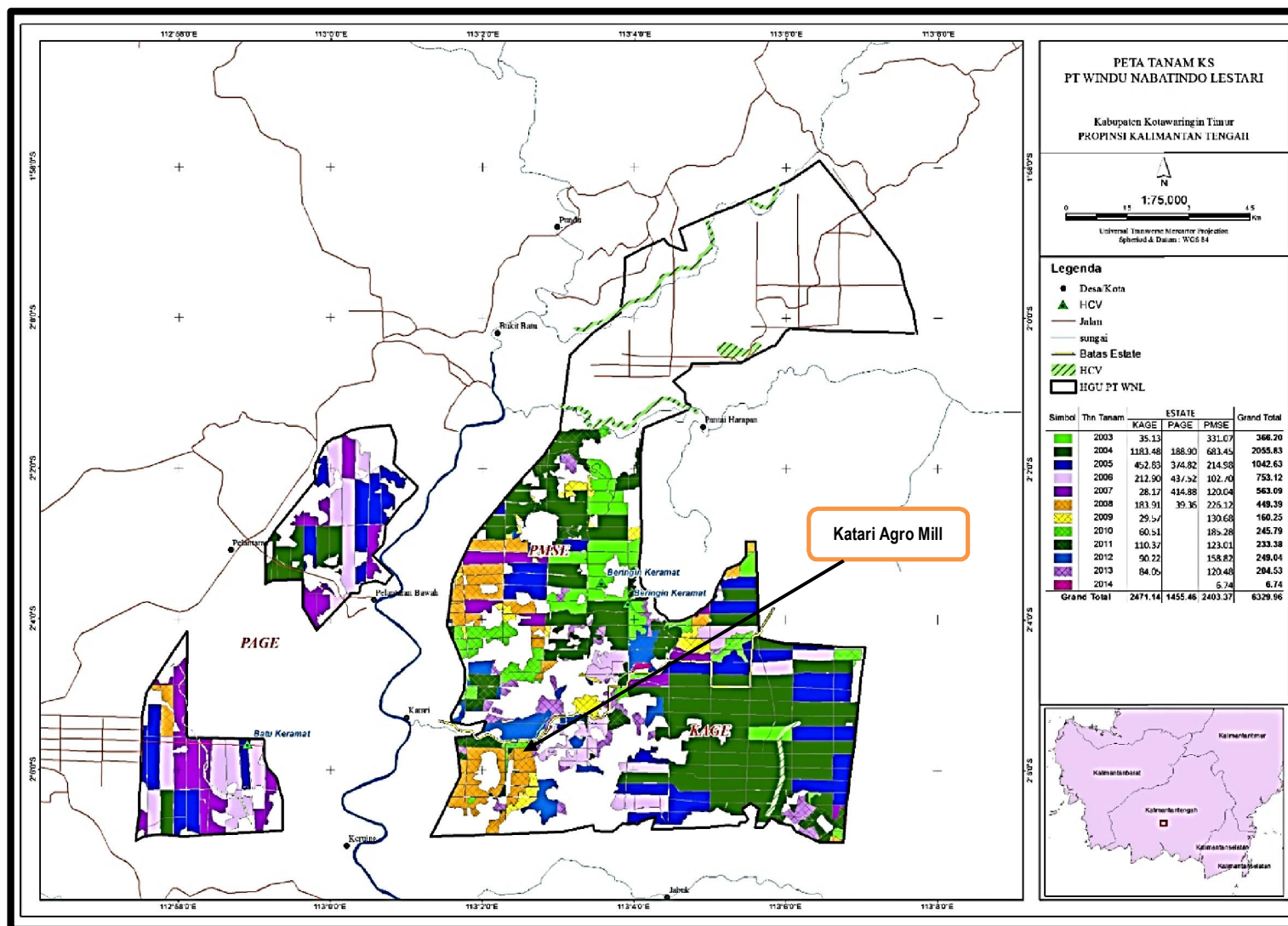


Figure 2. Operational Map of PT Windu Nabatindo Lestari



**Abbreviations Used**

APAR	:	<i>Alat Pemadam Api Ringan</i> (Fire Extinguisher)
ASA	:	Annual Surveillance Assessment
BBC	:	Black Bunch Census
BGA	:	Bumitama Gunajaya Abadi
BMS	:	BGA Manuring System
BSS	:	BGA Spraying System
CH	:	Certificate Holder
CCM Dept.	:	Certification and Compliance Department
CCS	:	Corporate Communication Sustainability
CPO	:	Crude Palm Oil
CSR	:	Coorporate Social Responsibility
CSPO	:	Certified Sustainable Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
B3	:	Hazardous Material
EFB	:	Empty Fruit Bunch
EIA	:	Enviromental Impact Assestment
FFB	:	Fresh Fruit Bunch
FR	:	Fatality Rate
GHG	:	Green House Gass
HCV	:	High Conservation Value
HGB	:	<i>Hak Guna Bangunan</i> (Building Use Tittle)
HGU	:	<i>Hak Guna Usaha</i> (Land Use Permit)
HIRARC	:	Hazard Identification Risk Assessment and Risk Control
HRD	:	Human Resource Department
IHT	:	In House Training
IOM	:	Inter Office Memo
IPM	:	Intergrated Pest Management
ISPO	:	Indonesian Suistanable Palm Oil
IUP	:	<i>Izin Usaha Perkebunan</i> (Plantation Permit)
JHT	:	<i>Jaminan Hari Tua</i> (Pension Plan)
JKK	:	<i>Jaminan Kecelakaan Kerja</i> (Accident Insurance)
JKM	:	<i>Jaminan Kematian</i> (Life Insurance)
JP	:	<i>Jaminan Pensiun</i> (Retirement Insurance)
KAGE	:	Katari Agro Estate
KAGM	:	Katari Agro Mill
LTA	:	Lost Time Accident
LSU	:	Leaf Sampling Unit
MCU	:	Medical Check Up
MSDS	:	Material Safety Data Sheet
NGO	:	Non Government Organization
OHS	:	Occupational Health and Safety
OQC	:	Operation Quality Control
PAD	:	Public Affair Department
PAGE	:	Pelantaran Agro Estate
PIC	:	Person In Charge
PKO	:	Palm Kernel Oil
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PNBE	:	Pundu Nabatindo Estate

PMSE	:	Pantai Mas Estate
PPE	:	Personal Protective Equipment
RKL/RPL	:	<i>Rencana Kelola Lingkungan/Rencana Pemantauan Lingkungan</i> (Environmental Management and Monitoring Plan)
RSPO	:	Roundtable on Sustainability Palm Oil
SIA	:	Social Impact Assessment
SOP	:	Standard Operational Procedure
SCCS	:	Supply Chain Certification System
SSU	:	Soil Sampling Unit
SR	:	Severity Rate
TPA	:	<i>Tempat Penitipan Anak</i> (Child Day Care)
UKL/UPL	:	<i>Upaya Kelola Lingkungan/ Upaya Pemantauan Lingkungan</i> (Environmental Management and Monitoring Report )
WI	:	Work Instruction
WNL	:	Windu Nabatindo Lestari
WTP	:	Water Treatment Process
WWTP	:	Waste Water Treatment Process



1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"><li>Indonesian National Interpretation of RSPO P&amp;C 2013 by INA-NITF (Indonesian National Interpretation Task Force) July 2016, endorsed by the RSPO BoG 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>	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT Windu Nabatindo Lestari - Bumitama Agri Ltd	
1.2.2	Contact person	Lim Sian Choo	
1.2.3	Organisation address and site address	RSPO registered company: Jl. Melawai Raya No. 10 Kebayoran Baru Jakarta Selatan 12160 Indonesia .  Liaison Office: Jl. Melawai Raya No. 10 Kebayoran Baru Jakarta Selatan 12160 Indonesia.	
1.2.4	Telephone	(62-21) 727 98418	
1.2.5	Fax	(62-21) 727 98665	
1.2.6	E-mail	<a href="mailto:lim.sian.choo@bumitama.com">lim.sian.choo@bumitama.com</a>	
1.2.7	Web page address	<a href="http://www.bumitama-agri.com">www.bumitama-agri.com</a>	
1.2.8	Management Representative who completed the application for certification	Lim Sian Choo (Head of CSR and Corporate Sustainability)	
1.2.9	Registered as RSPO member	1-0043-07-000-00 – 08 October 2007	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Katari Agro Mill; Katari Agro Estate (KAGE), Pelantaran Agro Estate (PAGE) and Pantai Mas Estate (PMSE).	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			LatitudeLongitude
	Katari Agro	Village of Keruing, Sub District of Cempaga Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah. Indonesia	S 02° 05' 31" E 113° 02' 0"
1.4.2	Location of Certification Scope of Supply Base		

	Name of Supply Base	Location	Coordinate		
			Latitude	Longitude	
	Katari Agro	Village of Keruing, Sub District of Cempaga Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah. Indonesia	S 02° 05' 31"	E 113° 05' 09"	
	Pelantaran Agro	Village of Pelantaran , Sub District of Cempaga Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah. Indonesia	S 02° 05' 44"	E 112° 58' 03"	
	Pantai Mas	Village of Keruing, Sub District of Cempaga Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah. Indonesia	S 02° 03' 25"	E 113° 03' 21"	
1.5	Description of Area Statement				
1.5.1	Tenure				
	• State		Land Use tittle No 24 : <b>9,616.28</b> Ha Land Use tittle No 50 : 1,934.583 Ha Total Land Use Tittle are: 11,550.863 Ha		
	• Community		- Ha		
	<i>Tenure area is based on Land Use Title (HGU) certificate No. 24 year 2004 and No 50 year 2004 with scope of permitted area covers Pantai Mas Estate, Katari Estate, Pelantaran Agro Estate and Pundu Nabatindo Estate. Pundu Nabatindo Estate (2,769.44 Ha) are under scope of certification of Pundu Nabatindo Mill.</i>				
1.5.2	Area Statement				
	• Total Area		8,796.32*	Ha	
	• Mature area		6,268.34	Ha	
	• Mill		16.16	Ha	
	• Emplishment		50.25	Ha	
	• Infrastructure		249.92	Ha	
	• permanent swamps		120.90	Ha	
	• Occupation		1,377.24	Ha	
	• reserve area		578.51	Ha	
	• others area		7.08	Ha	
	• HCV		127.92	Ha	
*the discrepancy between ASA 2 and ASA 3 due to the area statements has been adjustment with the total land title that owned					
1.6	Planting Year and Cycles				
1.6.1	Age profile of planting year				
	Planting Year	Hectarage (Ha)			
		Pantai Mas Estate	Katari Agro Estate	Pelantaran Agro Estate	Total
	2003	331.1	35.13		366.23
	2004	682.78	1,182.98	173.64	2,039.40
	2005	109.52	557.71	358.32	1,025.55
	2006	102.7	212.9	423.26	738.86
	2007	120.05	28.21	394.24	542.50
	2008	224.82	183.06	37.97	445.85
	2009	130.74	29.57		160.31



	2010	185.06	60.57		245.63		
	2011	122	109.91		231.91		
	2012	158.62	90.19		248.81		
	2013	125.48	91.59		217.07		
	2014	6.22			6.22		
	<b>TOTAL</b>	<b>2,299.09</b>	<b>2,581.82</b>	<b>1,387.43</b>	<b>6,268.34</b>		
1.6.2	New Planting area after January 2010		939.48	Ha			
1.6.3	Planting Cycle		1 <sup>st</sup> Cycle				
1.7	<b>Description of Mill and Supply Base</b>						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Katari Agro Mill	60	351,965.78	80,682.26	22.92	15,732.05	4.47
	<i>*Production data source from 12 months before assessment (May 2018– April 2019)</i>						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/ year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Pantai Mas	3,329.99	2,299.09	51,610.59	22.45	49,311.50	95.55
	Katari Agro	3,534.37	2,581.82	65,576.44	25.40	65,576.44	100.00
	Pelantaran Agro	1,931.96	1,387.43	32,403.82	23.36	31,093.09	95.96
	<b>TOTAL</b>	<b>8,796.32</b>	<b>6,268.34</b>	<b>149,590.85</b>	<b>23.86</b>	<b>145,981.03</b>	<b>97.59</b>
	<i>*Production data source from 12 months before assessment (May 2018 – April 2019)</i>						
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	Pundu Nabatindo Estate (Certified)	PT Windu Nabatindo Lestari	-	1,949.80	1,710.79		
	Other Sources (Non Certified)	-	-	-	204,067.073		
	<b>TOTAL</b>					<b>205,777.863</b>	
	<i>*Production data source from 12 months before assessment (May 2018 – April 2019)</i>						
1.7.4	Product categories			FFB, CPO, PK			
1.8	<b>Tonnage of Product</b>						
1.8.1	Past Annual Claim Certified Product			Last Year Projected Certified Volume (MT)		Last Year Actual Certified Volume (MT)	
	FFB Processed			148,299		147,693	
	CPO Production			33,992		33,853	
	Palm Kernel (PK) Production			6,723		6,608	
1.8.2	Product selling						

	Type of selling product			Actual selling product for last year (MT)				
	CSPO sold as RSPO certified product			0				
	CSPK sold as RSPO certified product			5,245.53				
	CSPO sold under other scheme			0				
	CSPK sold under other scheme			0				
	CSPO sold as conventional			28,517				
	CSPK sold as conventional			0				
1.8.3	Estimate of Certified FFB Claim							
	Name of Estate(s)		Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
	Pantai Mas		3,329.99	2,299.09	55,178	24.00		
	Katari Agro		3,534.37	2,581.82	69,064	26.75		
	Pelantaran Agro		1,931.96	1,387.43	34,686	25.00		
	TOTAL		8,796.32	6,268.34	158,928	25.35		
	*Projected FFB production for 12 months of certificate (26 August 2019- 25 August 2020)							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Katari Agro	60	158,928	37,348	23.5	7,549	4.75	MB
	*Projected FFB production for 12 months of certificate (26 August 2019- 25 August 2020)							
1.9	Other Certifications							
	ISO 9001:2008			-				
	ISO 14001: 2004			-				
	OHSAS 18001:2007			-				
	ISCC			-				
	Others			-				
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	MILL	Time Bound Plan						
	Pundu Nabatindo (PT Windu Nabatindo Lestari)	2014	Pundu Nabatindo	2014	KotawaringinTimur District,Kalimantan Tengah	Certified		
			Koperasi Harapan Abadi	2020		Stage-2		
			Kelompok Tani Tenera	2018	Kalimantan Tengah	Certified		
			PT Fajar Bumi Nabati	2019	Kalimantan Tengah	Stage-1		
			PT Gemilang Subur Maiu	2019	Kalimantan Tengah	Stage-1		

Katari Agro (PT Windu Nabatindo Lestari)	2016	Pelantaran Agro Estate	2016	Kotawaringin Timur District, Kalimantan Tengah	Certified
		Katari Agro Estate			
		Pantai Mas Estate			
GunungMakmur (PT Karya Makmur Bahagia)	2014	GunungMakmur	2014	Kotawaringin Timur District, Kalimantan Tengah	Certified
		Sungai Mentaya			
		Bukit Kecubung			
		Bukit Makmur			
		Bukit Daman			
		KUD Mekar Jaya	2019		Stage-2
		KUD Sekar Tani	2019		Stage-2
		KUD Lestari	2019		Stage-2
		KUD Usaha Bersama	2019	Kalimantan Tengah	Following the own estate
		KUD Makarti Jaya		Kalimantan Tengah	Following the own estate
		KUD Marga Rahayu		Kalimantan Tengah	Following the own estate
		KUD Tani Santoso		Kalimantan Tengah	Following the own estate
		PT Tanah Tani Lestari		Kalimantan Tengah	Following the own estate
		KUD Hapakat		Kalimantan Tengah	Following the own estate
		KUD Rika Bersatu		Kalimantan Tengah	Following the nucleus
		KUD Usaha Bersama		Kalimantan Tengah	Following the own estate
		KUD Eka Harahap		Kalimantan Tengah	Following the own estate
		KUD Berkat Usaha Bersama		Kalimantan Tengah	Following the own estate
		KUD Bina Tani		Kalimantan Tengah	Following the own estate
Bukit Makmur (PT Karya Makmur Bahagia)	2018	Sungai Puring (PT Langgeng Makmur Sejahtera)	2020	Kotawaringin Timur District, Kalimantan Tengah	ST-1
		KUD Telawang Bersatu	2020	Kalimantan Tengah	-
		KUD Hinje Ate		Kalimantan Tengah	-
		KUD Eka Harahap		Kalimantan Tengah	-
Kotawaringin (PT Bumitama Gunajaya Abadi)	2019	Sepantaian	2019	Kotawaringin Barat District, Kalimantan Tengah	ST-1
		Danau Merah			
		Kotawaringin			
		Tonam Raya			
Lamandau Mill (PT Bumitama Gunajaya Abadi)	2020	(PT Bumitama Gunajaya Abadi)	2020	Lamandau District, Kalimantan Tengah	-
		Kumai Hilir Estate (PT Andalan Sukses Makmur)		Lamandau District, Kalimantan Tengah	-

		PT Investa Karya Bhakti		Lamandau District, Kalimantan Tengah	-
		KUD Kompak Maju Bersama		Lamandau District, Kalimantan Tengah	Following the own estate
		KUD Mitra Bahaum		Lamandau District, Kalimantan Tengah	Following the own estate
		KUD Tanjung Biru		Lamandau District, Kalimantan Tengah	Following the own estate
		KUD Seberang Jaya Sejati		Lamandau District, Kalimantan Tengah	Following the own estate
		KUD Pulau Sejahtera		Lamandau District, Kalimantan Tengah	Following the own estate
Kendawangan Mill (PT. Gunajaya Karya Gemilang)	2016	Mekar Utama	2016	Ketapang District, Kalimantan Barat	Certified 2015
		Kendawangan			
		Banjar Sari			
		Seriam Jaya			
		Membuluh Jaya			
	2019	Koperasi Serba Usaha Bersama	2019	Ketapang District, Kalimantan Barat	-
		Koperasi Binasari			
		Koperasi Serba Usaha Karya Bersama			
		Koperasi Binasari			
		Koperasi Perkebunan Fajar Mandiri			
		Koperasi Rimba Sari			
Suka Damai (PT Rohul Sawit Industri)	2018	PT Masuba Citra Mandiri	2018	Rokan Hulu District, Riau	Certified
		KUD Karya Melayu Sejati	2018	Rokan Hulu District, Riau	Certified
Pembangunan Raya Mill (PT Agro Sejahtera Manunggal)	2018	Pembangunan Raya	2018	Ketapang District, Kalimantan Barat	Certified
		Bengkuang Raya			
		Belaban Raya			
		KopBun Agro Seriam Mandirii			
		Teluk Rengit (PT Gunajaya Harapan Lestari)	2020	Ketapang District, Kalimantan Barat	-
		Belaban Raya Estate (The area with suspect liability mechanism)			2020
Sungai Rasau Mill (PT Karya Bakti Agro Sejahtera)	2018	Marau Raya	2019	Ketapang District, Kalimantan Barat	ST-1
		KUD Rangkong Betuah			Coincided with own estate
		KUD Rasau Tiga Bersama			Coincided with own estate

	Selucing Mill (PT. Windu Nabatindo Abadi)	2019	Serawak Damai (PT Windu Nabatindo Sejahtera)	2019	Central Kalimantan	-
	Sungai Cempaga Mill (PT. Windu Nabatindo Abadi)	2020	PT. Windu Nabatindo Abadi	2020	Central Kalimantan	-
			PT Nabatindo Karya Utama	2020	Central Kalimantan	-
			KSU Sehati Pundu	2020	Central Kalimantan	Following the nucleus
			KUD Koling Hapakat	2020	Central Kalimantan	Following the nucleus
	Bukit Tunggal Jaya Mill (PT Ladang Sawit Mas)	2020	PT Ladang Sawit Mas	2020	Ketapang District, West Kalimantan	NPP
			PT Lestari Gemilang Intisawit	2020		NPP
			PT Ago Manunggal Sawitindo	2020		NPP
			PT Karya Makmur Langgeng	2020		NPP
			PT Gemilang Makmur Subur	2020		-
			PT Nabati Agro Subur	2020		-
			PT Sejahtera Sawit Lestari	2020		-
			PT Damai Agro Sejahtera	2020		-
			KopBun Bukti Tunggal Sejahtera	2020		Following the nucleus
			KopBun Mitra Penjataan Permai	2020		Following the nucleus
			KUD Kayong Sekayuk	2020		Following the nucleus
			KUD Mitra Sejati	2020		Following the nucleus
			KUD Istana Pawan Mandiri	2020		Following the nucleus
			KUD Rungau Sejahtera	2020		Following the nucleus
	Bukti Bebalan Mill	2021	PT Sentosa Prima Agro	2021	West Kalimantan	-
			PT Raya Sawit Manunggal			-
			PT Wahana Hujau Indah			-
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	PT Windu Nabatindo Lestari has smallholder scheme (KKPA Harapan Abadi). The FFB of KKPA Harapan Abadi are deliver to Katari Agro Mill and Pundu Nabatindo Mill. In 2017 KKPA Harapan Abadi has been conducted RSPO audit, but due to legal issue and major issue the certificate of compliance RSPO is not published. And right now the Time Bound Plan for KKPA Harapan Abadi planned in 2020					

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>ASA-3</b>	<ol style="list-style-type: none"> <li><b>Moh Arif Yusni (Lead Auditor).</b> Indonesian citizen. Bachelor of Agriculture, majoring in Plant Protection. Has experience as an operational staff at a private oil palm plantation company in Indonesia on 2010 to 2012. Has attended several trainings, i.e.: ISO 19011, ISO 9001; ISO 14001, SA 8000, RSPO lead auditor, ISPO lead auditor, OHS expert, OHS auditor based on National Government No. 50/2012, SCCS, etc. Has conducting ISPO, RSPO and MSPO audit as an auditor and lead auditor with expertise on best management practices for estate and mill, legality, worker welfare, safety, social, environment, conservation, transparency, long term economic management plan and supply chain for palm oil mill aspects. During the audit, he verified the aspects of legality and SCCS.</li> <li><b>Arif Faisal Simatupang (Auditor).</b> Bachelor of Agriculture, from Department of Agriculture Agronomy, Faculty of Agriculture, University of Gadjah Mada. He has successfully completed an RSPO endorsed P&amp;C Lead Auditor Training, RSPO SCCS endorsed Lead Auditor Training, Indonesian Sustainable Palm Oil (ISPO) Lead Auditor Training, Management System Certification ISO 9001-2008 Lead Auditor Training, Environmental Management System ISO 14001 Lead Auditor Training, ISO 17021 and ISO 17065 Awareness Training, Management of High Conservation Value (HCV) Training, Social Accountability SA 8000 Training. He has four years of working experience as a Field Assistant on oil palm Plantation Company in Indonesia. Since 2014, he works as an auditor of RSPO and ISPO in the aspects of legal, social, best management practices of mill and estate, OHS, employment, and environmental. In this audit he is responsible for assessing the aspects of social, long term plan, and transparency.</li> <li><b>Radytio Puspanjana (Auditor).</b> Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training which was held by National GMT, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospatial Information System, IHT High Conservation Value, IHT Environmental Impact Assessment, IHT Green House Gas and RSPO Lead Auditor Course by Checkmark Training. Since 2015 has been following many audit as auditor base on Best Management Practice and Environment. During the audit, he verified the aspects of Environment, HCV, GHG under supervised by Arif Faisal Simatupang.</li> <li><b>Dwi Haryati (Auditor).</b> Indonesian citizens. Bachelor of Agriculture Department of Agriculture – Program study : Agronomy. Has experience on Palm Oil Plantation as Sustainability staff. Training have been followed : Training Auditor ISPO, Quality Management ISO 9001-2008, ISO 14001 Environmental Management, ISO 17021 &amp; 17065, HCV, General Health Safety Expert, Health Safety Management System, Workshop GHG by the ISPO Commission, IHT Palm Oil Mill Processing, Awareness RSPO, IHT Best Practice in Peat Management, Mapping Potential and Conflict Resolution in Production Forest. RSPO audit experience since March 2015 and ISPO since May 2014. During the audit, she verified the aspects of OHS and worker welfare.</li> <li><b>Yudhi Yuniarto Tallutondok Trainee Auditor).</b> Indonesian citizen, Bachelor of Fisheries, Padjadjaran University. Have experience of working over three years since 2013 as plantation operations staff in private palm oil plantation companies in Indonesia. Training have been followed including Auditor of Indonesian Sustainable Palm Oil (ISPO), Lead Auditor of Roundtable on Sustainable Palm Oil (RSPO) P&amp;C, Lead Auditor of ISO 9001:2015, ISO 14001:2015, ISO 22000:2009, ISO 19011:2011, Social Accountability 8000, Basic Management Development Program Agronomy, Fire Anticipation on Land and Forest, Potential Mapping and Conflict Resolution in Production Forests, Awareness ISO 17021 and ISO 17065. Has participated in audit activities for the ISPO and RSPO scheme since 2017 for agronomy, OHS, labor, social and legality aspects. During this audit he is verify best management practices under supervise of Moh Arif Yusni</li> </ol>
<b>2.2</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>ASA-3</b>	<p>Number of auditors : 4 auditor and 1 auditor trainee</p> <p>Number of days for <b>ASA-3</b> at site : 6 days</p> <p>Number of working days for <b>ASA-3</b> at site : 24 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>



### ASA-3

The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Windu Nabatindo Lestari to the requirements of RSPO Principles and Criteria for Sustainable Palm Oil Production of Sustainable Palm Oil 2013 for Indonesia July 2016, approve RSPO Governors September 30, 2016- and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Supply Chain Certification Systems (SCCS) endorsed on 14<sup>th</sup> July 2017 for CPO Mill (Module E).

PT Windu Nabatindo Lestari (PT WNL) it's a subsidiary of Bumitama Agri Ltd, that consisting of two Mills (Pundu Nabatindo Mill and Katari Agro Mill) and four Estate (Pundu Nabatindo Estate, Pantai Mas Estate, Pelantaran Agro Estate and Pantai Mas Estate). In 2014 PT WNL obtained RSPO Certificate with scope of certification is Pundu Nabatindo Estate, Pantai Mas Estate, Pelantaran Agro Estate and Pantai Mas Estate. Meanwhile, Katari Agro Estate start commissioning in 2014 and in 2016 Katari Agro Estate received RSPO Certificate with the supply base is Pantai Mas Estate, Pelantaran Agro Estate and Pantai Mas Estate. Therefore, since 2016 the PT Windu Nabatindo Lestari has obtained two RSPO Certificate, as follow:

- Pundu Nabatindo Mill with Supply base Pundu Nabatindo Estate
- Katari Agro Mill with Supply base Pantai Mas Estate, Pelantaran Agro Estate and Pantai Mas Estate

The ASA 3 Katari POM are carried out simultaneously with RC Pundu POM. This is conducted together due to the two certification units are one company (PT Windu Nabatindo Lestari), so the documents related legal, social, environmental, CSR, SOP / work instructions and company policy are same. the difference from both certification units are related to the field implementation. in addition, every work agreement with an external party is made on behalf of PT Windu Nabatindo Lestari.

The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) *interview*, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.

Team of auditor started their trip from Jakarta to Palangkaraya and continued to site. Once arrived, team auditor conducted Opening Meeting in the Meeting Room of Region office of PT Windu Nabatindo Lestari. Opening meeting attended by Area Controller, Estate manager, Mill Manager, Senior Assistant, the Assistant, the Head of Administration, Sustainability staff and the other related personnel.

Public Stakeholder Notification was made on 5 April 2019 and there is no written negative feedback receive. Stakeholder consultation involved internal and external stakeholders including previous land owner.

Meetings were held with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings. The comments made by external stakeholders were also taken into account in the assessment

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal meetings at their housing. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix III.

Commonly, the audit activities went smoothly with good support from the unit management. The presentation of documents is presented quite well by involving related personnel.

Closing Meeting conducted in the region office of PT Windu Nabatindo Lestari. Closing meeting attended by Area Controller, Estate manager, Mill Manager, Senior Assistant, the Assistant, the Head of Administration, Sustainability staff and the other related personnel.

Some opportunities for improvement of the results **ASA 3** delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase ASA 4. Improvement of findings from main

assessment findings were observed by auditors at this **ASA 3** assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **ASA 3**

The assessment program please find Appendix 2

### 2.2.3 Locations of Assessment

**ASA-3** The sampling location consider the issue arose from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:

#### **KATARI AGRO MILL**

- **Security Post and Weighbridge.** Observation and interview related FFB receiving, recording in accordance with SCCS requirements.
- **Loading Ramp.** Observations and interviews with grading worker related FFB grading, employment and OHS.
- **Sterilizer Station.** Observation and interviews with sterilizer operator related employment aspect, OHS aspect and working procedures specified.
- **Process Station.** Observation and interviews with operator Press regarding employment aspect, OHS aspect and working procedures specified.
- **Power House Station.** Observation and interviews with power house station operator regarding employment aspect, OHS aspect and working procedures specified.
- **Boiler Station.** Observation and interviews with Boiler operator regarding employment aspect, OHS aspect and working procedures specified.
- **Sparepart store.** Observation for material handling and OHS
- **Lubricant Store.** Observation for material handling, OHS, and hazardous material handling
- **Chemical store.** Observation for material handling, OHS, and hazardous material handling
- **Workshop.** Observation for OHS and workers welfare
- **Temporary hazardous waste store.** Observation for OHS, material handling, and hazardous waste management
- **WTP.** Observations and interviews related to water management, recording of water use, health checks, PPE and waste management.
- **WWTP.** Field observations related to Ban to entry to WWTP, run off, testing of effluent. Officers equipped with PPE and Recording of effluent debit effluent.

#### **PELANTARAN AGRO ESTATE**

- **Subsidence Pole, Block D12 A.** Field observations related to the implementation of soil management in peat areas.
- **Water Stick Level, Block D12 A.** Field observations related to the implementation of water management in peat areas.
- **Boundary Poles No.31, 32 and 33.** Observation of availability and maintenance of boundary poles.
- **Block e09, E010 and E011,** Observation of land demarcation of certified and non certified area, and separation of FFB from certified and non certified source.
- **Block B02.** Observation the implementation of management of HCV area in riparian Kruing River.
- **Block B06.** Observation the implementation of management of HCV area sacred site.
- **Block A10 Division 3 (harvesting).** Observation of procedure application related fruit ripeness, safe working practices and interview about worker welfare.
- **Water level pole, piezometer and subsidence pole Block D12 Division 4.** Observations and interviews related to peat management.
- **Block A14 Division 3 (Road maintenance).** Observation of road condition, road maintenance program, safe working practices and interview about worker welfare.
- **Fertilizer Applicator.** Interview related to the fulfillment of health safety and worker welfare.
- **Worker Housing Division 3.** Observation and interview with residents related to employee facilities, management of domestic waste, emergency response facilities, provision of clean water and electricity.
- **Daycare at Division 3.** Observation and interview with related to given facility, emergency response facilities and interviews with employees in relation to work hours, wages, access to daily needs, policies, protection of

reproductive rights for women workers.

- **Genset House.** Observation and interview with worker related to implementation of OHS, worker welfare, emergency response facilities, management of hazardous waste and hazardous material.
- **Fuel Storage.** Observation related to implementation of OHS and management of hazardous waste and hazardous material.
- **Fertilizer Warehouse.** Observation and interviews with workers related to PPE, implementation of OHS, emergency response facilities and worker welfare.
- **Workshop.** Observation and interviews related to training of workers, implementation OHS, medical check up, employment, waste management and complaint mechanism.
- **Hazardous Waste Temporary Warehouse.** Observation and interviews related to hazardous waste management, OHS implementation, employment and complaint mechanism.
- **BGA Manuring System.** Observation and interview with worker related to OHS implementation, PPE storage, training, hazardous material and hazardous waste management.
- **BGA Spraying System.** Observation and interview with worker related to OHS implementation, PPE storage, training, hazardous material and hazardous waste management.
- **BGA Harvesting System.** Observation related to storage for harvesting equipment.
- **Chemical Warehouse.** Observation and interviews related to chemical and pesticide storage area, hazardous waste management, employment, and implementation OHS.

#### PANTAI MAS ESTATE

- **Subsidence Pole, Block D28 A.** Field observations related to the implementation of soil management in peat areas.
- **Water Stick Level, Block D28 A.** Field observations related to the implementation of water management in peat areas.
- **Boundary Poles No.86, 88.** Observation of availability and maintenance of boundary poles.
- **Block B33, C33,** Observation of land demarcation of certified and non certified area, and separation of FFB from certified and non certified source.
- **Harvesting, Block A34 A.** Observation and interviews with harvesting workers employment aspect, OHS aspect and implemented working procedure
- **Spraying, Block B27.** Observation and interviews related workers employment aspect, OHS aspect and working procedures specified.
- **HCV 6 Sacred tree Block E40.** Observations of HCV management
- **Manuring. Block D26/27. Division 1.** Observation and interviews with fertilizer workers related to work procedures, health insurance and labor protection, safe working practices and use of PPE.
- **Housing complex (Division 2/3).** Observation related to employee welfare facilities and domestic waste management.
- **Daycare (Division 2/3).** Observation related to given facility, emergency response facilities and interviews with employees in relation to work hours, wages, access to daily needs, policies, protection of reproductive rights for women workers.
- **BGA Spraying System.** Observation and interview with worker related to OHS implementation, PPE storage, training, hazardous material and hazardous waste management.
- **Landfill.** Observations related to domestic waste management.
- **Fertilizer warehouse.** Observations regarding fertilizer storage, MSDS, Hazardous and Toxic Material symbols, and handling of chemicals.
- **Hazardous Waste Storage.** Observation and interviews related to hazardous waste management, OHS implementation, employment and complaint mechanism.
- **Workshop.** Observation and interviews related to the competence of workers, implementation OHS (including medical check up), employment, waste management and complaint mechanism.
- **Chemical storage.** Observation and interviews related to chemical and pesticide storage area, hazardous waste management, employment, and implementation OHS.

#### KATARI AGRO ESTATE

- **Housing complex (Division III).** Field observations and interviews related to workers facility, electricity, domestic waste, sources of fresh water and socialization of company policy.

- **Hazardous waste temporary warehouse transit.** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
- **Generator room.** Observation and interview with clerk related to generator system, engine capacity, and possible occurrence of spills to environment, PPE dan Health safety and labor management.
- **First aid post.** Observation First aid rooms reasonably clean condition, medical waste recording, labor medical check up and work accident.
- **Fertilizer Warehouse.** Observations relating to the implementation of storage hazardous material, Health safety and labor management.
- **Chemical material warehouse.** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
- **Land fill Block F60 division I.** Observations related to the implementation procedures of domestic waste bins and disposal site is about 5 kilometers from the settlement.
- **Fire Fighting Equipment Storage.** Simulation the function of fire extinguishers and team readiness.
- **Daycare.** Observations and interviews related to the facilities provided to workers such as employee housing, clean water, daycares, school, employment and interview related complaint mechanism.
- **Body shower of spraying team mixing area and fertilizer (BSS & BMS).** Observation the conditions body shower room and PPE handling.
- **Land demarcation and HGU Pole No. BPN046, BPN047, and BPN048.** Observation on aspect of land demarcation and maintenance of HGU poles.
- **Subsidence Pole, Block K55.** Observation monitoring of peat increase.
- **Piezometer, Block K55.** Observation monitoring of peat management.
- **Water Level, Block K55.** Observation monitoring of water management on peat area
- **Manuring, Block J48.** Observation and interviews workers related employment aspect, OHS aspect and working procedures specified.
- **Harvesting, Block K59.** Observation and interviews with harvesting workers employment aspect, OHS aspect and working procedures specified.
- **Land Application, Block F47.** Observations regarding the reuse of palm oil mill effluents as additional nutrients.
- **HCV 4 Riparian of Katari River Block D51A.** Observations on marking of HCV management, monitoring of RTE species, etc.

### Stakeholder Consulted

- Bipartite Committee PT WNL
- Gender Committee Officials of PT WNL
- Pelantaran Village Officials
- Previous land owner on Pelantaran Village
- Cooperative Officials of Harapan Abadi (scheme smallholder)
- Pantai Harapan Village Head
- Katari Sub-Village Head – Keruing Village
- Previous land owner on Keruing Village
- Previous land owner on Pantai Harapan Village
- *Demang* (traditional leader) of Campaga Hulu Sub-District
- Walhi – no respon
- WWF – no respon
- AMAN – no respon
- Local Contractor for Infrastructure
- FFB Supplier / CV. Graha Tenera
- Manpower Agency of Kotawaringin Timur Regency
- Agriculture Agency of Kotawaringin Timur Regency
- Environmental Agency of Kotawaringin Timur Regency
- National Land Agency of Kotawaringin Timur Regency

<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA-3</b>	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT Windu Nabatindo Lestari – Katari Agro Mill was held by:</p> <ul style="list-style-type: none"> <li>• Public consultation meeting with government institution on 14 May 2019</li> <li>• Public consultation meeting with community(s) including previous land owner (14 and 16 May 2019)</li> <li>• Public consultation meeting with internal stakeholders and contractor (13 May 2019)</li> <li>• Public consultation meeting with government agency in Sampit (14 May 2019)</li> </ul> <p>Numbers of input from stakeholders were clarified by PT Windu Nabatindo Lestari – Katari Agro Mill as apart of this report</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	<i>Please find appendix 1</i>
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit ASA4 will be determined eight (8) month to twelve (12) month after date of annual license.



### 3.0 ASSESSMENT FINDINGS

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

MUTUAGUNG LESTARI has conducted an assessment of *Katari Agro Mill – PT Windu Nabatindo Lestari – Bumitama Agri Ltd*, MUTUAGUNG LESTARI has conducted an assessment of *Katari Agro Mill – PT Windu Nabatindo – Bumitama Agri Ltd* operation consisting of one (1) mill and three (3) oil palm estates.

During the assessment, there were two (2) Nonconformities were assigned against Major Compliance Indicators, three (3) Non-Conformity were assigned against Minor Compliance Indicator 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 evidences e.g. (*document record/photographic/etc...*). Those corrective actions taken that consist of 5 (five) non-conformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that *Katari Agro Mill – PT Windu Nabatindo Lestari, Bumitama Agri Ltd* complied with the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Supply Chain Certification Systems (SCCS) endorsed on 14th July 2017 for CPO Mill (Module E).

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 COMMITMENT TO TRANSPARENCY</b>		
<b>1.1</b>	<b>Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>	
<b>1.1.1, 1.1.2</b>	<p>The company has types of documents and information that can be accessed by the public listed in the SOP of Communication No. BGA-SUST-SOP-09 Rev. 00 was approved by Regional Head 2 dated 08<sup>th</sup> February 2017. In the procedure stated that documents that can be accessed by the public include:</p> <ul style="list-style-type: none"> <li>• Land Use Title, Environmental Permit, and Environmental Management and Monitoring Plan.</li> <li>• Company Policies and Manuals.</li> <li>• HSE and social improvement programs.</li> <li>• HCV documents and SIA documents.</li> <li>• Details of grievance and complaints</li> <li>• Summary of general reports on the results of certification assessments.</li> <li>• Etc.</li> </ul> <p>The mechanism of communication related information request set in Communication Procedure (SOP-WNL-KOM-01), the objective of this procedure is to provide practical guidance for handling communications with external parties with a maximum response of 15 days after information request letter received by certificate holder. The PIC appointed to take care of this matter is the CSR Staff.</p> <p>Record of information is stored in the information book on each management unit. In the book shows that there is no incoming information request, but proposals or invitation to attend a meeting held by stakeholders. However the certificate</p>	



holder has submitted mandatory reports regularly to the related agencies such as employment report, environment management report, and plantation development report. Based on interview to Plasma Head, known that plasma given transparent report related debt balance.

Based on interview with stakeholders, they've already know the person in charge for communication with stakeholder. Staff CSR is in charge for providing and updating the list of stakeholder and communicating, and provide, update and response the information for stakeholders.

<b>Status: Comply</b>
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## 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 types of documents and information that can be accessed by the public listed in the SOP of Communication No. BGA-SUST-SOP-09 Rev. 00 was approved by Regional Head 2 dated 08<sup>th</sup> February 2017. In the procedure, stated that documents that can be accessed by the public include:

- Land Use Title, Environmental Permit, and Environmental Management and Monitoring Plan.
- Company Policies and Manuals.
- HSE and social improvement programs.
- HCV documents and SIA documents.
- Details of grievance and complaints
- Summary of general reports on the results of certification assessments.
- Etc.

The information was not listed above, categorized as confidential or limited information by the company, for example business strategic and financial system.

Based on interviews with stakeholders, known that the stakeholders has been socialized those accessible documents, and understand how to obtain the documents. Cooperative Officials of Harapan Abadi (scheme smallholder) said that they can access the details of production, production costs, and remaining debts.

<b>Status: Comply</b>
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## 1.3

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

### 1.3.1

The company has code of conduct No. BGA-COC-HC-333.1-R0 ratified on 28<sup>th</sup> October 2014. The code of conduct explains that company has a commitment and employee ethical behavior. Commitments not to offer or accept anything of value which may be categorized as a bribe to or from customers, angry providers & services or government officials and others so Influence the desired decision. Based on interview with workers, Bipartite Cooperation, local contractors, supplier, and plasma cooperative, they know about company's code of integrity and ethical behavior.

<b>Status: Comply</b>
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## **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 shown evidences over its compliance toward the applicable regulation related to the aspects of land legality (HGU and IUP), employment, OHS, environment, good agricultural practices and good manufacturing practices. For example there were evidences of compliance toward the land use legality, Mill's stations certificates that are still valid and routinely inspected by the relevant agency, compliance toward the environment regulation such as POME land application permit, hazardous waste temporary warehouse permit, and report of environmental management and monitoring plan,

and compliance toward employment such as minimum payment in according Governor Regulation. However, the company has an opportunity for improvement related following up on the submission of OHS Operator License extension. **OFI**.

As for the land cultivation permit, PT WNL has owned the Plantation Business Permit, which was issued by the Regent of Kotawaringin Timur on 17 May 2004 (No.525.26/151/V/EKBANG/2004) for the Oil Palm Plantation area of 17,500 Ha and its Processing Mill, more over Katari Agro Mill has Plantation Business Permit from the Regent of Kotawaringin Timur (No 508/003/IUP-P/EK.SDA/I/2014) with mill Processing facility with capacity 45 MT/Hour until 90 MT/hours.

In consultation with Plantation Agency, Manpower Agency, Environmental Agency, and National Land Agency, it is known that the company has complied with the relevant regulations and have implemented good management practices and mandatory reporting.

### 2.1.2, 2.1.3, 2.1.4

The company has a mechanism to assess compliance with the law and regulation, in accordance with the procedures of Identification of Regulation Compliance No BGA-SOP-CCS-1102.1-R0 dated 9 May 2012. Starting with inventorying and make a list of the rules applicable in regional, national, and international. The list updated semesterly by relevant department in accordance with the procedure. The company have shown list of regulations on occupational safety and health, employment, the environment and list of regulations on plantations (No. LAW-WNL-001 s / d 004 per 31 December 2018) as well as status of its compliance.

The results of the audit have inventoryed the latest list of regulations in 2018, for example the Regulation of Agriculture Minister No. 5 of 2018 concerning developing of plantation land without burning. However, the company has opportunity for improvement related there are still a few regulations in 2018 that have not been identified. **OFI**.

However, based on the results of the document review, it is known that there are several jobs submitted to third parties, for example agreement No. 001-PRWT / WNLL-MPNR / LKL / 2018 for Fertilizer Loading and Unloading activities in PT WNL (Region III BGA) in the Sub-District of Cempaga Hulu. Related this case the company has not been able to show a mechanism to ensure compliance with the law as stipulated in the RSPO Principles and Criteria, related to:

- Evidence of payment of minimum wages
- Health and employment insurance
- Implementation of OHS aspects

In the RSPO 2017 clausal 4.4.6 of Certification System, it is stated that in cases of non-processing activities to independent third parties, third parties fall inside the scope of certification, and they shall comply with the relevant RSPO certification standards.

The company cannot show a mechanism to ensure compliance with the law as stipulated in the RSPO Principles and Criteria for work carried out by the Contractor. **Based on that's explanation raised non conformity No 2019.01 with Minor Category**

**Minor  
2.1.3**

**Status: Non Conformity 2019.01 in Minor category.**

### 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.

PT WNL has obtained the location permit from Regent of Kotim Regency no 1090.460.42 on 26 October 1994 about the Granting of Location Permit for Palm Oil Plantations on Behalf of, PT. Windu Nabatindo Lestari in Pundu Village and Pantai Harapan Village, Subdistrit of Cempaga, District of Kotawaring Timur covering an area of 17,500 Ha. As for the land cultivation permit, PT WNL has owned the Plantation Business Permit, which was issued by the Regent of Kotawaringin Timur on 17 May 2004 (No.525.26/151/V/EKBANG/2004) for the Oil Palm Plantation area of 17,500 Ha and its Processing Mill, more over Katari Agro Mill has Plantation Business Permit from the Regent of Kotawaringin Timur (No 508/003/IUP-P/EK.SDA/I/2014) with mill Processing facility with capacity 45 MT/Hour until 90 MT/hours.

The process of land acquisition was done through the following stages; identification of land owners/cultivators, negotiation of the compensation, and payment of compensation. The list below serves as the proof of records of voluntary land acquisition (FPIC – Free, Prior, and Informed Consent) at the early stage of the estate establishment. The total size of locations being compensated at the area of WNL (Land Use Title for the estate and Building Use Title for the mill) stretching from the year of 2006 to the year of 2012 covered an area of 6,712.27 Ha

The certificate holder has land Use Right (HGU) with Certificate Number: 24, issued by National land Agency of Kotawaringin Timur District, Province of Central Kalimantan, March 10, 2004 with total area 9,616.28 Ha and Land Use Title Certificate No. 50 issued by National Land Agency of East Kotawaringin District, Central Kalimantan Province on May 10, 2008 covering of 1,934.583 Hectares, more over the certificate holder has building right title covering 149,820 M<sup>2</sup> (HGB Certificate No 5, 10 September 2007). Based on that's explanation above the total area that managed by PT PWNL are **11,565.76 Ha Ha**. From the total area of PT WNL, the area under scope certification of Katari Agri Mill (Pelantaran Agro Estate, Pantai Mas Estate and Katari Agro Estate) are **8,796.32 Ha** and for the rest of the area (2769.44 Ha) managed by Pundu Nabatindo Estate (scope certification if Pundu Nabatindo Mill).

### 2.2.2

Documents verifications obtained information if boundaries monitoring pole conducted 3 (three) times a year. The monitoring of boundaries pole is based on Work Instruction of Boundary Pole Maintenance (WNL-GIS-SOP-01 dated 27 July 2017). Auditor verifies the 3 Poles in Pelantaran Agro Estate Estate, 2 poles in Pantai Mas Estate and 3 Poles Katari Agro Estate. Field verifications done by using GPS tool. Based on field observations its know if it was clearly the sighted poles are in well maintained and appropriate with coordinate points.

Documents verifications its known if Management Pantai Mas Estate and Pelantaran Estate has conducted monitoring of boundary stones three times a year. The monitoring results for 2018 showed that all boundary stones in certification scope are in good condition. However However, based on the results of documents verifications and interview obtained information if Pelantaran Agro Estate:

- In 2018 monitoring of boundaries poles is carried out once a year, in June 2018
- Program of monitoring and maintenance in 2018 and 2019 scheduled twice a year (In June and December)

Related to this, Pelantaran Agro Estate cannot show evidence that the program and realization of maintenance of HGU stakes have been carried out in accordance with the procedures. **Based on that's explanation raised non conformity No 2019.02 With Minor Indicator**

### 2.2.3; 2.2.4; 2.2.5

The company has procedure of on land conflict management (BGA-SOP-GL-901.5-RO). which aims as a provision for the management of the company and related parties in the process of resolving land conflicts that arise based on an agreement with the right holders or parties who have such interests. in the procedure it is stated that the conflict resolution stage begins with the identification of the area / potential land conflicts, the process of resolving land conflicts. In the procedure shows that every conflict is resolved by consultation with other parties agreed facilitation. The conflict resolution process has followed the principles in FPIC.

Based on the results of interviews Pelantaran Village Officials; Previous land owner on Pelantaran Village; Cooperative Officials of Harapan Abadi (scheme smallholder); Pantai Harapan Village Head; Katari Sub-Village Head – Keruing Village; Previous land owner on Keruing Village; Previous land owner on Pantai Harapan Village; *Demang* (traditional leader) of Campaga Hulu Sub-District obtained id information if all compensation process has been held with fairly transparent regarding to mutual agreement. Whole area that managed by the company has been compensated. The compensation process involved all community witnessed also by the Village Head, Customary leader, Sub district head and others relevant parties. Until the audit was carried out, there was no written complaint from the community regarding the land dispute.

Although PT WNL has gained land rights legally but there are still many people using and cultivating in permit Area. The company has had the Area Statement map who described various land use in permit Area, included occupation area

width. That's area managed by community are palm oil, rubber or horticulture. In other information, there is no significant land conflict in PT. WNL.

In addition, the company can also show mutual agreement with the parties that occupying in the Company's operational area. In that agreement explained that:

- occupiers will not interfere with the activities of PT WNL
- PT WNL will not disturb the area managed by the community
- Both parties will jointly maintain order and security. if there are problems related to land disputes it will be resolved by deliberation

The joint Memorandum of Understanding is known to both parties and is known by Demang / Village Head

### 2.2.6

Although PT WNL has gained land rights legally, but in the area of company Land Use Title there is still many people using and cultivating illegally. To avoid the escalation of social conflict, the company make an approach to the community in order to the participatory mapping and identifying the land tenure certainly. In its application, the auditor team saw there is no use of paramilitary force in the overall activities of plantation

Minor 2.2.2	<b>Status: non conformity No 2019.02 With Minor Indicator</b>
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### 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

Based on SOP land conflict handling (BGA-SOP-GL-901.5-RO) valid on October 9<sup>th</sup>, 2012 by Deputy GM PAD (Public Affair Department). Based on interview with Head of Pundu Village, Katari Village, Pantai Harapan Village, Demang Cempaga Hulu, and Keruing Village it's known every land dispute / conflict has been completed and compensated by the company.

Based on document verification, it is known that in PT WNL plantation area, there is no land under the control of customary rights. From the year 2010 Social Impact Assessment Study and HCV Identification Report by the Faculty of Forestry, Bogor Agricultural University, shows that land in the PT WNL plantation area and surrounding areas does not have the rights of customary rights. The land are comes from: transmigration land and community lands that have been acquisition and compensation.

Based on field observations to plantation areas, interviews with villagers of Pundu Village, Katari Village, Pantai Harapan Village, Demang Cempaga Hulu, and Keruing Village. So far the settlement of land cases has been mediated and there is no indication of violence or military use.

Based on the results of interviews Pelantaran Village Officials; Previous land owner on Pelantaran Village; Cooperative Officials of Harapan Abadi (scheme smallholder); Pantai Harapan Village Head; Katari Sub-Village Head – Keruing Village; Previous land owner on Keruing Village; Previous land owner on Pantai Harapan Village; *Demang* (traditional leader) of Campaga Hulu Sub-District obtained id information if all compensation process has been held with fairly transparent regarding to mutual agreement. Whole area that managed by the company has been compensated. The compensation process involved all community witnessed also by the Village Head, Customary leader, Sub district head and others relevant parties. Until the audit was carried out, there was no written complaint from the community regarding the land dispute.

Although PT WNL has gained land rights legally but there are still many people using and cultivating in permit Area. The company has had the Area Statement map who described various land use in permit Area, included occupation area width. That's area managed by community are palm oil, rubber or horticulture. In other information, there is no significant land conflict in PT. WNL.

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

The company has conducted an analysis of the long term economic viability for 5 years (2016 to 2020). The document describes projections of Estates and Plasma, covering areal statement, peat area (subsidence and drainability), production of FFB, production and price of CPO and PK, capacity, cost, revenue, and profitability of Estates/Mill and Plasma. Evaluation of achievement conducted annually, changes will be made if necessary. One of the control function is to conduct annually financial audit by public accountants.

**3.1.2**

Certificate holder does not have the document of replanting program. Based on document review of production and planting years, interview and field visits, the first planting was in 2003 (16 years), no replanting required for the next five years.

**Status: Comply**

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

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

**4.1.1**

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

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

The results of field observations and interviews with employees in the estate and mill revealed that each employee understood their respective working procedures, for example for harvester in Pelantaran, Katari Agro and Pantai Mas Estate can explain the criteria for fresh fruit bunches, cutting and arranging fronds, preparation of FFB at the fruit collecting point. While for mill employees in the engine room section can explain monitoring and checking tools and functions of generators and turbines, employees can also explain the time of use between turbines and generators.

**4.1.2 and 4.1.3**

The company has an Internal Audit SOP that explains the work procedures which form the basis for plantation and factory operational activities that refer to the principles of sustainability

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

When the audit activity takes place, the company can show the results of the internal audit document carried out on April 2019 in each Estate by the Quality Control Department. The company has taken corrective action on internal audit findings and was declared fulfilled by the Quality Management Department.

**4.1.4**

The Katari Agro Mill has have a record mechanism on FFB's acceptance by separating FFB from own estate that being identified as certified FFB (RSPO certified) and from other sources that not being certified (*RSPO non-certified*). Certified FFB will be processed and claimed as certified CPO and PKO. There is three (3) own estate (Katari Agro, Pelantaran Agro and Pantai Mas) was supplied of FFB to Katari Agro Mill. Meanwhile non certified sources from several smallholder group from Katari Agro, Pelantaran Agro and Pantai Mas, Kruing Raya, Rubung Buyung and Penaga Raya (Full Manage



Smallholder by PT Windu Nabatindo Lestari). These FFB sources which are not within the certification scope.

**Status: Comply**

## 4.2

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

### 4.2.1; 4.2.2 and 4.2.3

The company has a fertilizer procedure with the number BGAAGRKS-SOP-09. The procedure explains that fertilizer recommendations must be made based on the results of analysis of leaf and soil samples. Based on the company's Palm Oil Cultivation Guidelines, it is explained that leaf sampling and analysis are carried out once a year and soil sampling is carried out every five years.

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

- Soil analysis was carried out in January - March 2019 in the BGA Analysis Research Laboratory. Test parameters include moisture content, cadmium, lead, oil content, exchange cation, calcium, magnesium, iron, manganese, aluminium, potassium, cation exchange capacity, and base saturation. During the audit activity, the company has not carried out soil analysis activities for the period of 2019, this is because the sampling schedule and soil analysis will be carried out in May 2019.
- Results of leaf analysis by BGA Analysis Research Laboratory on January - February 2019 for 89 leaf samples (Pelantaran Estate), 93 samples (Pantai Mas Estate) and 99 leaf samples (Katari Agro Estate). Test parameters include N, P, K, Mg, Ca, B, Cu, and Zn.

Based on the results of leaf samples analysis in 2019, the company issued fertilizer recommendations for 2019 for example for Pelantaran Estate as follows: Urea with a plan of 635.29 tons; RP 471.93 tons; MOP 935.91 tons; Dolomite 599.34 tons; CuSO<sub>4</sub> 11.77 tons and Borate 36.02 tons.

During the audit activity the company can show fertilization monitoring that explains the application dosage, application tonnage, and fertilizer use/tons FFB, for example: Pantai Mas Estate realization of fertilization in 2018 - 2019 Period for Urea with the number 296.35 tons; RP 403.79 tons; and MOP 556.86 tons.

### 4.2.4.

The company recycles nutrients by reusing oil palm residues for example for liquid palm oil mill effluent and empty fruit bunch can be reused as substitutes for inorganic fertilizers or as additional (extra) fertilizer, while for fiber and shells can be reused as fuel in boiler engines.

Based on field observations in Block F47 of Katari Agro Estate revealed that the company used palm oil mill effluent in accordance with its permits, flatbed also maintained conditions so that the potential for overflowing liquid waste can be minimized.

When the audit activity takes place, the company can show monitoring the application of liquid waste, empty fruit bunch, fiber and shells for the period of January 2018 - April 2019.

**Status: Comply**

## 4.3

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

### 4.3.1

The company has a PT Windu Nabatindo Lestari Soil Analysis Report with a scale of 1: 50,000. The document equipped with legend soil map units, roads, rivers, cities, estate boundary and division boundary. The map describes the existence of marginal soil types, namely peat in the Katari Agro Estate covering an area of 775.38 hectares, while for the area of Pelantaran and Pantai Mas Estate dominated by mineral soil and shallow peat.

### 4.3.2

The company has a management strategy for planting in slope areas contained in the Procedures for Oil Palm Cultivation.



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

Based on field observations in the Katari Agro Estate peat area it is known that the company has carried out water management well by making a collection drain line, main drain and drain block. monitoring of land subsidence and high surface water is also carried out regularly.

Based on the results of field observations and topographic maps, the management area of PT WNL tends to be choppy and there are no areas with extreme slopes > 40%. Thus, there is no special treatment related to slope. However, the company continues to make efforts to minimize the risk of erosion by making manual contour terraces, individual terraces, and planting cover crops such as *Mucuna bracteata*. In addition, the company also implements the method of fronds that follows / in the direction of contour terraces, for example hilly areas in Block F60 Katari Agro Estate.

#### **4.3.3**

The company shows the realization of manual road maintenance in the form of Road Maintenance Maps for the period 2018 - todate April 2019. The document explains the progress of manual and mechanical road maintenance. From the document it is known that for the years 2018 to April 2019 the road that has been maintained reaches 433,599 meters for Pelantaran Estate; 777,033 meters for Pantai Mas Estate and 328,360 meters for Katari Agro Estate.

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

#### **4.3.4**

Procedures for regulating peat land degradation are regulated in procedure number BGAAGRKS-SOP-16. The company monitors the surface degradation of peat soil every 6 months using subsidence pole. The results of the document review revealed that the company installed 2 subsidence poles in Pantai Mas Estate; 2 subsidence poles in Katari Agro Estate and 2 subsidence poles in Pelantaran Agro Estate. The result of field visit in Block K55 of Katari Agro Estate known that the peat land decline reaches 1 cm; Block B28A of Pantai Mas Estate reaches 6.2 cm.

The company monitors surface water level by using water level sticks on each block channel and is carried out every day or as needed. The company shows monitoring documents for the 2018-2019 period, from the results of monitoring known that the company can maintain the surface water level at 45 - 65 cm for example on Block B54 Katari Agro Estate can maintain surface water levels with an average value of 40.75 cm while on Block D12 Pelantaran Agro Estate can maintain surface water levels with an average value of 51.75 cm.

The company monitors the groundwater level using a piezometer. There are 2 piezometers at Pantai Mas Estate; 3 piezometers at Katari Agro Estate and 2 piezometers at Pelantaran Agro Estate. Measurements are carried out twice a month. The company shows monitoring documents for the 2018-2019 period, from the results of monitoring known that the company can maintain groundwater levels at 45-65 cm for example for Blok B47A Pantai Mas Estate can maintain underground water levels with an average value of 54 cm while for G56 Block Katari Agro Estate can maintain underground water levels with an average value of 53 cm.

#### **4.3.5**

Based on replanting document verification it is known that the company does not have a plan for replanting within the next 5 years so that the company has not yet conducted a drainability assessment on managed peatland.

#### **4.3.6**

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

Some recommended strategies include:

- Increasing the organic content of the soil through recycling nutrients, namely the application of EFB and POME,

laying the frond in the joint and between the staples.

- Carry out fertilization based on the results of leaf and soil analysis that is carried out regularly.
- Water management settings, making drain blocks, groundwater level monitors, surface water level monitors and surface degradation of peat soil monitors

Based on field observations on sandy areas are known that the company has carried out management activities such as empty fruit bunch (EFB) applications in the Block A34 Pantai Mas Estate. In addition, there is also the manufacture of discontinue trenches to maintain water availability in the area.

**Status: Comply**

#### 4.4

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

##### 4.4.1. & 4.4.2.

CH has water management plans listed in the environmental impact assessment document (Environmental management plan and environmental monitoring plan report) for 2006 and 2011; In addition, the HCV Management Plan Document; water management procedures. Implementation of water management includes: testing Water quality testing (drinking water, clean water, surface water/rivers and waste water) periodically, spray boundary marking, and reforestation in riparian areas. In addition the company has also made Water Treatment Plant as a source of clean water and drinking water and monitor its use. The CH has a SOP of high conservation value management program (BGA-SOP-CCS-1113) year 2012.

CH has consistently set water management strategies that were implemented. Several strategies as follows:

- Protecting riparian from chemicals contamination. The CH has installed sign as prohibiting application of pesticides and fertilizers. The signs can be red painting in palm-stem or sign board. Based on interviews with spraying workers in Pantai Mas Estate block B27, workers are aware of this.
- *Vertiver grass* and *Sengon* planting in riparian area. For example, observation in block B02 Pelantaran Agro estate riparian of Keruing River and block B15A Katari Estate of Katari River, there was *Sengon* and natural vegetation in riparian. Therefore, the CH has set riparian as conservation area. The consequence is no chemicals application, logging and hunting. The riparian monitored by conservation officer routinely.
- Surface water monitoring every semester, by accredited laboratory, it was informed that the company activity has not affect is already the standard required (PP No. 82/2001 Class 2).
- Domestic housing well and reservoir water testing analysis shows that all parameters are less that the detection limit indicated by Minister of Health Regulation (*Permenkes*) Number. 416 1990, respectively.

##### 4.4.3. & 4.4.4.

POME processing has processed through Waste Water Treatment Plant (WWTP) with 8 waste ponds. Monitoring of BOD has carried out every month regularly and reported to Environment Agency every three month. Has been verified the test result of December 2018 to February 2019, there is no parameters (pH, BOD) which exceeds the quality threshold (Minister of Environment Decree No. 28 of 2003).

CH has a license for the utilization of liquid waste in the palm oil plantation of PT WNL Katari POM with number. 660/042/EK.SDA-DLH/I/2017 January 24, 2017 is valid for 5 years. Based on field visits in Block F47 Katari Estate, there is no waste run-off and 4 flatbed emergency is available in case of heavy rain.

Based on public consultation with Keruing Village and Pantai Harapan Village, there was no issues regarding to river pollution especially to the river that across the village.

The Company has monitoring of water use for FFB processing and domestic use (housing). Field observations show that all flow meter instruments for measuring water use (7 unit flow meters) are in good condition and functioning. The average water use period January to march 2019 is 1.53 m<sup>3</sup> / ton FFB not-accordance with 1.53 m<sup>3</sup> / ton FFB budget and CH have justification for that, There is an excess of water usage of 0.3, in this case the company (laboratory) provides because TDS exceeds 2000 ppm (water is discharged) so that water supply and use increases.

**Status: Comply**
**4.5**
**Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.**
**4.5.1 and 4.5.2**

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

The company is committed to implementing integrated pest management (IPM), this is demonstrated by utilizing beneficial plants and natural predators. In this case, the company shows documents related to planting and maintenance of beneficial plants for the period of 2018-2019 for example, Pelantaran Agro Estate has planted 10,400 meters *Turnera subulata*; Pantai Mas Estate has planted 301 meters *Turnera subulata* while Katari Agro Estate has planted 35,050 meters *Turnera subulata*.

The interview with the management revealed that the company routinely conducted training for IPM employees, for example IPM training conducted on May 4, 2018 at the Pelantaran Agro Estate Office and was attended by 15 employees. Documentation, material and attendance lists are available during the audit activity.

During the audit activity, the company shows pest monitoring documents period of January - April 2019 for each Estate. Based on document verification, it was found that there were no pests that exceeded the threshold.

Based on field observations in the Katari Agro Estate; Pelantaran Agro Estate and Pantai Mas Estate it is known that each estate has planted a beneficial plant as a form of implementation of integrated pest management (IPM).

**Status: Comply**
**4.6**
**Pesticides are used in ways that do not endanger health or the environment**
**4.6.1; 4.6.2 and 4.6.5**

The company has a policy on safety in using chemicals listed in the procedures for managing hazardous material, hazardous waste and procedure for weed, pests and diseases control with the number SOP-14. In the procedure, it is explained about the use of PPE for employees and management of used pesticide containers.

Based on interviews with management revealed that to avoid the development of resistance, the company used a rotation spraying system and use different types of pesticides in each rotation. During the audit, the company showed a chemical justification document for the period of 2019 at Katari Agro Estate; Pelantaran Agro Estate and Pantai Mas Estate by identifying trade names, active ingredients, active ingredients, LD50, WHO classification, Type, shape, character, application method, function and justification.

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

Based on field observations and interviews with pesticide applicators on Katari Agro Estate; Pelantaran Agro Estate and Pantai Mas Estate are known as follows:

- Employees have understood work procedures that are safe in using chemicals such as spraying techniques, target weeds for each pesticide, use of PPE and actions taken when poisoning occurs.
- Regular employees get direction from supervisor before work and also get regular internal training by the company.
- The company provides facilities for storing work tools and PPE as well as places for bathing employees when completing the application of pesticides.
- Employees bring food from home, the company in this case provides clean water and soap to clean hands before eating and the location of the place to eat must be different from the location of the application of pesticides.

- The company provides PPE for each employee free of charge and if broken will be given a replacement PPE with the provision of returning the broken PPE.
- Supervisors always carry a first aid kit that will be used as first aid when there is a work accident. The results of checking are known that the contents of the first aid kit are complete and ready to use.

#### 4.6.3

The company has an integrated pest management plan listed in the Division's work document and document Pest control activity plan consisting of detection and identification of pests, rat census, census of leaf eater caterpillar, application of chemical rat control and planting of beneficial plants (*Turnera subulata* and *Antigonon leptopus*).

Related to reduce the usage of pesticides, monitoring conducted by daily, monthly, and annually records. Furthermore conducted regularly pest and disease census as an early warning system, aims to prevent outbreak of pest and disease, so it is expected to minimize the use of pesticides. Based on pest census document review period of January - March 2019, there is no usage of pesticides to control pest and disease.

#### 4.6.4

The company shows the Pesticide List document in the 2019 Classification that identifies trademarks, active ingredients, LD 50 (mg / kg), WHO classification and product classification.

The company has a policy to minimize the use of Paraquat dichloride listed in the Internal Agriculture & Technical Circular dari Head of Palm Research No 016/IAC/RSC/II/2015. In the memorandum, it is explained that The company is committed to no longer using pesticides with the active ingredient Paraquat dichloride since 2015.

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

Based on field observations and interviews with pesticide applicators on Katari Agro Estate; Pelantaran Agro Estate and Pantai Mas Estate revealed that spraying activities used Glyphosate, while the results of physical verification in the chemical warehouse are in accordance with the inventory records at Pantai Mas Estate, it is known that pesticides are available with Penta Up, Metaprima, and Garlon where the pesticides belong to the classification class III based on WHO.

Based on document verification on pesticide use for the period 2017 - 2019, it is known that the company did not use pesticide within WHO 1A and 1B or paraquat.

#### 4.6.7

The Company has work instructions related to the application of pesticides such as work instructions related to the safety of pesticide materials listed in the Pesticide Management Book issued by the Research Department. The instructions include the sprayer used must be clean, good and not leaking to avoid the danger of poisoning in plants, no spraying when it will rain, spray direction should not be opposite to wind direction.

Based on field observations and interviews with pesticide applicators on Katari Agro Estate; Pelantaran Agro Estate and Pantai Mas Estate are known as follows:

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

**4.6.8**

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

**4.6.9**

The company shows training documents to employees and scheme smallholder related to the use and handling of pesticides as follows:

- Safe spray technique training held on 11 May 2019 located at Division 3 Pantai Mas Estate. The training was attended by 29 pesticides applicator of PMSE. During the audit activities, training materials, attendance lists and training documentation are available.
- Safe spray technique training held on May 2, 2019 at Division 3 Pantai Mas Estate. The training was attended by 32 pesticides applicator of PMSE. During the audit activities, training materials, attendance lists and training documentation are available.
- HIRAC socialization and Spray MSDS held on May 7, 2019 at the KAGE Office. The training was attended by 21 pesticides applicator of KAGE. During the audit activities, training materials, attendance lists and training documentation are available.

Based on the results of interviews with spray workers at PMSE Block B27, it is known that workers have received regular training to handle pesticides, spraying techniques, and socialization and morning briefings relating to spraying activities from Foreman or Assistants.

**4.6.10.**

Base on observations and interviews, managers and storage officers can demonstrate the management system of waste and pesticide products. Storage officers may explain the process of managing hazardous waste, among others, used pesticide containers first washed, then stored for storage of hazardous waste, and then recorded on hazardous waste logbook. For packing of pesticide is stored at licensed B3 waste storage place. Based on field visits to temporary hazardous waste storage sites, the company has cooperated with PT Indo Rudy Jaya as a collector and transporter of hazardous waste. Such as: packaging hazardous chemical with manifest number ATU 0001023 as much as 0.36 ton. License of vehicle with number DA 1181 AL has been permit to transport dangerous goods from Ministry of Transportation of the Republic of Indonesia with decision number 2568/A.J.309/DJPD/2016/630721011BB-0001.

**4.6.11**

The company routinely carries out special health checks for spray and fertilizer workers every 6 months including cholinesterase testing. The last inspection was carried out on February 12 – 13, 2019 against 207 pesticide applicator and fertilizer employees carried out at the Central Metro Clinic. Based on the results of the examination it is known that there are 4 employee who has decreased the level of health while the others are in good health and ready to work. Based on this, the Central Metro Clinic gave recommendations to the estate not to employ these employees in spraying or fertilizing activities. A mutation decision letter from the management is available which explains that the employee is transferred to a manual upkeep employee.

Based on field observations and interviews with pesticides applicator in Block B27 Pantai Mas Estate revealed that each employee had been given personal information from an assistant regarding the results of the health examination. In addition, the results of field observations also showed no indication of skin disease and itching in employees. Employees routinely use PPE in spray work, this is because each employee has been given a clear understanding of the importance of using PPE in work.

**4.6.12**

The company has a policy on equal opportunities and treatments in employment, freedom of association, age requirements for workers and protection for female workers. In the policy it was stated about company policies to protect the reproductive rights of female workers by not employing female workers who are pregnant or breastfeeding in activities related to chemicals. in the policy also explained that every female employee who uses chemicals must take a monthly pregnancy test at the central clinic.



Based on field observations at Pelantaran Agro Estate, Katari Agro Estate and Pantai Mas Estate it was found that workers understood the procedures for checking the pregnancy of female employees and the prohibition for pregnant and lactating women to work related to chemicals. In addition, there were no pesticide operators who were pregnant or breastfeeding during the audit.

<b>Status: Comply</b>
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#### 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 and updated on 2018, 27 August by COO PT Bumitama Gunajaya Agro (as holding company). This policy is designed to control hazards in every activity that is in the working environment to prevent accidents.

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. Realization of the program of work will be monitored through regular meetings 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.

Interviews were conducted to estate workers (harvester and pesticides applicator) and mill workers (boiler operator, engine room operator, kernel operator, etc). Based on the results of interviews can be concluded 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.

The results of document review that the company had conducted periodic Medical Check Up to 57 employees KAGM on March 2-3, 2019 in the form of audiometry. The results of the medical examination revealed that 30 employees experienced moderate hearing loss and mild hearing loss with the doctor's recommendation that they be "re-examined 2 months later free of noise". However, until the audit (13-17 May 2019) the re-examination had not been carried out.

The company has not been able to show advanced health checks for employees who moderate hearing loss and Mild hearing loss. **Based on the explanation, raised the Non-Conformance No 2019.03 with Major category.**

##### 4.7.2

The company shown the document of hazard identification, risk assessment and risk control which issued on February 2019. It will be reviewed if any occupational accident happen. The document describes the description/activity, potential hazards, risk assessment and risk control.

The Company has shown record of work accidents that occurred during the last 12 months for all unit PNBM, PNBE, KAGM, PAGE, KAGE, and PMSE. For example in April 2019 total LTA as much as 162 hours.

Based on site observation at workshop in PNBM and agrochemical warehouse in PNBE, 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.

##### 4.7.3

Based on documents verification and interviews, it is known that all operators at KAGE, PAGE, PMSE and KAGM already have lisense such as boiler operators, lift carrier operators, welders and electrical technician. The management unit has had the training plan for workers exposed to high noise levels such as training of procedure, socialization of HIRAC and safety briefing before work.

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, googles 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 and stored well. 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 provides procedures for accidents and emergencies in the SOP Emergency Response (BGA-SOP-WNL13-RO). The procedures cover the main potential causes of emergencies such as fires, chemical spills. The procedures also explained that records of all accidents shall be kept and periodically reviewed. Simulation was performed to know the preparedness of emergency response equipment in the Mill. The simulation was performed on hydrants located in the mill and the result of the experiment was concluded that the hydrant tool is ready for use.

PAGE has already licensed first aid officers and there was first aid internal training conducted on January, 21 2019. Based on field visits and interviews, it was found that all the supervisor in each of activities were equipped with first aid kit and had been trained on the use of first aid boxes and the supervisor explained the usefulness of each first aid kit.

**4.7.6**

The company has provided the employees with insurance to cover occupational accident in accordance with the provision set by the government (BPJS). Such insurance is named national social insurance for manpower/ BPJS, which is routinely paid every month. Meanwhile, for medical insurance, PT WNL has registered its entire personnel in manpower medical insurance/ BPJS. Based on interview with some personnel, it is known that the entire personnel have been registered in manpower medical insurance/ BPJS.

Based on interview with worker, they have been registered to the manpower social insurance and their family as well. In addition, the company can show evidence of BPJS claims during an accident.

**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, accident data, working hours, LTA, SR and FR. Calculation of SR and FR is reviewed regularly and will be evaluated at monthly meeting of OHS Committee.

<b>Major 4.7.1</b>	<b>Status: Non Conformance NC.2019.03 with major category</b>
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**4.8**

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

**4.8.1**

The CH has had training programme 2019 for staff and workers related all aspects of RSPO principles and criteria. The training programme for all employees based on identification of needs that prepared by field assistant. The annual training programme covered all estate and mill activities. Based on document review, Interviews with local contractors and management unit explained that there was no training program for contractors.

Observation of operational activities in KAGE, PAGE, PMSE and KAGM he workers are known to have received training, and are able to demonstrate safe working practices in accordance with procedures.

**4.8.2**

The training record that shows historical training of each employee are well maintained in operational unit.

<b>Status: Comply</b>
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**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 CH has EIA documents, consists of:

- Environmental permit no. 16/komisi-Kotim/VI/2008 (scope area : Pantai Mas and Katari Agro Estate)
- Environmental permit no. 188.45/297/Huk-BLH/2013 (scope area : Pelantaran Estate)
- Environmental permit no. 188.45/298/Huk/BLH/2013 (scope area: Katari Agro Mill)

All area and operation has been covered in environmental documents.

**5.1.2 & 5.1.3.**

The CH has conducted environmental management based on documents of Environmental Management Plan / Environmental Monitoring Plan, 2008, such as :

**Katari Agro POM.**

- Acceptance and mobilization for operational Katari Mill.
- Operational Katari Agro Mill.
- Maintenance of machine, mill equipment, vehicles and heavy equipment.
- Transporting CPO & Kernel.
- Waste management of operational activities.
- Utilization of POME.

**Pelantaran Agro Estate.**

- Openness of employment and attempted.
- Accessibility Area
- Economy of local communities
- Preservation of local culture.
- Development of infrastructure
- Educational services.

Implementation of environmental management has been conducted in accordance with the environmental management plan document (RKL), such as: 1 POME discharge to land application in accordance license form Kotawaringin Timur District, utilization of fiber and shell for boiler fuel, stored Hazardous Waste Storage licensed, recruitment local workers, etc. Environmental management conducted every 6 month and the results will be submitted to relevant agency on Kotawaringin Timur District.

Implementation of environmental monitoring was described in RKL-RPL implementation report. Based on the RKL-RPL implementation report of semester 2 of 2018 known there isn't negative impact caused by CH, such as the result of mill effluent quality testing that conducted periodically has been accordance with the standard qualities set by the government. Base on Interview with nearest i.e. Pantai Harapan Village, Keruing Village and document implementation RKL-RPL report is reviewed every six month known there isn't negative impact caused by CH.

The Environmental Management plan matrix (RKL-RPL) also provides information regarding management methods, location, period, responsible unit, and agencies involved in environmental management. The document has been reported to the local authorities on a regularly.

<b>Status: Comply</b>	
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**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, 5.2.2, 5.2.3, 5.2.4**

HCV assessment conducted by Forestry Faculty of IPB on September – October 2010, conducted by team that has been

approved by RSPO (Dr Ir H Nyoto Santoso) and the report reviewed by Dr Kunkun Jaya Gurmaya, identified the HCV area as much as 206.42 Ha, namely:

- Riparian of Bengkuang River covering 63.8 Ha in PNBE (HCV 1.1; 1.2; 1.3; 2.3 & 4.1).
- Riparian of Cempaga Buang River covering 43.22 Ha in PMSE (HCV 1.1; 1.2; 1.3; 2.3 & 4.1).
- Riparian of Katari River covering 34 Ha in KAGE and PMSE (HCV 1.1; 1.2; 1.3; 2.3 & 4.1).
- Riparian of Keruing River covering 50.67 Ha in PAGE (HCV 1.1; 1.3 & 4.1).
- Kerangas (heath) forest area of 14.7 Ha (HCV 2.3).
- Sacred stone area of 0.01 Ha (HCV 6).
- Sacred Tree of 0.02 Ha (HCV 6).

The CH has shown a record of HCV identification made by PT WNL which includes Pundu Estate and Katari Estate. HCV areas included in the Katari Estate scope include Cempaga Buang Riparian (43.22 Ha), Katari River Riparian (34 Ha), Keruing River Riparian (50.67 Ha), Kerangas Forest (14.7 Ha), Sacred Stone (0.01 Ha), Keramat Trees (0.02 Ha) and Bengkuang Riparian (4.35 Ha).

The difference in HCV area of 59.45 Ha is Bengkuang Riparian which is an assessment scope in Pundu Estate. The river flows in 2 Estate (Katari and Pundu).

In addition, identified the types of rare, threatened or endangered (RTE) fauna namely: Orang Utan (*Pongo pygmaeus*), Agile gibbon (*Hylobates agilis*), Proboscis monkey (*Nasalis Larvatus*), Malayan Sun Bear (*Ursus Malayanus*), Stork-billed kingfisher (*Pelargopsis capensis*), Blue-eared kingfisher (*Alcedo meninting*), *Buceros rhinoceros*, *Haliaeetus indus* and others. The CH has been set and implemented the HCV management plan such as : installation of warning singage, prepared the SOP, HCV patrol, riparian area restoration (for ex planting of Sea almond (*Terminalia catappa*), socialization to workers, control of pesticides application.

Based on field visits in the Riparian Pantai Mas Estate, Pelantaran Estate and Katari Estate, There were no workers who arrested, harmed and collected protected animals. There is a hunting ban board in the HCV area. In addition, interviews with applicator pesticide & harvest workers, employees have learned about the prohibition of hunting protected animals. Actions taken if it is found that the individual working for the company captures, harms, collects or kills the species, among others: The individual will be subject to sanctions under Law no. 5 of 1990 article 21.

The CH has presented its High Conservation Value (HCV) Inspection Checklist document which contains the program and realization of HCV monitoring and management. The realization of such monitoring and management include HCV socialization to employees and stakeholders, planting trees on riparian areas, marking HCV / Buffer zone boundaries, maintaining the buffer zone, and installing HCV signboards.

In addition, the CH has also documented the monitoring of river border surveys conducted routinely every month with observation parameters including monitoring of area boundaries (paint on the principal) and signboard HCV conditions.

HCV management plan which is integrated with HCV identification documents, explained: management activities, period of management and monitoring, PIC (HCV officer), and enhancement review for next HCV program. For example evaluation monitoring HCV signboard will be increased in the next program.

Based on field observations at the Katari River area to Block D15 Katari Estate and Block B02 Pelantaran Estate, it is known that the company has installed protective signboard fauna and mounted bufferzone pole.

Meanwhile in the HCV Management Program procedure (WNL-SUST-SOP-18) it is stated that the management unit appoints HCV officers to carry out an inventory of flora and fauna found in the identified HCV area. Related to this, Katari Agro Estate and Pantai Mas Estate cannot shown evidence of inventory and monitoring of flora and fauna identified HCV areas. **Based on the explanation, raised the Non-Conformance No 2019.04 with Minor category.**

Katari Agro Estate and Pantai Mas Estate hasn't been shown plans and realization of monitoring of flora and fauna as stipulated in the HCV Management Program procedure (WNL-SUST-SOP-18 April 21 2018) and recommendations on the identification of HCV areas in 2010.

**5.2.5**

Based on document review and interviews with management and village community representatives, it is known that there are no identified HCV areas that overlap with local community rights areas.

**Minor 5.2.4**
**Status: Non-conformity Number 2019.04 with minor category**
**Open**
**5.3**
**Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.**
**5.3.1.**

The CH has identified its waste and pollution source and developed waste and pollution management plan in 2019. The identification is grouped based on estate and mill activity. Among the identified waste and pollution source in estate are manuring activity, clinic, workshop, spraying activity, office, warehouse and housing complex, generator use and transportation. Meanwhile, the source of pollution and waste identified in mill among others are processing activities, workshop, office, laboratory and WWTP.

**5.3.2 & 5.3.3**

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

The CH has evidence of depositing all chemical packaging contained in the Temporary Storage of Hazardous and Toxic Waste Based on the Decision of the Regent of Kotawaringin Timur Number 660/2142/BLH-Ek.SDA/V/2015 May 29, 2015 valid for 5 years. Providing a waste storage permit for 365 days.

The CH shown a Letter of Agreement on the Management of hazardous Waste With PT Indo Rudi Jaya valid to June 30, 2019. Hazardous waste transport recommendation from the Ministry of Environmental and Forestry of the Directorate General of Waste Management, hazardous Waste Number S.307/VPLB3/PPLB3/PLB.3/5/2016, May 26 2016, this recommendation is valid for 5 years.

Record management Hazardous Waste, included in reporting management hazardous waste quarter period January to March 2019 addressed to environment agency. Hazardous waste management recorded several documents, consist of:

- Company has Logbook Hazardous Waste period January to March 2019.
- Company has Balance Hazardous period January to March 2019.
- Company has shipping manifest Hazardous waste, November 27 2018 to PT Indo Rudi Jaya.

**Clinical Waste.**

The CH showed the shipping manifest of medical waste to PT Mitra Hijau Asia May 20, 2019 as much as 45 kg with number of manifest is ATO 0000950, vehicle number DD 8830, and the transport license is SK / 3386 / AJ-309 / DJPD / 2017.

**Domestic waste.**

A every domestic waste generated is collected in front of the house and delivered to the landfill. Based on interview with resident of Housing complex (Division 2/3) known domestic waste is separated between organic and inorganic, then transported every 2 times a day to landfill. Each estate has a landfill and the distance is more than 1 km from housing. Based on field visit Katari Agro, Block F60 division I available Landfill.

**Solid waste.**

Empty fruit bunch (EFB) is used for mulch on oil palm crops. EFB is an organic material is an organic material that serves to produce nutrients needed for oil palm plantation on a rather sandy soil type. EFB application is effective to reduce the use of chemical fertilizers.

**POME**

POME is produced in Mill and then processed in IPAL, having managed to produce a parameter below the quality standard, especially for BOD, COD and pH then flowed into the Land Application.

The implementation of waste management has been accordance with management plan.

	<b>Status: Comply</b>	
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**5.4**
**Efficiency of fossil fuel use and the use of renewable energy is optimised.**
**5.4.1.**

The CH already maximizing the use of renewable energy (fibre & shell) as boiler fuel. For example use of shells and fibre in January to April 2019 was 2,306 ton, which produces 1,260,651 kWh of electricity from turbine. Renewable energy use per ton of palm product in the mill is 14.50 kwh / ton CPO. Result Direct fossil fuel used is 0.15 kWh/ ton CPO.

	<b>Status: Comply</b>	
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**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 no-burn policy is contained in the environmental and biodiversity policy approved by the Regional Head on 01<sup>st</sup> June 2016 which states that Certificate Holder in carrying out its business is committed to land clearing using a zero burning system (without burning) in all plantation development and waste disposal activities.

The certificate holder has SOP No. BGA-AGRKS-PTKS-PLH was approved by the Director on 04<sup>th</sup> January 2011 concerning Land Preparation, where in the procedure explained that land clearing was carried out mechanically and without burning (Zero Burning).

Based on the results of field visits at the Katari Agro Estate, Pantai Mas Estate and Pelantaran Agro Estate, it was found that there were no signs or evidence of land clearing carried out by burning, all land clearing was done mechanically by the certificate holder.

	<b>Status: Comply</b>	
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**5.6**
**Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.**
**5.6.1, 5.6.2**

As explained in the indicator 5.3.1, CH has identified source of waste including emissions from plantation and activities, as indicated in the EIA document and Waste Identification document. In the mill, the major emission source is from POME and the use of diesel fuel for generators and vehicles. Some of the main sources of pollution in palm oil mills are as follows: liquid waste from processing, generator / engine emissions, boiler emission of combustion of renewable fuel, dust from road transportation, emission from CPO and FFB transportation. Greenhouse gas emissions source in plantation are mostly from the use of chemical fertilizers, fossil fuel for transportation, and N2O emission.

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 monitoring every months and the last monitoring periods January to April 2019.

Monitoring for emission and pollutants (air emission, air ambient, odor, noise, and vibration) from estate and mill was done periodically every 6 month, 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. Such as, CH conducts noise level testing according to decision of environment minister number 48 year 1996.

Base on document verification, CH has been done calculations emission with RSPO Palm GHG Calculator Version 3.0.1

with data input correctly. Calculation option applied CH is November 2005 cut off LUC.

### 5.6.3

#### Summary of Net GHG Emissions

Emissions per product	tCO <sub>2</sub> e/tProduct	Extraction	%	Production	ton/year
CPO	2.43	OER	22.97	FFB Processed	350135.4
PK	2.43	KER	4.52	CPO Produced	80421.58

Land Use	ha
OP planted area	8212.00
OP Planted on peat	2105.67
Conservation (forested)	61
Conservation (non-forested)	0

#### Summary of Field Emissions and Sinks

	Own Crop		Group		3 <sup>rd</sup> Party		Total	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha
<b>Emissions</b>								
Land conversion	51059.91	8.39	-	-	-	-	-	-
*CO <sub>2</sub> emissions from fertilizer	8082.29	1.23	-	-	-	-	-	-
**N <sub>2</sub> O emissions	23640.65	3.2	-	-	-	-	-	-
Fuel consumption	2191.44	0.37	-	-	-	-	-	-
Peat Oxidation	107935.38	14.00	-	-	-	-	-	-
<b>Sinks</b>								
Crop sequestration	-58316.24	-9.36	-	-	-	-	-	-
Conservation Sequestration	-380.79	-0.05	-	-	-	-	-	-
<b>Total</b>	134212.64	17.78	-	-	-	-	-	-

#### Summary of Mill Emissions and Credits

	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
<b>Emissions</b>		
POME	68632.47	0.2
Fuel consumption	620.18	0
Grid Electricity Utilisation	0	0
<b>Credits</b>		
Export of Grid Electricity	-5.38	0
Sales of PKS	0	0
Sales of EFB	0	0
<b>Total</b>	69247.27	0.2

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



Divert to compost	0 %
Divert to anaerobic digestion	100 %
<b>POME Diverted to Anaerobic Digestion:</b>	
Divert to anaerobic pond	100 %
Divert to methane capture (flaring)	0 %
Divert to methane capture (electricity generation)	0 %
<b>Status: Comply</b>	
<b>PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills</b>	
<b>6.1</b>	
<b>Aspects of plantation and mill management, including replanting, that have social impacts are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate the continuous improvement.</b>	
<b>6.1.1 &amp; 6.1.2</b>	
<p>The Company has had the Social Impact Assessment (SIA) Document, conducted by the Bogor Agricultural Institute on July 26, 2010 to August 6, 2010. The coverage of assessment were Village of Pundu, Pelantaran, Keruing, Bukit Raya, Pantai Harapan, Bukit Batu, Sudan and Sei Ubar. The SIA describes the general condition and characteristic of the locals, strategic issue, manpower issue and relation among the parties, impact of the company, social impact management, conclusion and the recommendation. Records of participatory in the form of attendance list, has been involve the community around: Kruing Village as many as 11 people, Bukit Raya Village as many as 17 people, 17 people Pundu Village, 7 people of Bukit Batu Village, 12 people in Sudan Village, Village Harapan Beach as many as 29 people, Sei Ubar Mandiri Village as many as 9 people. Those people includes village officials, community leaders, company employees, plasma officials, and women.</p> <p>Based on the results of interviews with the Village Head of Pelantaran, Pantai Harpan, and Katari, it is known that the company has identified social aspects including social, economic, environmental, land ownership aspects, socio-cultural aspects, employment, stakeholder aspects, aspects of general conditions and characteristics of surrounding communities such as geographical conditions around the plantation, the general condition of the village around (level of health, population, education, health, economy, agriculture). All aspect already identified.</p>	
<b>6.1.3, 6.1.4, 6.1.5</b>	
<p>The Company has demonstrated the Social Management Plan of 2018 - 2019 which contains the relevant internal and external impact management plans, as well as impact of plasma. Compiled based on the input of review of Management Plan of 2016 - 2017, which conducted in a participatory manner. The plan describes monitoring indicator, monitoring method, PIC and frequency.</p> <p>Based on review of Management Plan of 2016 – 2017, the positive and negative social impact were still the same and relevant to be managed and re-list in the next program. Therefore there is no difference between both of them. The results of interviews with Village Heads obtained information that village officials had been involved in the SIA review. All positive and negative social impact has been identified and managed by the company. The community had felt the positive persepction regarding social management conducted by the company, such as economic empowerment with the development of smallholdings, empowerment of local contractors, and operational vehicles leased from the community.</p>	
<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 &amp; 6.2.3</b>	
<p>The Company has the procedure for communication which is written in Communication Procedure (SOP-WNL-KOM-01). The objective of this procedure is to provide practical guidance for handling communications in the field of Occupational</p>	

Safety, Health and Environmental Protection (K3L) and RSPO both internally and with external parties with a maximum response of 15 days after information request letter received by certificate holder. The PIC appointed to take care of this matter is the CSR Staff.

To ensure procedures have been communicated to all stakeholders, the company has updated stakeholder list, consist of District / Provincial Service, Upstream “Muspika” (Sub District Leadership Meeting), Village Head, Community Leaders, Cooperative, Supplier, FFB Supplier, NGOs, Mass Media, other Company, Internal School, Workers Cooperative, Gender Committee, Emergency Response, and Employee Organization.

Records of communication with stakeholders are in minutes of meeting of regular/incidental meeting, as well as log book of communication. Based on consultation with stakeholders (agencies, villagers, contractors, labor union, gender committee, etc) it is known that the stakeholders have understood the mechanism and PIC of communication and consultation to the company. There are no obstacles in communicating with person in charge. Based on review of documents, it is known that the stakeholders are routinely sent letters of communication or proposal, and has been addressed by management.

**Status: Comply**

### 6.3

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

#### 6.3.1 & 6.3.2

The Company has a Communication Procedure (SOP-WNL-KOM-01) and Code Ethics (BGA-COC-HC-333.1-RO) regarding Grievance Resolution procedures. External/Internal communication in the form of an official letter submitted to the company in the form of a complaint or information responded by the company no later than 15 days after receipt. This procedure is established to handle internal and external complaints. The Reporting Violation Mechanism can also be through complaint boxes and telephone hotlines for workers.

Both internal and external stakeholders have a choice if the identity does not want to be known in reporting, namely through the special staff contact / email number that has been provided, or through the suggestion box by not writing down their identity. Regarding the protection of whistle blowers, the company has installed a notice board on the front part of the office area in each work unit, for example in an estate and factory office. The main points of the notification are the address of the complaint (telephone & email number) and guarantee of confidentiality and protection of the complainant.

Based on the document review, it is known that the company has documented and responded to incoming complaints and no complaints will be brought to the RSPO complaints system because the complaints can still be handled internally by the company. Based on interviews with workers and members of the Bipartite Cooperative it is known that they have known that if the complaint cannot be handled by the company, the worker can submit it through the RSPO complaint system. This is in line with the results of public consultations with the surrounding communities, it is known that the surrounding communities has known the complaints procedure provided by the CH and during 2018 to 2019 there were no complaints submitted from surrounding community.

**Status: Comply**

### 6.4

**Any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.**

#### 6.4.1, 6.4.2 & 6.4.3.

The Certificate holder has had document of land and crops compensation (SOP-PAD-001) in term of the procedure of land and crops compensation in overall of Bumitama Gunajaya Agro (BGA) operational area. Based on stakeholder's consultation with Head of Pantai Harapan Village & Katari Village, that knows the procedure was understand by the related party and has been socialized.

Based on document verification Social Impact Assessment report and HCV Identification report that knows in PT WNL area there was no land under customary right.

The evidence of compensation to land owner in each estates and the participation of head of village as witnessed was documented in each estate. Overall of compensation document was keep as historical of land acquisition by company. All of document was signed by company representation early land owner and included of government in village and sub district level.

Based on the results of interviews Pelantaran Village Officials; Previous land owner on Pelantaran Village; Cooperative Officials of Harapan Abadi (scheme smallholder); Pantai Harapan Village Head; Katari Sub-Village Head – Keruing Village; Previous land owner on Keruing Village; Previous land owner on Pantai Harapan Village; *Demang* (traditional leader) of Campaga Hulu Sub-District obtained id information if all compensation process has been held with fairly transparent regarding to mutual agreement. Whole area that managed by the company has been compensated. The compensation process involved all community witnessed also by the Village Head, Customary leader, Subdistrict head and others relevants parties. Until the audit was carried out, there was no written complaint from the community regarding the land dispute.

<b>Status: Comply</b>
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## 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 company determines minimum wages based on government regulations every year. Minimum wage in 2019 as stipulated in the Decree of the Governor of Central Kalimantan on November 21, 2018 concerning minimum wages in Central Kalimantan Province in 2019. The minimum wage set by the government is IDR 2,776,460 while the wage value determined by the CEO's decision is IDR 2,776,460 / month (for the lowest monthly level workers) valid from 1 January 2019 for all workers remaining below the one-year work period.

Based on document verification and interviews with known plantations and factory workers, the company has paid all wages in accordance with the regulations. For example, according to a simulation of calculating overtime payments for security officers in KAGM in April 2019 it has complied with these regulations. Therefore, according to the interview with the harvesters, it is seen that working hours are from 7:00 a.m. to 02:00 p.m. When harvesting is low, they have a minimum base according to the target area. No one violates the rules of wages and coercion to work.

Based on payment list, interviews with the workers, and Bipartit representative, known that the CH had paid the minimum wage, overtime, and provide minimum condition for worker in accordance with the Company Regulations and applicable regulations. There is no significant obstacles related to employment or violations of wage such as wage deduction.

### 6.5.2

Work agreement (contract) between worker and company describes about type of work and salary, duty and responsibility, work hour, health and medical, work termination, and others. Contract is written in Indonesian Language and workers are understood the substance of the contract. Company also has Company Regulations for period year 2018 – 2020 which is endorsed by Labour Agency in Kotawaringin Timur (Kotim) District. Besides that, work agreement (contract) between contract workers and company describes about type of work and salary, duty and responsibility, work hour, health and medical, work termination, and others. Contract is written in Indonesian language and workers are understood the substance of the contract. On the chapter which describes salary system, stated that basic wage for permanent daily worker is above daily minimum wage. Based on field observations, no illegal workers were found with the agreement or wife of harvesters who worked without ties as workers.

### 6.5.3

Field observations to Pundu Nabatindo Estate housing are known that the company has tried to provide adequate facilities for employees including housing, clean water facilities, lighting facilities, first aid post, educational facilities, day-care centres, sports facilities, school bus, and worship facilities. Interviews with workers and residents said that the condition of the building was still in good condition and proper to use.

During the previous assessment, it was explained that the company had the opportunity for improvement to ensure

membership of all workers who had been registered with BPJS health (OFI 2018). Based on this, the company shows proof of submission of PT WNL employee registration documents to BPJS of Kotawaringin Timur on December 18, 2018. The number of participants still in progress of the participation of BPJS health is 3,385 people with 72 pieces of sub-data. It has been received by the Kotawaringin Timur BPJS Health with a stamp. (This is an opportunity to improve / OFI 2019 following up on the progress of BPJS Health registration, which has been completed with files since December 2018).

### 6.5.4

Based on the results of field visits known that CH has been providing housing facilities, lighting, water, day-care, cooperatives, employee halls, places of worship, school buses, clinics and educational facilities. Company also facilitates all workers to access adequate food supply by held sudden market on payday. Moreover, there are some store in housing complex. Personnel can get the staple food with reasonable price.

**Status: Comply**

### 6.6

**The employer respects the right of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.**

#### 6.6.1 & 6.6.2

The Company recognizes the rights of employees to freedom of association in the Indonesian language through Freedom of Association Policy which states "The company gives freedom to all employees to form and or become members of a union according to Law No. 21 of 2000 concerning freedom of association" and was ratified by the Area Controller on 02<sup>nd</sup> March 2012. Based on interview with workers representative, management provides freedom to all workers to establish Bipartite Cooperative in PT Windu Nabatindo Lestari which is available in bahasa and has been implemented by the company.

The result of the policy is formation of Bipartite Cooperative in PT Windu Nabatindo Lestari which is recorded in Labour & Transmigration Agency and still active until now.

The Bipartite Cooperative conducted meeting periodically or where there is an issue with company or the member of union. There is meeting documentation, such as minutes of meeting on 22<sup>nd</sup> March 2019, attended by 17 participants. The documentation is available in office unit and available for member if they were asking.

Based on interview with estate workers and representative of Bipartite Cooperative, it could be concluded that company has facilitate Bipartite Cooperative according to worker aspiration and there is no intervention from the company for election of Bipartite Cooperative structure because in the structure it consists of representatives of management and workers.

They also had bipartite council that approved by head labour and transmigration agency of Kotawaringin Timur District since June 22<sup>nd</sup> 2018. Based on document verification, bipartite council has attended the meeting regularly. The last meeting has been held on March 2019 with employee database.

**Status: Comply**

### 6.7

**Children are not employed or exploited.**

#### 6.7.1

Certificate Holder have the policy regarding minimum age for worker regulated on Minimum age policy authorized by Region Head 2 on August 1, 2017. It is stated that company won't employee children who are included in the definition of the provisions of ILO conventions, even though there are laws or regulations that would enable state and local and against all forms of child exploitation. Based on field observation in Pundu Nabatindo Mill and estate, there are no worker under 18 years old. Based on public consultation with Labour Agency of Kotawaringin Timur District, there is no issue regarding child labor in company.

	<b>Status: Comply</b>	
<b>6.8</b> <b>Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.</b>		
<b>6.8.1</b> <p>The certificate holder has a social policy which stated that every staff / employees should be handled fairly in everything relating to the recruitment, promotions, restrictions and conditions of employment without regard to personal issues such as race, degrees, ethnicity, gender, skin colour (defects/imperfect), a membership organization, and political views, religious and/or age. It is revealed that the hired employees have diverse educational, ethnic and religious backgrounds. The process of selection, recruitment and promotion of workers can be shown that the process has been based on the expertise, capacity, quality and medical health of prospective labour. The results of interviews with workers known that they understand the company policy regarding equal opportunity to get a job without distinction of race, religion and gender.</p> <b>6.8.2 &amp; 6.8.3</b> <p>Based on review of employee list of Mill and Estate, field observation, and interview with the workers, Gender Committee, and Bipartite, it is known that there is no indication of discrimination based on ethnicity, religion, gender, sexual orientation, race and class, or origin. Interview with the Village Head known that the job advertisements are open to the public. The employee selection and promotion are conducted in accordance with the assessment and without any discrimination.</p>		
	<b>Status: Comply</b>	
<b>6.9</b> <b>There is no harassment or abuse in the work place, and reproductive rights are protected.</b>		
<b>6.9.1, 6.9.2, 6.9.3</b> <p>Company has the Policy to prevent sexual harassment and abuse on 02<sup>nd</sup> March 2012 by the Area Controller, the policy states "The company protects every employee from all forms of violence and sexual harassment". Company has establish gender committee in each unit and its program is conducted socialization to the worker especially female worker, such as policy about reproductive rights and harassment or abuse in the work place complaints mechanism. Complaint mechanism explains that the company could keep the confidentiality of whistle-blowers identity based on the sensitivity of issues, if the case goes public and the risk of revenge and so on.</p> <p>In the Procedure of Employee Complaints Handling, there are regulations concerning female menstruation leave as much as 2 days/month (first and second day) with a doctor's examination, as well as maternity leave 1.5 months before giving birth and 1.5 months after birth with the calculation of a doctor's examination. The CH's procedure of Handling of Complaints and Grievances assured the anonymity of the reporting and the revealed of the case.</p> <p>Based on interview with female worker in day care and pesticide operator they understand about the policy and know how to make a complaint if they found out about harassment issue. They also has their reproductive leave such as menstrual leave or 2 days and maternity leave for 3 months. Based on interview with gender committee, there is no cases of sexual abuse reported in last year.</p>		
	<b>Status: Comply</b>	
<b>6.10</b> <b>Growers and mills deal fairly and transparently with smallholders and other local businesses.</b>		
<b>6.10.1, 6.10.2, 6.10.3, 6.10.4</b> <p>The Company has a plasma (scheme smallholder) of Harapan Abadi Cooperative, as well as cooperating with many local contractors / businesses. The pricing mechanisms for FFB of plasma, or local businesses are specified in the work agreement. Based on the review of work agreements, interviews with Head of Cooperatives as well as local contractors, it is known that the work agreement has explained the pricing of each work unit. The parties have understood the provisions of work contracts, the contracts has been made fairly, transparently and legally.</p> <p>The payment of work has been done in a timely manner, in accordance with the provisions in the contracts. For example the pricing of FFB from plasma is determined based on Plantation Agency pricing announcement. A monthly FFB pricing letter is available from the Plantation Agency. Interview with Head of Harapan Abadi Cooperative known that the letter of</p>		



pricing from the Agency is obtained from the website, or attachments of FFB payments. Document review of payment of plasma and contractors, as well as interview with Head of Cooperative and the contractors is known that FFB or services are paid according to the provisions and on time.		
	<b>Status: Comply</b>	
<b>6.11</b>		
<b>Growers and millers contribute to local sustainable development wherever appropriate.</b>		
<b>6.11.1, 6.11.2</b>		
The Company shown evidences of contribution to local sustainable development, through develop oil palm scheme smallholder/plasma of Harapan Abadi (5,750 ha), acceptance of local workers, contractors and local businesses, as well as other contributions covered in CSR programs that are prepared in a participatory manner with the community.		
Based on interviews with the Plasma Head, it was known that the Plasma was managed in full managed system by the company. The resources provided by company to Plasma include land clearing, provision of certified seeds, management services, provision of production input facilities, as credit avalists, and so on. Information obtained from Villages Heads regarding CSR, program preparation is carried out in a participatory manner in consultation with Village Officials. The CSR program has covers aspects of economic empowerment, education, religion, social, culture, and so on.		
	<b>Status: Comply</b>	
<b>6.12</b>		
<b>No forms of forced or trafficked labour are used.</b>		
<b>6.12.1, 6.12.1, 6.12.3</b>		
Based in document review and interview with workers, it is known that there is no migrant labour. There is no force labour and illegal workers, all workers have work agreement between company and personnel. The contract describes about type of work, salary mechanism, and others. Work agreement is available in Indonesian language. They can access their personal file in administration each unit. Based on field observation in KAGE, PAGE, PMSE and KAGM, auditor didn't sighted harvester accompanied by the wife or children.		
	<b>Status: Comply</b>	
<b>6.13</b>		
<b>Growers and millers respect human rights</b>		
<b>6.13.1</b>		
The Company has policy Company Responsibility to Employee, this document was contained of Human Right Protection. This document was approved by Regional Head. This policy has been socialized to the workers on each Estate and Mill. There was also shown documentation of Human Rights Policy Socialization for several levels of workers in each division. Based on consultation with internal stakeholder (workers and representative of Bipartite Cooperative) and the external stakeholder from surrounding community, there was no information related to Human Right abuse cause by company.		
	<b>Status: Comply</b>	
<b>PRINCIPLE #7 Responsible development of new plantings</b>		
<b>7.1</b>		
<b>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.</b>		
The Company has had the Social Impact Assessment (SIA) Document, conducted by the Bogor Agricultural Institute on July 26, 2010 to August 6, 2010. The coverage of assessment were Village of Pundu, Pelantaran, Keruing, Bukit Raya, Pantai Harapan, Bukit Batu, Sudan and Sei Ubar. The SIA describes the general condition and characteristic of the locals, strategic issue, manpower issue and relation among the parties, impact of the company, social impact management, conclusion and the recommendation. Records of participatory in the form of attendance list, has been involve the community around: Kruing Village as many as 11 people, Bukit Raya Village as many as 17 people, 17 people Pundu Village, 7 people of Bukit Batu Village, 12 people in Sudan Village, Village Harapan Beach as many as 29 people, Sei Ubar Mandiri Village as many as 9 people.		



Based on the results of interviews with the Village Head of Pelantaran, Pantai Harpan, and Katari, it is known that the company has identified social aspects including social, economic, environmental, land ownership aspects, socio-cultural aspects, employment, stakeholder aspects, aspects of general conditions and characteristics of surrounding communities such as geographical conditions around the plantation, the general condition of the village around (level of health, population, education, health, economy, agriculture). All aspect already identified.

The Company has demonstrated the Social Management Plan of 2018 - 2019 which contains the relevant internal and external impact management plans, as well as impact of plasma. Compiled based on the input of review of Management Plan of 2016 - 2017, which conducted in a participatory manner. The plan describes monitoring indicator, monitoring method, PIC and frequency.

	<b>Status: Comply</b>	
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**7.2**

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

**7.2.1 and 7.2.2**

Based on the result of document review and interview with management, it is known that Certificate Holder did not develop new areas for oil palm planting.

	<b>Status: Comply</b>	
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**7.3**

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

**7.3.1-7.3.5.**

Based on the statement area, known that the planting year of PT WNL (PAGE, KAGE and PMSE) is between 1998 and 2014. The company has conducted HCV assessment in 2010 in collaboration with Bogor Agricultural University. NPP assessment conducted by PT MAL in August 2013, the notification was done on 25 Nov 2013, the conclusion of NPP assessment result states that PT WNL has been complied with the applicable RSPO P&C for new plantings.

The CH has HCV assessments for the PT WNL for area 11,500 Ha, October 2010. On April 25, 2016 the CH has submitted WNL Liability Disclosure and LUCA PT WNL to the RSPO Compensation Panel April 25, 2016. The CH has also submitted RCA-Plan to RSPO but no evidence the RAC-Plan for PT WNL has been approval by the RSPO. **Based on the explanation, raised the Non-Conformance No 2019.05 with Major category**

**Major 7.3.1**

	<b>Status: Non-conformity Number 2019.05 with major category</b>	
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	<b>Status: Non-conformity Number 2019.05 with major category</b>	<b>Open</b>
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**7.4**

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

**7.4.1 and 7.4.2**

Based on the result of document review and interview with management, it is known that Certificate Holder did not develop new areas for oil palm planting.

	<b>Status: Comply</b>	
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**7.5**

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

**7.5.1**

Based on the result of document review and interview with management, it is known that Certificate Holder did not develop new areas for oil palm planting.

	<b>Status: Comply</b>	
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**7.6**

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

**7.6.1-7.6.5.**

PT. WNL has had document of the procedure of plant compensation number SOP-PAD-001. It describes the compilation of the plant and land compensation process standard in all BGA operational area. In order to reduce the mistake of the land and plant compensation to keep company asset safe, there are procedure as follows:

1. Determine annual work plan for establishing estate. It is determined by the department in charge (Partnership and Development of Central and Regional, Estate Manager, Head of Regional, GM Plantation).
2. Inspection of the properness in aspect of agronomy technical and recommendation over the area by the department in charge representatives (Research, PAD, GIS, Agronomy).
3. Conducting inventory, initiation, measurement. The inventory team is formed by the department in charge representatives (Central and Regional PAD, GIS, Research, Village Administration Government, Sub-District Government, community figures and land owner).
4. Conducting socialization to the land owners based on the result of inventory. It is socialized by the department in charge (Regional PAD, inventory team and land owner).
  - Confession over the land on the cultivated area and witnessed by village apparatus.
  - It should has ownership information from at least village administration government.
  - Evidence of ownership (SKT/others) for maximum for 5 Ha or referring the applied regulations.
  - The compensated land is free from any dispute.

PT WNL does not expand not open new estate since they achieve RSPO certificate (June 19<sup>th</sup> 2015) till ASA-2 (April 17<sup>th</sup> 2017). Document of the social and environment impact assessment owned by PT WNL is described on the criteria 5.1 and 6.1.

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

The no-burn policy is contained in the environmental and biodiversity policy approved by the Regional Head on 01<sup>st</sup> June 2016 which states that Certificate Holder in carrying out its business is committed to land clearing using a zero burning system (without burning) in all plantation development and waste disposal activities.

The CH has SOP No. BGA-AGRKS-PTKS-PLH was approved by the Director on 04<sup>th</sup> January 2011 concerning Land Preparation, where in the procedure explained that land clearing was carried out mechanically and without burning (Zero Burning).

Based on the results of field visits at the Katari Agro Estate, Pantai Mas Estate and Pelantaran Agro Estate, it was found that there were no signs or evidence of land clearing carried out by burning, all land clearing was done mechanically by the CH.

<b>Status: Comply</b>	
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**7.8**

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

**7.8.1-7.8.3.**

Based on area statement 2018 period, the company did not open the land on January 2015. However, the company has showed the GHG calculations using Palm GHG Version 3.0.1 described in Criteria 5.6.

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

The company regularly conducted evaluation of operational activities, such as by evaluation of monthly report, internal audit of operational, internal audit of regulation compliance, internal audit of RSPO and SCCS, management review of SCCS, and financial report audit by public accountant.

**Social Aspect**

The CH has develop positive perception of surrounding community through development of plasma cooperatives, local contractors/FFB suppliers acceptance and employment acceptance, as well as CSR program. Moreover CH has develop SIA management and monitoring, as well as the two yearly review that conducted in participatory manner.

**Environmental aspects**

- Effluent management and monitoring. WWTP pond management, effluent quality test and report it to Kotawaringin Timur District Environment Agency.
- Air quality management and monitoring. Road maintenance, air quality test and report it to Kotawaringin Timur District Environment Agency.
- Ground water management and monitoring. Testing ground water quality and report it to Kotawaringin Timur District Environment Agency.
- Hazardous waste management. Storing hazardous waste at the permitted hazardous waste, managing and monitoring hazardous waste (conducted by Kotawaringin Timur District Environment Agency).

**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>Organization that conduct physically handled of RSPO product is Certificate Holder of KAGM and transporter. KAGM didn't buy CPO from others sources</p> <p><b>Status: Comply</b></p>
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 mill does not buying certified product from RSPO licensed traders, entire product sold to buyer are from its own unit.</p> <p><b>Status: Comply</b></p>
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 parent company of PT Windu Nabatindo Lestari are Bumitama Agri Ltd is a member of the RSPO since 08 October 2007, with registration Number 1-0043-07-000-00. KAGM has been registered in palm trace with number ID RSPO_PO1000005104</p> <p><b>Status: Comply</b></p>
5.1.4	<p>Processing aids do not need to be included within an organization's scope of certification.</p> <p>The mill does not have any processing aid neither material nor equipment.</p> <p><b>Status: Comply</b></p>
<b>5.2</b>	<b>Supply chain model</b>
5.2.1	<p>The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -&gt; Segregated -&gt; Mass Balance.</p> <p>KAGM is certified palm oil mill which implement Mass balance using Module E-CPO Mill for its supply chain models, its due to KAGM Mill receive and processed FFB form non certified area and out grower</p> <p><b>Status: Comply</b></p>
5.2.2	<p>The site can use one (1) or a combination of supply chain models as audited and certified by the CB.</p> <p>KAGM is certified palm oil mill which implement Mass balance using Module E-CPO Mill for its supply chain models, its due to KAGM Mill receive and processed FFB form non certified area and out grower</p> <p><b>Status: Comply</b></p>
<b>5.3</b>	<b>Documented procedures</b>
5.3.1	<p>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.</p>

Katari Agro Mill has established a procedure of Identification and Traceability of Products (Unit BGA-SUST-SOP-43-R1) valid since 22 April 2019. These procedure also has been revised based on *RSPO Supply Chain Certification Standard for organizations seeking or holding certification Adopted by the RSPO BoG on 21<sup>st</sup> November 2014, revised on 14 June 2017 (Module D / E for CPO Mill)*. The procedure explained the identification of raw materials and products, traceability products in addition the procedures mentioned that the identification of raw material status (FFB) from RSPO certified area is marked by the use of the RSPO logo on FFB delivery letter. The persons who having responsibility are Commercial and Logistic Group Department, Certification & Compliance Department Head, Mill Manager and Operational Quality Control (OQC) Department

In addition, has been described in the procedure related to the identification of the raw material (clause 7.1.1), since from field and recorded in delivery consignee (vehicle number, driver, estate, divisonon, departure time, destination, block, planted year, loose fruit wheigt, number of bunches, field number) and FFB identification at reception at POM (security post and weigh bridge). Also explained that the identification

Based on an field visit observation and interview with staff in weighbridge and grading area/loading ramp that indicated the personal in charge was understood the mechanism to handle of supply chain system. The grading staff can demonstrated of grading mechanism and through make daily report refer to Standard Operation Procedure of Bumitama Gunajaya Agro Report System sent the grading data to Quality Control System. The personnel in charge of weight bridge also can demonstrate of separate between FFB from own estate as *certified* and the FFB from *non-certified* sources.

**Status: Comply**

#### 5.3.2

The site shall have a written procedure to conduct annual internal audit

The Certificate holder has a procedure of Internal Audit (WNL-SUS-SOP-35). The output of that's procedure is to ensure criteria, methods, and responsibility through implementation of RSPO-SCCS, ISCC, ISO 14000, OHSAS etc. on the procedure mentioned if internal audit conducted at least once a year.

SSCS internal audit conducted on 18 February 2019 and results of internal audit its known if there is 3 (eight) findings or non-conformity identified related to supply chain management system. All non-conformity has been follow up by unit.

**Status:**

#### 5.4

**Purchasing and goods in**

##### 5.4.1

The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier

KAGM do not buy any RSPO certified products (CSPO and CSPK) from outsource or traders. Certified product (PK) of Katari Agro Mill were sold to PT Wilmar Nabati Indonesia. All data such as name, address, date of transaction, date of issued claim, transport documentation were match without any non-compliance

**Status: Comply**

##### 5.4.2

The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents

Mechanism to handling and control nonconformance product are described in SOP that regulating among others controlling / handling of raw materials received (FFB), product identification in process, control of final product to be shipped to buyer and controlling/handling the improper document. In the procedure described if any occurring of non-conforming of oil product or document, the product is not claimed to be an RSPO certified product.

**Status: Comply**

#### 5.5

**Outsourcing activities**

##### 5.5.1

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

Documents verifications, interview with management it's know if There is activities that outsources to independent third parties are Transport for CPO and PK.

In the Procedure of SCCS Clause 7.6 mentioned if commercial department will review and ensure all requirements that mentioned in SCC Standard has been described in work agreement

Based on field observation and interview with security in KAGEM the efforts made by the company to ensure that the independent third party / contractors complies with the requirements of the RSPO Supply Chain Certification Standard as follows:

- security and the dispatch foreman must verify the transport tank before filling in, ensuring that all tank contents have been removed and the tank is completely empty
- after filling it is done sealing the upper manhole and bottom valve and each existing outlet
- security must ensure seals and record transportation data in accordance with existing procedures

**Status: Comply**

#### 5.5.2

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

- The site has legal ownership of all input material to be included in outsourced processes;
- 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.
- The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.
- 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

Company have working letter agreement for each CPO dan PK transport with second parties i.e PT CV Surya Mentaya and CV Dhivelado Tunggal Jaya regarding CPO dan PK transport.

- *Surat perintah kerja*" for examples PK transport on 29 January 2019 No 035/LO/CD/HO/II/2019 about PK transporter from PNBM to PT WNI Bagendang

Regarding RSPO and SCCS requirements, on that's work agreements contractor will provide access to CB to their respective operations, systems, and etc during audit.

**Status: Comply**

#### 5.5.3

The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.

Transportation services are using second party outsources. Record of all name and contact details of outsources and contractors are well maintained, as follows

- CV Dhivelado Tunggal Jaya, with address Jl Raya Desa Karang Tunggal, Parenggean Kotawawaringin Timur, Kalimantan Tengah

**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	
Documents verification and interview with managements its known if there is no new contractor used for the processing or physical handling of RSPO certified oil palm products from previous audit	
	<b>Status: Comply</b>
<b>5.6</b>	<b>Sales and goods out</b>
<b>5.6.1</b>	
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	
Documentation for the Sustainable Crude Palm Oil (Sustainable CPO), consist of: daily record of the FFB acceptance, daily record of CPO production, which classified as the CSPO, CPO (RSPO) sale record, stock record that has been reconciled with the FFB acceptance, monthly production and sale and annual recapitulation.	
Documentation for the Sustainable Palm Kernel (Sustainable PK), consist of: FFB dispatch record, which further will be counted the daily production of the Sustainable PK, daily production record of the PK, which classified as the Sustainable PK, monthly recapitulation of the Sustainable PK's sale, stock record, which has been reconciliation with the FFB acceptance record, monthly sale production and annual recapitulation.	
Documents verifications its known if there is of Certified Palm Kernel sold to each buyer period of May 2018 – April 2019 with buyer are PT Wilmar Nabati Indonesia. PT Wilmar Nabati Indonesia has been registered and met the requirement for reporting supply chain through RSPO IT Platform, describes below: <ul style="list-style-type: none"> <li>○ Member name : PT Wilmar Nabati Indonesia- Sampit</li> <li>○ Member ID: RSPO_PO1000000493</li> <li>○ Category : Refinery</li> </ul>	
Documents verifications and field observation in KAGM its known the CSPK that delivered to PT Wilmar Nabati Indonesia are from positive stock. For example Shipping announcement on Shipping announcement on 20 March 2019 with product CSPK, program Mass Balance, volume 249.58 MT, and Buyer reference number 81041165. Related with that the company can show the documents of <ul style="list-style-type: none"> <li>- Delivery order No 0015/BAPB-PK//KAGM/IV/2019 dated 25 April 2019 with volume 250 MT from KAGM to PT WNI</li> <li>- CSPK shipping who described volume of shipping, type of car and remaining volume with Transporter CV Dhivelado Tunggal Jaya .</li> </ul>	
	<b>Status: Comply</b>
<b>5.7</b>	<b>Registration of transactions</b>
<b>5.7.1</b>	
Supply chain actors who: <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>	
The parent company of PT Windu Nabatindo Lestari are Bumitama Agri Ltd is a member of the RSPO since 08 October 2007, with registration Number 1-0043-07-000-00. KAGM has been registered in palm trace with number ID RSPO_PO1000005104.	
	<b>Status: Comply</b>
<b>5.7.2</b>	
The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform: <ul style="list-style-type: none"> <li>• Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures.</li> </ul>	

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

Documentation for the Sustainable Crude Palm Oil (Sustainable CPO), consist of: daily record of the FFB acceptance, daily record of CPO production, which classified as the CSPO, sale record, stock record that has been reconciled with the FFB acceptance, monthly production and sale and annual recapitulation.

Documentation for the Sustainable Palm Kernel (Sustainable PK), consist of: FFB dispatch record, which further will be counted the daily production of the Sustainable PK, daily production record of the PK, which classified as the Sustainable PK, monthly recapitulation of the Sustainable PK's sale, stock record, which has been reconciliation with the FFB acceptance record, monthly sale production and annual recapitulation.

For certification Period May 2018 – April 2019 its known if there is no CPO product sold as RSPO Scheme as physically but there is 20500 MT allocated as a credit. For PK there is amount 5245.53 sold as CSPK products. The company can show the sample for shipping announcement, i.e.: Shipping announcement on 20 March 2019 with product CSPK, program Mass Balance, volume 249.58 MT, and Buyer reference number 8104116511. Information about CSPO and CSPK selling presented in the table below:

- Credit allocation for RSPO

Dated	Product	Program	Transaction Type	Transaction Volume (MT)
24 January 2019	CSPO	Mass Balance	Credit allocation	11000
18 February 2019	CSPO	Mass Balance	Credit allocation	2500
12 March 2019	CSPO	Mass Balance	Credit allocation	2000
10 May 2019	CSPO	Mass Balance	Credit allocation	5000
<b>Total</b>				<b>20500</b>

CSPK Sales

Dated	Selling	Buyers
25/05/2018	250.08	PT Wilmar Nabati Indonesia
25/05/2018	249.81	PT Wilmar Nabati Indonesia
08/06/2018	249.51	PT Wilmar Nabati Indonesia
12/07/2018	499.11	PT Wilmar Nabati Indonesia
19/07/2018	498.49	PT Wilmar Nabati Indonesia
19/07/2017	250.05	PT Wilmar Nabati Indonesia
05/07/2018	250.11	PT Wilmar Nabati Indonesia
28/07/2018	249.84	PT Wilmar Nabati Indonesia
05/08/2018	249.87	PT Wilmar Nabati Indonesia
19/07/2018	199.85	PT Wilmar Nabati Indonesia
22/07/2019	300	PT Wilmar Nabati Indonesia

05/11/2018	250	PT Wilmar Nabati Indonesia
19/02/2019	499.75	PT Wilmar Nabati Indonesia
19/02/2019	249.58	PT Wilmar Nabati Indonesia
18/03/2019	499.9	PT Wilmar Nabati Indonesia
26/04/2019	499.58	PT Wilmar Nabati Indonesia
<b>Total</b>	<b>5245.53</b>	

**Status: Comply**

## 5.8 Training

### 5.8.1

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

Company can presented SCCS training programme 2019 listed on SCCS training programme 2019, for examples consists of SCCS refreshment for Mill PIC. Company have conducted SCCS refreshment training programme for 2019, for examples on 19 February 2019 for representative of SCCS PIC for PNBM with the number of participants are 8 persons

**Status: Comply**

### 5.8.2

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

Company can presented SCCS training programme 2019 listed on SCCS training programme 2019, for examples consists of SCCS refreshment for Mill PIC. Company have conducted SCCS refreshment training programme for 2019, for examples on 19 February 2019 for representative of SCCS PIC for PNBM with the number of participants are 8 persons

Based on interviews with security guards, weighbridge officers and managers, it is known that key persons in SCCS activities have understood the procedures and can demonstrate how documented FFB, CPO, PK are certified and not certified.

**Status: Comply**

## 5.9 Record keeping

### 5.9.1

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

Katari Agro Mill has maintain accurate, complete and up-to-date for the FFB receives, process and CPO & PK production from its supply bases.

The record keeping saves in "Mass Balance Report of KAGM for example periods May 2018- April 2019. Within this record, the certificate holders maintain the FFB's sources based on monthly bases.

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
May-18	14,865	20,340	35,205
Jun-18	12,440	16,112	28,552
Jul-18	16,611	20,437	37,047
Aug-18	15,089	20,432	35,521
Sep-18	12,696	17,671	30,367

Oct-18	12,474	18,312	30,786
Nov-18	12,187	16,773	28,960
Dec-18	10,522	15,400	25,922
Jan-19	10,392	14,502	24,894
Feb-19	8,667	13,788	22,456
Mar-19	9,447	14,716	24,163
Apr-19	12,304	15,616	27,920
<b>Total</b>	<b>147,693</b>	<b>204,098</b>	<b>351,791</b>

Furthermore, Mill has record and balance of all RSPO CSPO and CSPK, non-certified products produced, as well as its dispatch on a monthly and three monthly basis, presented in the Table belows:

**CPO production and Dispatch for KGEM**

Period	CPO production (MT)		Total	Cert CPO Dispatch (MT)		
	Cert	Non Cert		RSPO	Other scheme	Non Cert
May-18	3,396	4,648	8,045			2,954
Jun-18	2,817	3,649	6,466			3,149
Jul-18	3,839	4,723	8,561			3,478
Aug-18	3,291	4,457	7,748			1,343
Sep-18	2,650	3,688	6,338			3,140
Oct-18	3,001	4,406	7,407			2,668
Nov-18	2,861	3,938	6,798			1,354
Dec-18	2,472	3,618	6,090			8,136
Jan-19	2,394	3,341	5,735			770
Feb-19	2,085	3,317	5,402			1,909
Mar-19	2,217	3,454	5,672			1,246
Apr-19	2,829	3,591	6,421			1,038
<b>Total</b>	<b>33,853</b>	<b>46,829</b>	<b>80,682</b>			<b>28,517</b>

**PK production and Dispatch for KGEM**

Period	PK production (MT)		Total	Cert PK Dispatch (MT)		
	Cert	Non Cert		RSPO	Other scheme	Non Cert
May-18	687	940	1,627	499.89		
Jun-18	565	732	1,298	249.51		
Jul-18	757	931	1,688	2247.45		
Aug-18	682	924	1,606	249.87		
Sep-18	541	753	1,294			
Oct-18	531	779	1,310			

Nov-18	541	744	1,285	250		
Dec-18	517	756	1,273			
Jan-19	463	646	1,109			
Feb-19	372	592	965	749.33		
Mar-19	408	635	1,042	499.9		
Apr-19	545	691	1,236	499.58		
<b>Total</b>	<b>6,608</b>	<b>9,124</b>	<b>15,732</b>	<b>5,245.53</b>		

**Status: Comply**

### 5.9.2

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

based on the procedure of Identification and Traceability of Products (Unit BGA-SUST-SOP-43-R1), valid since 22 April 2019 in point 6.0 (Policy) was explained that all records and reports related to RSPO Certified Unit will maintain for a period of five (5) years. For example has been verify the document CPO and PK Delivery Order still filed in mill office from early period.

Based on document verification, the management unit can shown all recording data for two years ago. Such as: contract document, FFB Consignment, CPO and PK Ticket, etc.

**Status: Comply**

### 5.9.3

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

The estimate volume of sustainable CPO and PK are recorded in the Annex of certificate.

**Status: Comply**

## 5.10

### Conversion factors

#### 5.10.1

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

KAGM only received and processed of FFB's as material input. This mill did not purchase CPO and/or PK from others. Therefore, this mill did not using conversion factors.

**Status: Comply**

#### 5.10.2

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

KAGM only received and processed of FFB's as material input. This mill did not purchase CPO and/or PK from others. Therefore, this mill did not using conversion factors.

**Status: Comply**

## 5.11

### Claims

#### 5.11.1

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



Certificate Holder was declare to the buyer that the CPO & PK product from the Katari Agro Mill was RSPO Certified with Mass Balance (MB).	
	<b>Status: Comply</b>
<b>5.12</b>	<b>Complaints</b>
<b>5.12.1</b> The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	
Katari Agro Mill has Procedure for External Communication under Communication Procedure (SOP-WNL-KOM-01) authorized by Area Controller 3 on 29 August 2013 and also document of Code of Conduct No. BGA-COC-HC-333.1-RO Chapter V about the Enforcement and Reporting 5.3. Those document as the guidance for the company regarding to consultation and complaints. Based on document review there is no complaint from stakeholders, buyers or transporter related the implementation of SCCS	
	<b>Status: Comply</b>
<b>5.13</b>	<b>Management review</b>
<b>5.13.1</b> The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken	
Last management review was conducted on 21 February 2019. The content of Management Review including follow up internal audit findings (if any), claims, complaints from stakeholders, process performance, corrective actions and preventive actions, Any changes of Management System influence, Recommendations for Improvement	
	<b>Status: Comply</b>
<b>5.13.2</b> The input to management review shall include information on: <ul style="list-style-type: none"> <li>Results of internal audits covering RSPO Supply Chain Certification Standard.</li> <li>Customer feedback.</li> <li>Status of preventive and corrective actions.</li> <li>Follow-up actions from management reviews.</li> <li>Changes that could affect the management system.</li> <li>Recommendations for improvement.</li> </ul>	
Result of Management Review report on 21 February 2019 the following information was discussed: <ul style="list-style-type: none"> <li>Customer Feedback and Stakeholder Complaints: for 2018 -2019, there are no complaints from stakeholder/Customer.</li> <li>Performance of Processing Activity and Conformity of Products: Production of Certified Product, Sales and Goods Out has been appropriate with estimation and supply chain requirements.</li> <li>Any changes of Management System influence, staff mutation in several work unit</li> <li>Internal Audit of Supply Chain and Follow-Up Action</li> <li>Recommendations for Improvement</li> </ul>	
	<b>Status: Comply</b>
<b>5.13.3</b> The output from the management review shall include any decisions and actions related to: <ul style="list-style-type: none"> <li>Improvement of the effectiveness of the management system and its processes.</li> <li>Resource needs.</li> </ul>	
Improvement of the effectiveness of the management system and its processes and resource needs is already included within the Management Review.	
	<b>Status: Comply</b>

**3.2.2. Module E – CPO Mills: Mass Balance Requirements**

Clause	(Module E) CPO Mills - Mass Balance Requirements
<b>E.1</b>	<b>Definition</b>
<b>E.1.1</b>	<p><b>Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land 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>The Katari Agro Mill has have a record mechanism on FFB's acceptance by separating FFB from own estate that being identified as certified FFB (RSPO certified) and from other sources that not being certified (<i>RSPO non-certified</i>). Certified FFB will be processed and claimed as certified CPO and PKO. There is three (3) own estate (Katari Agro, Pelantaran Agro and Pantai Mas) was supplied of FFB to Katari Agro Mill. Meanwhile non certified sources from several smallholder group from Katari Agro, Pelantaran Agro and Pantai Mas, Kruing Raya, Rubung Buyung and Penaga Raya (Full Manage Smallholder by PT Windu Nabatindo Lestari). These FFB sources which are not within the certification scope.</p>
	<b>Status: Comply</b>
<b>E.2</b>	<b>Explanation</b>
<b>E.2.1</b>	<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. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</b></p> <p>Has been set the estimated certified products that will be produced by KAGM, for one year license period are:</p> <ul style="list-style-type: none"> <li>- FFB → 158,928 MT</li> <li>- CPO → 37,348 MT</li> <li>- PK → 7,549 MT</li> </ul>
	<b>Status: Comply</b>
<b>E.2.2</b>	<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 or book and claim).</b></p> <p>The Katari Mill PT Windu Nabatindo Lestari has been registered of certified products of RSPO (CSPO and CSPK) with Member ID: <b>RSPO_PO1000005104</b>. The mill has been documented certified Crude Palm Oil (CPO) and Palm Kernel (PK). These products was registered as <b>RSPO Certified – Mass Balance</b>.</p> <p>KAGM has maintain accurate, complete and up-to-date for the FFB receives, process and CPO &amp; PK production from its supply bases.</p> <p>For certification Period May 2018 – April 2019 its known if there is no CPO product sold as RSPO Scheme as physically but there is 20500 MT allocated as a credit. For PK there is amount 5245.53 sold as CSPK products. The company can show the sample for shipping announcement, i.e.: Shipping announcement on 20 March 2019 with product CSPK, program Mass Balance, volume 249.58 MT, and Buyer reference number 8104116511. Information about CSPO and CSPK selling presented in the table below:</p>

**- Credit allocation for RSPO**

Dated	Product	Program	Transaction Type	Transaction Volume (MT)
24 January 2019	CSPO	Mass Balance	Credit allocation	11000
18 February 2019	CSPO	Mass Balance	Credit allocation	2500
12 March 2019	CSPO	Mass Balance	Credit allocation	2000
10 May 2019	CSPO	Mass Balance	Credit allocation	5000
<b>Total</b>				<b>20500</b>

**CSPK Sales**

Dated	Selling	Buyers
25/05/2018	250.08	PT Wilmar Nabati Indonesia
25/05/2018	249.81	PT Wilmar Nabati Indonesia
08/06/2018	249.51	PT Wilmar Nabati Indonesia
12/07/2018	499.11	PT Wilmar Nabati Indonesia
19/07/2018	498.49	PT Wilmar Nabati Indonesia
19/07/2018	250.05	PT Wilmar Nabati Indonesia
05/07/2018	250.11	PT Wilmar Nabati Indonesia
28/07/2018	249.84	PT Wilmar Nabati Indonesia
05/08/2018	249.87	PT Wilmar Nabati Indonesia
19/07/2018	199.85	PT Wilmar Nabati Indonesia
22/07/2018	300	PT Wilmar Nabati Indonesia
05/11/2018	250	PT Wilmar Nabati Indonesia
19/02/2019	499.75	PT Wilmar Nabati Indonesia
19/02/2019	249.58	PT Wilmar Nabati Indonesia
18/03/2019	499.9	PT Wilmar Nabati Indonesia
26/04/2019	499.58	PT Wilmar Nabati Indonesia
<b>Total</b>	<b>5245.53</b>	

**Status: Comply**
**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:

- Complete and up to date procedures covering the implementation of all the elements in these requirements;
- 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 Katari Agro Mill has established a procedure of Supply Chain Certification System (Unit BGA-SUST-SOP-43-R0) was described the SCCS model are Mass Balance. The procedure has explained the identification of raw materials and products, traceability products. in addition the procedures mentioned that the identification of raw material status (FFB) from RSPO

certified area is marked by the use of the RSPO logo on FFB delivery letter. The persons who having responsibility are Commercial and Logistic Group Department, Certification & Compliance Department Head, Mill Manager and Operational Quality Control (OQC) Department.

In addition, has been described in the procedure related to the identification of the raw material (clause 7.1.1), since from field and recorded in delivery consignee (vehicle number, driver, estate, division, departure time, destination, block, planted year, loose fruit weight, number of bunches, field number) and FFB identification at reception at POM (security post and weigh bridge). Also explained that the identification of raw materials derived from certified areas and non certified areas is by marked with CSPO logo on consignee note

Based on an field visit observation and interview with staff in weighbridge and grading area/loading ramp that indicated the personal in charge was understood the mechanism to handle of supply chain system. The grading staff can demonstrated of grading mechanism and through make daily report refer to Standard Operation Procedure of Bumitama Gunajaya Agro Report System sent the grading data to Quality Control System. The personnel in charge of weight bridge also can demonstrate of separate between FFB from own estate as *certified* and the FFB from *non certified* sources.

	<b>Status: Comply</b>
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### E.3.2

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

Katari Mill has established a procedure of Identification and Traceability of Products (Unit BGA-SUST-SOP-43-R1) valid since 22 April 2019. These procedure also has been revised based on *RSPO Supply Chain Certification Standard for organizations seeking or holding certification Adopted by the RSPO BoG on 21<sup>st</sup> November 2014, revised on 14 June 2017 (Module D / E for CPO Mill)*. The procedure explained the identification of raw materials and products, traceability products in addition the procedures mentioned that the identification of raw material status (FFB) from RSPO certified area is marked by the use of the RSPO logo on FFB delivery letter. The persons who having responsibility are Commercial and Logistic Group Department, Certification & Compliance Department Head, Mill Manager and Operational Quality Control (OQC) Department

In addition, has been described in the procedure related to the identification of the raw material (clause 7.1.1), since from field and recorded in delivery consignee (vehicle number, driver, estate, division, departure time, destination, block, planted year, loose fruit weight, number of bunches, field number) and FFB identification at reception at POM (security post and weigh bridge). Also explained that the identification of raw materials derived from certified areas and non certified areas is by marked with "TBS Bersertifikat" on consignee note

	<b>Status: Comply</b>
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### 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 certified FFB of Katari Agro Mill was supplied by own estate as certified sources and the non-certified FFB supplied from several non certified plantation. There was any record mechanism on FFB's acceptance in Katari Agro Mill, by separating FFB from own estate that being identified as certified FFB (RSPO certificate) and from other sources that not being certified (non-certified RSPO). Certified FFB will be processed and claimed as certified CPO and PKO. The table below is certified and non-certified FFB was recorded in summary monthly FFB received.

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
May-18	14,865	20,340	35,205
Jun-18	12,440	16,112	28,552
Jul-18	16,611	20,437	37,047
Aug-18	15,089	20,432	35,521
Sep-18	12,696	17,671	30,367
Oct-18	12,474	18,312	30,786
Nov-18	12,187	16,773	28,960
Dec-18	10,522	15,400	25,922
Jan-19	10,392	14,502	24,894
Feb-19	8,667	13,788	22,456
Mar-19	9,447	14,716	24,163
Apr-19	12,304	15,616	27,920
<b>Total</b>	<b>147,693</b>	<b>204,098</b>	<b>351,791</b>

**Status: Comply**

#### E.4.2

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

Based on Standard Operating Procedure (BGA-SUST-SOP-43-R0 dated 8 February 2017 on point 7.3) was stated that management unit will inform to Certification Body if there is an over-production than the projected production.

Past Annual Claim Certified Product	Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (MT)
FFB Process	148,299	147,693
CPO Production	33,992	33,853
PK Production	6,723	6,608

**Status: Comply**

#### E.5

**Record keeping**

##### E.5.1

- The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real time basis and/ or three-monthly basis.**
- 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 months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)**

KAGM Mill has record and balance of all RSPO CSPO and CSPK, non-certified products produced, as well as its dispatch on a monthly and three monthly basis, presented in the Table bellows:

**CPO production and Dispatch for KGEM**

Period	CPO production (MT)		Total	Cert CPO Dispatch (MT)		
	Cert	Non Cert		RSPO	Other scheme	Non Cert
May-18	3,396	4,648	8,045			2,954
Jun-18	2,817	3,649	6,466			3,149
Jul-18	3,839	4,723	8,561			3,478
Aug-18	3,291	4,457	7,748			1,343
Sep-18	2,650	3,688	6,338			3,140
Oct-18	3,001	4,406	7,407			2,668
Nov-18	2,861	3,938	6,798			1,354
Dec-18	2,472	3,618	6,090			8,136
Jan-19	2,394	3,341	5,735			770
Feb-19	2,085	3,317	5,402			1,909
Mar-19	2,217	3,454	5,672			1,246
Apr-19	2,829	3,591	6,421			1,038
<b>Total</b>	<b>33,853</b>	<b>46,829</b>	<b>80,682</b>			<b>28,517</b>

**PK production and Dispatch for KGEM**

Period	PK production (MT)		Total	Cert PK Dispatch (MT)		
	Cert	Non Cert		RSPO	Other scheme	Non Cert
May-18	687	940	1,627	499.89		
Jun-18	565	732	1,298	249.51		
Jul-18	757	931	1,688	2247.45		
Aug-18	682	924	1,606	249.87		
Sep-18	541	753	1,294			
Oct-18	531	779	1,310			
Nov-18	541	744	1,285	250		
Dec-18	517	756	1,273			
Jan-19	463	646	1,109			
Feb-19	372	592	965	749.33		
Mar-19	408	635	1,042	499.9		
Apr-19	545	691	1,236	499.58		
<b>Total</b>	<b>6,608</b>	<b>9,124</b>	<b>15,732</b>	<b>5,245.53</b>		

	Status: Comply
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**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>ASA 3</b>	The company did not use RSPO trademark	√
	<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 trademark Use</b>	<b>X or√</b>
<b>ASA 3</b>	The company did not use RSPO trademark	√
	<b>Status: Comply</b>	
<b>3.</b>	<b>Implementation of Certificate and Trademark is not used on product</b>	<b>X or√</b>
<b>ASA 3</b>	The company did not use RSPO trademark	√
	<b>Status: Comply</b>	
<b>4.</b>	<b>Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.</b>	<b>X or√</b>
<b>ASA 3</b>	The company did not use RSPO trademark	√
	<b>Status: Comply</b>	

### 3.4 Summary of RSPO Partial Certification.

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

Bumitama Agri, Ltd Time Bound Plan is explained in table 1.10. Bumitama Agri, Ltd has informed the Time Bound Plan progress, MUTU has considered that MP Bumitama Agri, Ltd is complied with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by Bumitama Agri, Ltd on 4 May 2017.

MUTU has verified partial certification for un-certified unit's subsidiary of Bumitama Agri, Ltd based on their Time Bound Plan. There are nine (9) uncertified mills and thirty two (32) uncertified estates management units of Bumitama Agri, Ltd. 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

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	Based on the document review, there is a company internal audit that was conducted on 2018 and the positive assurance is at this table that is also been verified.
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>	<ol style="list-style-type: none"> <li><b>1. PT Ladang Sawit Mas</b> <ul style="list-style-type: none"> <li>- LUCA was sent on 16 July 2014 to RSPO</li> <li>- Documents RaCP Plan still review process from RSPO and waiting for approval</li> <li>- HCV was conducted on December 2013 by Sonokeling Akreditasi Nusantara</li> </ul> </li> <li><b>2. PT Lestari Gemilang Intisawit</b> <ul style="list-style-type: none"> <li>- LUCA was sent on 7 November 2014 to RSPO</li> <li>- Documents RaCP Plan still review process from RSPO and waiting for approval</li> <li>- HCV was conducted on 2013 by Sonokeling Akreditasi Nusantara</li> </ul> </li> <li><b>3. PT Agro Manunggal Sawitindo</b> <ul style="list-style-type: none"> <li>- LUCA was sent on 7 November 2014 to RSPO</li> <li>- HCV was conducted on July 2013 by Sonokeling Akreditasi Nusantara</li> <li>- Documents RaCP Plan still review process from RSPO and waiting for approval</li> </ul> </li> <li><b>4. PT Karya Makmur Langgeng</b> <ul style="list-style-type: none"> <li>- LUCA was sent on January 2015 to RSPO</li> </ul> </li> </ol>

		<ul style="list-style-type: none"> <li>- Documents RaCP Plan are wait for LUCA approved by RSPO</li> <li>- HCV was conducted on July 2013 by Sonokeling Akreditasi Nusantara</li> </ul> <p><b>5. PT Gemilang Makmur Subur</b></p> <ul style="list-style-type: none"> <li>- HCV was conducted on November 2016 by PT Gagas Dinamika Aksenta.</li> <li>- LUCA was sent on January 2015 to RSPO</li> <li>- LUCA still waiting Review in RSPO</li> </ul> <p><b>6. PT Nabati Agro Subur</b></p> <ul style="list-style-type: none"> <li>- LUCA was sent on 2018 to RSPO</li> <li>- LUCA still waiting Review in RSPO</li> </ul> <p>-</p> <p><b>7. PT Sejahtera Sawit Lestari</b></p> <ul style="list-style-type: none"> <li>- LUCA was sent on 2018 to RSPO</li> <li>- LUCA still waiting Review in RSPO</li> </ul> <p><b>8. PT Damai Agro Sejahtera</b></p> <ul style="list-style-type: none"> <li>- LUCA still calculated by internal BGA</li> </ul> <p>-</p> <p><b>9. PT Windu Nabatindo Sejahtera</b></p> <ul style="list-style-type: none"> <li>- LUCA was sent on 19 June 2018 to RSPO</li> <li>- HCV was conducted on March 2012 by Faculty of Forestry IPB</li> <li>- Documents RaCP Plan still review process from RSPO and waiting for approval</li> </ul> <p><b>10. PT Andalan Sukses Makmur</b></p> <ul style="list-style-type: none"> <li>- LUCA was sent on January 2015 to RSPO</li> <li>- Documents RaCP Plan are wait for LUCA approved by RSPO</li> <li>- HCV was conducted on October 2013 by Sonokeling Akreditasi Nusantara</li> </ul> <p><b>11. PT Investa Karya Bhakti</b></p> <ul style="list-style-type: none"> <li>- LUCA was sent on 13 June 2016 to RSPO</li> <li>- Documents RaCP Plan are wait for LUCA approved by RSPO</li> <li>- HCV was conducted on November 2015 by Sonokeling Akreditasi Nusantara</li> </ul> <p><b>12. PT Langgeng Makmur Sejahtera</b></p> <ul style="list-style-type: none"> <li>- LUCA sent to RSPO on and</li> <li>- RaCP Plan document are wait for LUCA documents to be submitted and approved by RSPO.</li> <li>- HCV conducted March 2012 by Forestry IPB.</li> </ul> <p><b>13. PT Tanah Tani Lestari</b></p> <ul style="list-style-type: none"> <li>- LUCA was sent on 14 April 2015 to RSPO</li> <li>- Documents RaCP Plan are wait for LUCA approved by RSPO</li> </ul>
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		<ul style="list-style-type: none"> <li>- RaCP Plan document has been submitted and waiting for approved by RSPO.</li> <li>- HCV was conducted on August 2014 by Sonokeling Akreditasi Nusantara</li> </ul> <p><b>14. PT Gunajaya Harapan Lestari</b></p> <ul style="list-style-type: none"> <li>- LUCA was sent on May 2017 to RSPO</li> <li>- Documents RaCP Plan are wait for LUCA approved by RSPO</li> <li>- RaCP Plan document has been submitted and waiting for approved by RSPO.</li> <li>- HCV was conducted on October 2012 by faculty of Forestry IPB</li> </ul> <p><b>Auditor verification</b> Based on internal audit results and evidence provided (communication to RSPO on liability disclosure) shows that all subsidiaries of Bumitama has been sent to RSPO and now on progress of LUCA review.</p>
2.1.3	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<ol style="list-style-type: none"> <li><b>1. PT Ladang Sawit Mas</b>, NPP was completed publish on 08 October 2014</li> <li><b>2. PT Lestari Gemilang Intisawit</b>, NPP was completed publish on 03 July 2014</li> <li><b>3. PT Agro Manunggal Sawitindo</b>, NPP was completed publish on 03 July 2014</li> <li><b>4. PT Karya Makmur Langgeng</b>, NPP was completed publish on 18 December 2013</li> <li><b>5. PT Gemilang Makmur Subur</b>, NPP was completed publish on October 2014</li> <li><b>6. PT Nabati Agro Subur</b>, NPP on Process</li> <li><b>7. PT Sejahtera Sawit Lestari</b>, NPP on Process</li> <li><b>8. PT Damai Agro Sejahtera</b>, NPP on Process</li> <li><b>9. PT Andalan Sukses Makmur</b>, NPP was completed for areal 5,630 Ha and publish on 07<sup>th</sup> February 2014</li> <li><b>10. PT Investa Karya Bhakti</b>, NPP was completed for areal 5,700 Ha and publish on October 21<sup>th</sup> 2016.</li> <li><b>11. PT Langgeng Muara Makmur Sejahtera</b>, there is no new planting after January 1<sup>st</sup> 2010.</li> <li><b>12. PT Tanah Tani Lestari</b> NPP Conducted on 2015 but not finished due HCV Documents</li> <li><b>13. PT Gunajaya Harapan Lestari</b>, Sanction Mechanism will be applicable</li> </ol>
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>In early 2015 Bumitama rolled out new complaint process (Bumitama Complaint Flow Chart, <a href="https://bit.ly/2SQudkk">https://bit.ly/2SQudkk</a> which allocates clear organisational responsibility to ensure that all complaints are being reported and addressed at group-level.</p> <p>Documents verifications, internet checking, there is several land dispute in the company under Bumitama, for example:</p>

		<p><b>1. PT Windu Nabatindo Sejahtera</b></p> <p>The company has a SOP on land conflict management (ASM-PAD-SOP-0117.2-ROO) which aims as a provision for the management of the company and related parties in the process of resolving land conflicts that arise based on an agreement with the right holders or parties who have such interests. in the procedure it is stated that the conflict resolution stage begins with the identification of the area / potential land conflicts, the process of resolving land conflicts. In the procedure shows that every conflict is resolved by consultation with other parties agreed facilitation. The conflict resolution process has followed the principles in FPIC.</p> <p>There is land conflict in PT Windu Nabatindo Sejahtera as follows, <a href="https://bit.ly/2Wb6wFN">https://bit.ly/2Wb6wFN</a> the conflict has been resolved with involving all affected party</p> <p><b>2. PT Hati Prima Agro (a Subsidiary of BUMITAMA AGRI LTD.)</b></p> <p>Complaints from Sawit Watch</p> <p>Summary of the complaint : As a result of the revocation of the Forest Relinquishment Decree ("2008 Decree") on June 2012 over its area by the local government,. PT Hati Prima Agro's Permit &amp; License validity and legality have been called into question Subsequently, the issuance of Wood Utilization License (IPK) to UD Karya Budi by the Kotawaringin Timur Forestry Agency in Antang Kalang Kotawaringin Timur District, Central Kalimantan was alleged not to be in accordance with national laws of Indonesia.</p> <p>Complaint Update</p> <table><tr><th>Date</th><th>Status / Update</th></tr><tr><td>13 December 2012</td><td>Warning letter to the Respondent  RSPO's response to PT HPA</td></tr><tr><td>07 January 2013</td><td><ul style="list-style-type: none"><li>• Response to RSPO Grievance Panel Preliminary Findings</li><li>• BGA's letter to RSPO - Response to Preliminary Findings.</li></ul></td></tr><tr><td>20 May 2013</td><td>The State Administrative High Court in a unanimous decision (Appeal Decision) in the favour of HPA which reaffirmed the Palangkaraya State Administrative Court Decision 12/G/2012/PTUN.PLK dated 4 December 2012. The Administrative High Court decided that the legal considerations of the Palangkaraya Administrative Court Decision were already appropriate and legally correct.</td></tr><tr><td>27 Juny 2013</td><td>Only one of the defendants, the Indonesian Ministry of Forestry submitted an appeal to the Supreme Court to</td></tr></table>	Date	Status / Update	13 December 2012	Warning letter to the Respondent  RSPO's response to PT HPA	07 January 2013	<ul style="list-style-type: none"><li>• Response to RSPO Grievance Panel Preliminary Findings</li><li>• BGA's letter to RSPO - Response to Preliminary Findings.</li></ul>	20 May 2013	The State Administrative High Court in a unanimous decision (Appeal Decision) in the favour of HPA which reaffirmed the Palangkaraya State Administrative Court Decision 12/G/2012/PTUN.PLK dated 4 December 2012. The Administrative High Court decided that the legal considerations of the Palangkaraya Administrative Court Decision were already appropriate and legally correct.	27 Juny 2013	Only one of the defendants, the Indonesian Ministry of Forestry submitted an appeal to the Supreme Court to
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27 Juny 2013	Only one of the defendants, the Indonesian Ministry of Forestry submitted an appeal to the Supreme Court to											

			challenge the decision of revocation of 2008 Decree of revocation, while the Head of Regency did not submit an appeal to challenge the Administrative Court Decision which ordered to revoke the Revocation of Location Permit. As of this letter the case is on the Supreme Court's docket waiting to be heard
	1 December 2013		<ul style="list-style-type: none"> <li>HPA received official notice of appeal from the Palangkaraya Administrative Court that the defendants, the Head of Regency and Ministry of Forestry to the legal proceedings (Appellants) lodged an appeal on the Administrative Court Decision to the State Administrative High Court.</li> <li>Sawit Watch and BGA had meeting during RT 12 in Kuala Lumpur, November 2014 they are planning to have field visit.</li> </ul>
	16 December 2013		Sawit Watch's response
	10 Apr 2014		Chronology of Complaint against BAL by Aid Environment
	07 Aug 2014		Bumitama - Announcement of Notice of Appeal
	19 Sep 2014		News release - Clarification on HPA
	16 Oct 2014		Supreme Court Decision - RI
	04 Nov 2014		RSPO letter to BGA on behalf of the Complaints Panel
	09 Jan 2015		BGA announced on SGX that they will be compensated the land new owner, PT Langgeng Makmur Sejahtera with amount IDR 400b for the asset and land
	19 Mar 2015		RSPO's letter to BGA on behalf of the Complaints Panel
	31 Mar 2015		Letter from BGA to RSPO - Ijin Lokasi.
	01 Apr 2015		BGA submitted formal letter, to reaffirm that the status of the conditional sales and purchase has been conducted between PT HPA and PT Langgeng Makmur Sejahtera, as the new owner of the location permit (Ijin Lokasi) and Plantation Business License (Ijin Usaha Perkebunan) of the HPA in accordance with the relevant Indonesian Laws and regulations
	21 Apr 2015		Base on Complaints Panel meeting on 15 April 2015, RSPO Complaints Panel agreed to close this complaint. The formal letter on case closure was sent to BGA on 21 April 2015 by the RSPO Secretariat.
	13 Oct 2017		Secretariat received a request for

			reopening of the previously closed case
		24 Oct 2017	Secretariat forwarded the documents related to the request to re-open the case of PT HPA to Bumitama.
		07 Nov 2017	Secretariat received a response letter from Bumitama
		21 Feb 2018	Secretariat to follow up with the Complainants.
		21 Mar 2018	Secretariat has a meeting with the company to discuss the chronology of the legality Permit for PT. HPA. Secretariat requested the company to provide the copy of the permit for PT. HPA.
		28 Mar 2018	Follow up with the company to provide the copy of the permit for PT. HPA. Secretariat to review the documents from the company
		25 Apr 2018	To follow up with the Company on the copy of the documents and proceed to review the document
		25 May 2018	To commission a legal expert to do a complete review of the documents.
		18 Jun 2018	Follow up action to be discussed further.
		25 Jul 2018	Continue to proceed with the legal review
		23 Aug 2018	Company to be informed of the decision related to cost for the legal review
		26 Sep 2018	The CP's cost directive issued to the respondent and to follow up with the Respondent and the independent legal expert.
		24 Oct 2018	The Respondent agreed on the CP's cost directive. The Secretariat to follow up on the legal review report from the legal consultant
		27 Nov 2018	The Respondent has submitted the necessary documents and it has been forwarded to the legal consultant for review. The Secretariat to follow up on the legal review report from the legal consultant
		19 Dec 2018	The first draft of the legal review has been received from the legal consultant. The Secretariat to circulate it to the CP for review
<b>PT Bumitama Gunajaya Abadi</b> Complaints from: Sawit Watch Summary of the Complaint : Allegations (1) Dispute on plasma scheme mechanism; (2) Cooperative issues; (3) Claims from 15 members of communities (14 villagers from Kinjil Village and 1 Villager of Sukajaya Village).			
<b>Complaint Update</b>			

		Date	Status / Update
		26 Oct 2016	A stakeholders meeting held between Sawit Watch and Bumitama facilitated by Secretariat. Both parties agreed to focus on the land claim from 15 villagers and conduct a joint field visit
		18 Nov 2016	A meeting between held in Shangri-La Hotel Bangkok. It is agreed that the field visit will be held in early December 2016.
		01 Dec 2016	A stakeholders meeting held in Pangkalan Bun, Central Kalimantan. 15 villagers, Sawit Watch, Walhi, PT BGB, RSPO have attended the meeting, facilitated by an independent party - Madyasta Dispute Resolution. All parties have signed an agreement to ensure the safety of the community from intimidation during the conflict resolution process.
		02 Dec 2016	A field visit has conducted to check the location alleged by 15 members of communities, followed by a meeting between PT BGB, Sawit Watch and Tim Desa (a Team consists of Head of Villages) to verify the documentation and allegations of the communities. All parties agreed to conduct participatory mapping and document checking on 10 January 2017.
		10 Jan 2017	As agreed at the previous stakeholders meeting, a participatory mapping has conducted for 2 days in Kotawaringin Lama. All parties have attended the process, including 15 members of community, Tim Desa, and Sawit Watch, observed by an independent facilitator. A follow-up site visit is scheduled to be conducted in late February 2017
		28 Feb 2017	The meeting between parties was held in Kotawaringin Lama, facilitated by an independent facilitator and observed by RSPO
		18 Apr 2017	The report of stakeholders meeting has been shared with both parties for their reviews.
		31 May 2017	Secretariat continues to communicate between both parties and monitor the progress of the case.
		10 Jul 2017	Complainant has submitted an update from the community.
		26 Sep 2017	Secretariat will set up a meeting with the complainant.
		06 Oct 2017	Secretariat had a discussion with the Complainant.

		21 Feb 2018	To write a final letter to Sawit Watch to respond
		28 Mar 2018	To proceed with the meeting with the Complainants on 1 May 2018.
		25 May 2018	To follow up with both parties on the bipartite meeting.
		23 Aug 2018	There was a meeting with the Company and facilitator. The next meeting to include an invitation to the head of the village as they are also a stakeholder to the complaint.
		26 Sep 2018	To provide briefing notes to the CP summarising the status of the case.
		24 Oct 2018	Secretariat to provide the briefing note to the CP.
		27 Nov 2018	The Secretariat to provide the briefing note to the CP to support the deliberation
		19 Dec 2018	The Secretariat is to set a meeting with the Respondent to seek for clarification. The Secretariat is to finalised the briefing note and circulate it to the CP.

**Moreover there is publication from Publication from Greenpeace (10 September 2018 <https://bit.ly/2VJo1g3> )**  
Link on A Greenpeace International investigation reveals an apparent laundering scheme by the group designed to conceal its connection to numerous concessions during their development without permits or in breach of RSPO rules.

The scheme involved passing nominal control to one or more of a handful of 'third parties' supposedly unconnected to Bumitama. At least 18 plantation companies – one-third of Bumitama's total – passed through the hands of one or more of the 'third parties' before being formally acquired or reacquired by Bumitama, often for a trivial sum.

Greenpeace mapping analysis shows that since 2005, 11,100ha of forest were cleared within the 'laundered' concessions in the three case study areas – nearly 2,300ha of this clearance from 2014 onward.  
Under RSPO rules, this should result in Bumitama's expulsion from the RSPO.

**About that's issue Bumitama has clarify on 15 November 2018**  
Bumitama Agri Ltd. And its Group ("Bumitama") would like to assure all stakeholders that the allegations contained in the Greenpeace report named "Dying for a cookie" have already been addressed in our sustainability and annual reports, announcements and earlier news releases. The acquisition of companies from third parties has not been designed to conceal developments without permits or to breach the RSPO rules. Given that process of licensing in Indonesia be very long



		and tedious, Bumitama has at certain occasions preferred acquiring companies furnished with permits for planting. Bumitama does acknowledge that there was a period of time when adherence with the RSPO P&Cs displayed a gap and resulted in complaints, but through the conception of our Sustainability policy and by working together with RSPO, appropriate measures and actions were taken to raise our compliance. Ever since, Bumitama have closely observed the NPP, HCV Assessments to HCV RN review and subscribing to the HCS Approach. Bumitama pursue the complaints procedure for resolution of any outstanding complaints for resolution of any outstanding complaints, which can be tracked through the RSPO Website.
2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>Bumitama has put in place a whistle-blowing policy (<a href="https://bit.ly/2H7DtZl">https://bit.ly/2H7DtZl</a>), whereby employees or any other persons such as customers, suppliers, contractors or local community may, in good faith and confidence, without fear of reprisals raise concerns about possible improprieties in financial reporting, unethical practices or other matters. Anonymous disclosures will also be accepted and anonymity honoured. The whistle-blowing policy and the procedures put in place to implement such a policy, has been reviewed and approved by our Audit Committee. Whistle blowing can be initiated via text/call to mobile number +6281286419700 or email to <a href="mailto:audit.pengaduan@bumitama.com">audit.pengaduan@bumitama.com</a></p> <p>The Group provides another hotline channel for employees to convey their complaints, which are primarily HR-related concerns.</p>
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>The company has had legal documents as follows</p> <ol style="list-style-type: none"> <li><b>PT Sentosa Prima Agro</b> <ul style="list-style-type: none"> <li>Land Use Title Documents No 2 year of 1999 covering 3,087 Ha</li> <li>Plantation Permit No 522/DISBUN-D/2016 from Head of Ketapang Regency</li> </ul> </li> <li><b>PT Raya Sawit Manunggal</b> <ul style="list-style-type: none"> <li>Land Use Title Documents No 6 year of 1995 covering 4,034 Ha</li> <li>Plantation Permit No 521/Disbun-D/2016 from Head of Ketapang Regency</li> </ul> </li> <li><b>PT Wahana Hijau Indah</b> <ul style="list-style-type: none"> <li>Land Use Title Documents No 7 year of 1995 covering 4,391,68 Ha</li> <li>Plantation Permit No 520/Disbun-D/2016 from Head of Ketapang regency</li> </ul> </li> <li><b>PT Sejahtera Sawit Lestari</b> <ul style="list-style-type: none"> <li>Location Permit No 267 year of 2007 dated 28 June 2007 from Head of Ketapang Regency</li> <li>Location Permit No 680 year of 2013 dated 31</li> </ul> </li> </ol>

		<p>December 2013 from Head of Ketapang Regency</p> <ul style="list-style-type: none"> <li>- Enviromental Permit No 450/KLH-N/2014 dated 09 January 2014</li> <li>- Plantation Permit No 239/Disbun-D/2014 dated 25 March 2015</li> </ul> <p>-</p> <p><b>5. PT Karya Makmur Langgeng</b></p> <ul style="list-style-type: none"> <li>- Location Permit No 293 year of 2006 dated 04 September 2006 from Head of Ketapang Regency</li> <li>- Extension Location Permit No 24 year of 2010 dated 13 January 2010 from Head of Ketapang Regency</li> <li>- Forest release decree No SK.689/Menhut-II/2011 08 December 2011</li> <li>- Plantation Permit No 510/DISBUN-D/2013 dated 16 October 2013</li> </ul> <p>-</p> <p><b>6. PT Lestari Gemilang Inti Sawit</b></p> <ul style="list-style-type: none"> <li>- Location Permit No 459 year of 2011 dated 07 November 2011 from Head of Ketapang Regency</li> <li>- Plantation Permit No 307/Disbun-D/2013 dated 17 June 2013</li> <li>- Enviromental Permit No 284 /2009 dated 20 May 2009</li> </ul> <p>-</p> <p><b>7. PT Agro Manunggal Sawitindo</b></p> <ul style="list-style-type: none"> <li>- Location Permit No 458 year of 2011 dated 04 September from Head of Ketapang Regency</li> <li>- Extension Location Permit No 449 year of 2015 dated 29 June 2015</li> <li>- Plantation Permit No 3080/DISBUN-D/2013 dated 17 June 2017</li> </ul> <p>-</p> <p><b>8. PT Ladang Sawit Mas</b></p> <ul style="list-style-type: none"> <li>- Principle permit No 525/504/IV-Bapedalpemnda dated 27 October 2015</li> <li>- Location Permit No 172 year of 2006 dated 14 June 2006 from Head of Ketapang Regency</li> <li>- Extension Location Permit No 415 year of 2009 dated 09 November 2009</li> <li>- Plantation Permit No 420 year of 2010 dated 28 July 2010</li> <li>- Enviromental Permit 49/BLHD/2010 dtaed 27 Januar 2010</li> </ul> <p>-</p> <p><b>9. PT Gemilang Makmur Subur</b></p> <ul style="list-style-type: none"> <li>- Principle permit No 525/263/DPU-E dated 27 March 2014</li> <li>- Location Permit No 272 year of 2015 dated 02 April 2015 from Head of Ketapang Regency</li> <li>- Plantation Permit No 773?DISBUN-D/2015 dated 27 November 2015</li> <li>- Enviromental Permit 743/KLH-B/2015 dated 3</li> </ul>
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		<p>November 2015</p> <p>-</p> <p><b>10. PT Nabati Agro Subur</b></p> <ul style="list-style-type: none"> <li>- Principle permit No 525/96/DPU-E dated 05 February 2014</li> <li>- Location Permit No 456 year of 2014 dated 18 March 2014 from Head of Ketapang Regency</li> <li>- Plantation Permit No 238/DISBUN-D/2015 dated 25 March 2015</li> <li>- Enviromental Permit 47/KLH-B/2015 dated 12 January 2015</li> </ul> <p><b>11. PT Damai Agro Subur</b></p> <ul style="list-style-type: none"> <li>- Principle permit No 525/704/DPU-E dated 05 February 2014</li> <li>- Location Permit No 27 year of 2014 dated 08 January 2016 from Head of Ketapang Regency</li> <li>- Plantation Permit No 576/DISBUN-D/2016 dated 25 August 2016</li> </ul> <p>-</p> <p><b>12. PT Windu Nabatindo Sejahtera</b></p> <ul style="list-style-type: none"> <li>- Principle Permit about location No. 02.04.28/525.26/463/XI/EkBang/03, 8th November 2003 for areal 7,000 Ha.</li> <li>- Location Permit SK District Kotawaringin Timur No. 165.460.42, 26 February 2004 for 5,370 Ha</li> <li>- IUP No. 525.26/152/V/EkBang/2004, 17 May 2004 for 5,370 Ha</li> <li>- Permit Location No. 374.460.42, December 13 2006 for 5,000 Ha (Revision)</li> <li>- IUP No. 525.26/386/V/EkBang/2007, May 30th 2007 for areal 5,000 Ha (Revision)</li> <li>- Kadastral Map No. 355-15.05-2007, July 6th 2007 for areal 4,998.76 Ha</li> <li>- Land Title application letter NO 003/WNS-Dir/VII/2007, July 11th 2007 for areal 5,000 Ha.</li> <li>- Minutes of Committee B (Risalah Panitia B) No 23/HGU.RPD/IX/42/2007 dates 25 September 2007 with covering 4,998.76 Ha.</li> </ul> <p><b>13. PT Andalan Sukses Makmur</b></p> <ul style="list-style-type: none"> <li>- Principle Permit about location, decree from head of District Kotawaringin Barat No.590/105/Pem-XI/2012, November 21 2012 for areal 9,000 Ha.</li> <li>- Location Permit SK District Kotawaringin Barat No.525/68/XII/2012, December 18th 2012 for 9,275 Ha</li> <li>- IUP No. 525/45/ek, 06 February 2013</li> <li>- HGU on process.</li> </ul> <p><b>14. PT Investa Karya Bhakti</b></p> <ul style="list-style-type: none"> <li>- Principle Permit about location No. 590/09.Pem-II/2014, 3rd February 2014 for areal 14,500 Ha.</li> </ul>
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		<ul style="list-style-type: none"> <li>- Location Permit SK District Kotawaringin Barat No. 525/62/IX/2014, 1st September 2014, 11,746.74 Ha</li> <li>- IUP No. 525/014/EK, April 21 2015, 5,700 Ha</li> <li>- Land Title application letter NO 003/WNS-Dir/VII/2007, July 11th 2007 for areal 5,000 Ha.</li> </ul> <p><b>15. PT Langgeng Makmur Sejahtera</b></p> <ul style="list-style-type: none"> <li>- Principle Permit about location No. 525.21/660/Ek.SDA/IX/2014 dated 12 September 2014 5,325 Ha</li> <li>- Location Permit SK District Kotawaringin Timur No. 188.45/330/Huk-BPN/2014, 23 September 2014 5,370 Ha</li> <li>- Environment Permit No. 660/2140/BLH-Ek.SDA/2015, 19 October 2015 for 5,325 Ha</li> <li>- IUP No. 188.45/490/Huk-Ek.SDA/2014, 19 December 2014 4,810.72 Ha</li> <li>- SK HGU No. 5/HGU/KEM-ATR/BPN/2017, January 10th 2017.</li> </ul> <p><b>16. PT Tanah Tani Lestari</b></p> <ul style="list-style-type: none"> <li>- Principle Permit about location No. 525.21/439/VII/EK.SDA/2012 dated 03 September 2012</li> <li>- Forest Release permit 4/1PKH/PMA/2017 dated 30 January 2017</li> <li>- Plantation Permit No. 188.45/490/Huk-Ek.SDA/2013, 31 January 2013</li> <li>- Land Use Title Degree No 59/HGU/BPN dated 27 September 2016</li> </ul> <p><b>17. PT Gunajaya Harapan Lestari</b></p> <ul style="list-style-type: none"> <li>- Principle Permit about location No. 525/426/Bappeda-D year of 2007, 08 May 2007 for areal 3,000 Ha.</li> <li>- Location Permit SK District Kendawangan No. 265 year of 2007, 28 June 2007 for 3,000 Ha</li> <li>- Revision Location Permit No. 370 year of 2008, 07 October 2008 for 3,000 Ha</li> <li>- Extension Location Permit No. 415 year of 2010, 27 July 2010 for 3,000 Ha</li> <li>- IUP No. 365/DISBUN-D/2012, August 23rd 2012 for 1,750 Ha</li> <li>- HGU No. 62/HGU/KEM-ATR/BPN/2016, 1,973.45 Ha</li> </ul> <p><b>Auditor verification</b> Land legal process is still going on and there is a detail update progress documented by the company for each year.</p>
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### 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-2

<b>NCR No.</b>	:	<b>2018.01.</b>	<b>Issued by</b>	:	<b>Brigitta Prita</b>
<b>Date Issued</b>	:	<b>09 June 2018</b>	<b>Time Limit</b>	:	<b>08 August 2018</b>
<b>NC Grade</b>	:	<b>Major</b>	<b>Date of Closing</b>	:	<b>29 June 2018</b>
<b>Standard Ref. &amp; Requirement</b>	:	<b>2.1.1. There should be evidence of compliance with relevant laws and regulations</b>			
<b>Non-Conformance Description &amp; Evidence observed</b> <i>(filled by auditor):</i>  The result of field observation in the area at Reservoir Katari Mill, it is known that the source of water for processing comes from surface water (Katari River). However, there is no evidence of payment of surface water retribution. This is not yet in accordance with Central Kalimantan Governor Regulation No.26 of 2015 concerning Procedure for collection of surface water tax article 6.					
<b>Root Cause Analysis</b> <i>(filled by organization audited):</i> <i>Lack of Supervision from Mill Manager &amp; Kasie due to organizational change in KAGM which is new comer of Mill Manager &amp; Section.</i>					
<b>Correction</b> <i>(filled by organization audited):</i> Provision of evidence of recording of surface water levy payments for KAGM operations.					
<b>Corrective Action</b> <i>(filled by organization audited):</i> Implementation of Internal Audit & Management Review Regularly.					
<b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i> <b>Verification, June 27, 2018.</b> The Company shows evidence of surface water payment To Technical Unit of Revenue Service Area of Sampit Regency, Central Kalimantan Province on June 21, 2018 with payment proof number No.029075 of Rp 3,991,236, - Based on the above improvements, please respond to Corrective action related questions.					
<b>Verify, June 29, 2018.</b> The company shows an environmental quality monitoring schedule of 2nd semester of 2018 unit of Katari Mill done every 2 times a year. In addition, the Company demonstrates the document of the Sustainability Mechanisms of the BGA Operating Unit, which includes management reviews. Based on the above explanation, the inconsistency No.2018.01 is stated <b>fulfilled</b> .					
<b>Verified by</b>	:	<b>Brigitta Prita</b>			

<b>NCR No.</b>	<b>: 2018.02.</b>	<b>Issued by</b>	<b>: Sahat Simarmata</b>
<b>Date Issued</b>	<b>: 09 June 2018</b>	<b>Time Limit</b>	<b>: 8 August 2018</b>
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 06 July 2018</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 4.5.1</b> <b>A monitoring result of the implementation of the Integrated Pest Management (IPM) plan should be available.</b>		
<b>Non-Conformance Description &amp; Evidence observed (filled by auditor):</b>  Based on the results of pest monitoring in 2018 (until May), the level of Tirathaba pests in the Katari Agro Estate is Light to Medium with the percentage of attacks still below the economic threshold. However, chemical control has been performed. This is not yet compatible with SOP for Plant Pest Control and Disease (No. Doc. BGAAGRKS-SOP-10), No. 6.10 Hama Tirathaba (page 46), the economic threshold is > 5%.			
<b>Root Cause Analysis (filled by organization audited):</b> Lack of control from Assistant in pest control in KAGE Unit as a whole according to Plant Pest Control & Disease SOP.			
<b>Correction (filled by organization audited):</b> <ol style="list-style-type: none"> <li>Dissemination of Plant Pest Control &amp; Plant Disease SOP to all KAGE related employees.</li> <li>Provision of census data and evidence of recording of corrective actions for pest control based on census pest conditions in identified areas.</li> </ol>			
<b>Corrective Action (filled by organization audited):</b> Implement SOP of Plant Pests & Diseases Control consistently.			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Verify June 29, 2018.</b> The Company has presented evidence of improvements in the form of: 1. Recap Detection / Census of Plant Oil Pest Disease Division 1-5 Katari Estate 2. Records of the Minutes of Control of IPM and Training of Chemical Tirathaba on 05 April 2018. Related to that there are still things that need to be verified further: 1. Has been carried out the latest socialization related to IPM training due to socialization conducted on 05 April 2018 while the assessment of RSPO audit activities conducted on 04-09 June 2018 and still found the use of chemicals prophylactically. 2. Is there a mechanism / control, so that similar incidents do not happen again? Based on evidence of improvements that have been given then the non conformise No 2018.02 otherwise not fulfilled.			
<b>Verification 06 July 2018.</b> The Company has presented evidence of improvements in the form of: 1. Evidence document of IPM control conducted on June 15, 2018 submitted by Askor Team IPM to IPM KAGE control team. The training was attended by 10 people consisting of IPM members, foremen and assistants. 2. The Company has demonstrated control mechanisms for pest control described in the Plant Pests and Disease Control procedures (No. Doc. BGAAGRKS-SOP-10).  Based on the above matters no mismatch. 2018.02 otherwise has been <b>Comply</b> .			
<b>Verified by</b>	<b>: Sahat Simarmata</b>		



<b>NCR No.</b>	<b>: 2018.03</b>	<b>Issued by</b>	<b>: Brigitta Prita</b>
<b>Date Issued</b>	<b>: 09 June 2018</b>	<b>Time Limit</b>	<b>: 08 August 2018</b>
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 20 July 2018</b>
<b>Standard Ref. &amp; Requirement</b>	<b>4.8.1</b> <b>Records of training programs should be available on aspects of the RSPO Principles &amp; Criteria.</b>		
<b>Non-Conformance Description &amp; Evidence observed (filled by auditor):</b>  The Company has employee training programs from 2017-2018 covering RSPO Principles & Criteria for Katari Agro Mill and Katari Agro Estate such as HIRAC, HCV & Buffer Zone training, Harvesting Technique, Spraying Technique, Manuring Engineering and others. However, there is no evidence of employee training program document from 2017-2018 for Pelantaran Agro Estate.			
<b>Root Cause Analysis (filled by organization audited):</b> Control of less effective training tapes by Krani RSPO			
<b>Correction (filled by organization audited):</b> Provision of evidence of training recording (related to training topics: HIRAC, HCV & Buffer Zone, Harvesting Technique, Spraying Technique, Engineering and others)			
<b>Corrective Action (filled by organization audited):</b> Control of training recording according to SOP Record Control			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Verify June 28, 2018.</b> The Company has provided proof of improvement in the Training employee programs at Pelantaran Estate for 2017 along with recording of training provided such as First Aid training, HIRAC socialization, HCV & Buffer Zone socialization, socialization of use of PPE in the workplace, BMS fertilization training training, BSS spraying procedural training, and the evaluation results of these trainings. However, the company has not been able to show other training records such as emergency response, harvesting, simulating the use of APAR, MSDS and P2K3 training. Please respond to questions related to the root cause of the problem, corrective and corrective action.  <b>Verify June 29, 2018.</b> The Company has shown evidence of improvements in the form of problem root corrections and recording of simulated training on the use of APAR for Pelantaran Agro Estate. However, the company still has not provided evidence of training programs and training records of 2018. Please respond in relation to the questions on corrective and corrective action provided. Accordingly, the Non-Conformity No. 2018.03 declared unfulfilled.  <b>Verify July 20, 2018.</b> The Company has provided evidence of improvements in the form of training programs and realization of worker training for 2018 in Pelantaran Estate such as harvest technique training, socialization on APAR, socialization of MSDS and socialization of spraying ban in HCV area. Accordingly, the Non-Conformity No. 2018.03 otherwise <b>fulfilled</b> .			
<b>Verified by</b>	<b>: Brigitta Prita &amp; Rindu Galih Rezza Rachmansyah</b>		

<b>NCR No.</b>	<b>: 2018.04</b>	<b>Issued by</b>	<b>: Brigitta Prita</b>			
<b>Date Issued</b>	<b>: 9 June 2018</b>	<b>Time Limit</b>	<b>: 8 August 2018</b>			
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 06 July 2018</b>			
<b>Standard Ref. &amp; Requirement</b>	<b>: 5.3.2.</b> <b>There shall be evidence that all chemical wastes and containers are disposed of responsibly.</b>					
<b>Non-Conformance Description &amp; Evidence observed (filled by auditor):</b>  Result of field visit at Dump Trash (TPSA) Block D9 & D10 Division 1 Pelantaran Estate, found hazardous waste mixed with inorganic and organic waste. This is not yet in accordance with the SOP of the Office of Housing Waste Management (document number WNL-SUST-SOP-16) points 6.4 (sorting) and SOP of B3 waste Management that: B3 waste must be identified, packaged and stored at licensed Schedule waste store.						
						
<b>Root Cause Analysis (filled by organization audited):</b> Lack of knowledge related to Waste management impact on health, sanitation & environmental pollution by all related employees (including employee family in Employee Housing).						
<b>Correction (filled by organization audited):</b> <ol style="list-style-type: none"> <li>1. Provision of evidence of recording of waste management improvement in D9 &amp; D10 Block 1 Division 1 Housing by way of sorting B3 waste and Non B3 waste and placing B3 waste in licensed B3 Waste TPS.</li> <li>2. Provision of proof of recording socialization SOP Waste Management Housing &amp; Office to all employees &amp; their families for division 1 PAGE.</li> <li>3. Provision of Waste Balance Records hazardous waste (PAGE).</li> </ol>						
<b>Corrective Action (filled by organization audited):</b> <ol style="list-style-type: none"> <li>1. Implementation of HSE Inspection &amp; Housekeeping by HSE Officer related to waste management of domestic &amp; B3 waste.</li> <li>2. Implementation of HSE monthly meeting by Unit Manager.</li> </ol>						
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verification, June 27, 2018.</b> <b>The Company shows evidence of improvements including:</b>						

1. Evidence of socialization to employees and the separation of organic and inorganic waste on June 7, 201 (proof of photo documentation and absenteeism).
2. Segregation of hazardous waste in landfill Block D9 & D10 Division 1 Estate Delivery (PAGE).
3. Records of hazardous waste shipping process from estate to licensed Schedule waste store (Evidence of photo documentation).
4. The minutes of hazardous waste delivery to the licensed schedule waste store (Traction Central Pundu) dated June 23, 2018 (No.001 / LB3-B / PAGE.WNL / VI / 2018) include gallons of chemical 20 liters (2 pieces), drums used oil (2 pieces) and air filter (1).

**Additional questions:**

1. Please show evidence of B3 waste & logbook balance from Traction Central Pundu.
2. Please show evidence of HSE Inspection & Housekeeping inspection program by HSE Officer related to domestic waste management & B3 waste.

Based on the above improvements, please show additional evidence.

**Verification, July 6, 2018.**

The Company shows the hazardous waste (Logbook hazardous waste) unit of Central Pundu Nabatindo Traksi Unit (CPNT) for the period of June 2018 with details as follows: 130 liters of used oil; 2 pairs of used pesticide packs, 1 kg of clothing, 1 ounce oil drums, and 12 pairs of used filters.

The company shows evidence of HSE inspection records conducted by the HSE Officer PAGE unit of 2018 period which explains the impact of the provision of waste bins in the Housing area, the waste quotation schedule, the absence of reused B3 waste, the absence of garbage scattered around the house and the housekeeping schedule for the employees.

Based on the proof of improvement submitted then the inconsistency No.2018.04 is **stated fulfilled**.

**Verified by** : **Brigitta Prita**

NCR No.	: 2018.05	Issued by	: Brigitta Prita
Date Issued	: 09 June 2018	Time Limit	: 08 August 2018
NC Grade	: Major	Date of Closing	: 30 June 2018
Standard Ref. & Requirement	: SCCS E.2.2 The manufacturer must meet all registration and reporting requirements for the appropriate supply chain through organizations that manage RSPO supply chain (RSPO IT platform or book and claim).		
Non-Conformance Description & Evidence observed (filled by auditor):			
Based on PalmTrace data as of 05 June 2018 it is known that the volume of quotas of Certified Product Katari Agro Mill for the period of 26 August 2017 until 25 August 2018 are: CPO = 29,178 Ton and PK 5,471 Ton. From the quota is known there are still stocks (Remaining Stock) CPO = 28,328.37 Ton and PK = 3,723.52. Based on the data it is known that it has been sold (transaction) Certified Product CPO 849.63 Ton (29,178 - 28,328.37) and PK 1,747.48 Ton (5,471- 3,723,52).			
The Certificate Holder has shown data that the CPO transactions = 850 Ton and PK = 1,750 Tonnes during the period of 26 August 2017 until 05 June 2018. This is not yet compatible with RSPO Palm Trace CPO (Difference 0.37 Ton) and PK (Difference 2.52 Ton).			

**Root Cause Analysis** *(filled by organization audited):*

Ineffective control of Mass Balance CSPO & CSPK KAGM data is related to accuracy between CSPO & CSPK sales data in Palm Trace with CSPO & CSPK sales transaction data by KAGM.

**Correction** *(filled by organization audited):*

Review & correction of CSPO & CSPK sales data between data presented in Palm Trace with CAGO & CSPK sales transaction data by KAGM conducted by Commercial Dept.

**Corrective Action** *(filled by organization audited):*

- Review the accuracy of existing CSPO & CSPK sales data in Palm Trace as well as with CSPO & CSPK sales data conducted by Commercial Dept. for every CSPO & CSPK transaction to balance & accurate
- Improve coordination between Certification & Compliance Dept. with Commercial Dept. related with Mass Balance stock positive product CSPO & CSPK in three daily basis.

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

**June 30, 2018**

The certificate holder has presented evidence of improvements consisting of:

- Form NCR that has been equipped with Root Analysis, Corrective Action and Corrective Action
- Product transaction data in the form of CSPO and CSPK as of 26 August 2017 up to 05 June 2018

**CSPO Terjual.**

Date	Buyer	Volume (MT)	RSPO Credit (MT)
26 Apr 2018	PT Asianagro Agunjaya	849.63	-
<b>Total</b>		<b>849.63</b>	<b>-</b>

**CSPK Terjual**

Date	Buyer	Volume (MT)	RSPO Credit (MT)
8 Feb 2018	PT Wilmar Nabati Indonesia-Sampit	243.32	
21 Feb 2018	PT Wilmar Nabati Indonesia-Sampit	249.56	
12 Mar 2018	PT Wilmar Nabati Indonesia-Sampit	249.69	
9 Apr 2018	PT Wilmar Nabati Indonesia-Sampit	249.21	
19 Apr 2018	PT Wilmar Nabati Indonesia-Sampit	249.81	
25 Mei 2018	PT Wilmar Nabati Indonesia-Sampit	250.08	
	PT Wilmar Nabati Indonesia-Sampit	249.81	
<b>Total</b>		<b>1,747.48</b>	

Based on the above, the non-conformity of this indicator is stated to have been comply.

**Verified by** : **Brigitta Prita**

<b>NCR No.</b>	<b>: 2018.06</b>	<b>Issued by</b>	<b>: Brigitta Prita</b>
<b>Date Issued</b>	<b>: 09 June 2018</b>	<b>Time Limit</b>	<b>: 08 August 2018</b>

<b>NC Grade</b>	:	Major	<b>Date of Closing</b>	:	06 July 2018
<b>Standard Ref. &amp; Requirement</b>	:	<b>8.1</b> <b>Oil palm growers and millers regularly monitor and review their activities and develop and implement action plans that allow for sustained real improvements in key operations.</b>			
<b>Non-Conformance Description &amp; Evidence observed (filled by auditor):</b>  Based on the discrepancies identified at ASA 3 RSPO 2017, the Auditor team considers that there is a recurring inconsistency when ASA 4 RSPO as a result of the incomplete implementation of continuous improvement. Such mismatches are: <ul style="list-style-type: none"> <li>Indicator 5.3.2 (See Non-Conformity No.2018.04)</li> </ul>					
<b>Root Cause Analysis (filled by organization audited):</b> <i>Lack of control from each Unit Manager in Waste Management of Domestic &amp; Waste Management B3.</i>					
<b>Correction (filled by organization audited):</b> 1. Provision of evidence of recording of waste management improvements available for Employee housing. 2. Provision of proof of recording socialization SOP Management of residential & office waste to employees concerned. 3. Provision of Waste Balance Records of B3 Unit KAGM.					
<b>Corrective Action (filled by organization audited):</b> 1. Implementation of HSE Inspection & Housekeeping by HSE Officer related to waste management of domestic & B3 waste. 2. Implementation of SOP Management of housing waste & Office and SOP of B3 Waste Management consistently.					
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Verification, July 6, 2018.</b> The Company shows evidence of improvements including: <ol style="list-style-type: none"> <li>Evidence of socialization to employees and the separation of organic and inorganic waste on June 7, 201 (proof of photo documentation and absenteeism).</li> <li>Segregation of B3 waste in Landfill Block D9 &amp; D10 Division 1 Pelantaran Estate (PAGE).</li> <li>Records of B3 waste shipping process from Estate to licensed Temporary Place of Hazardous Waste (Evidence of photo documentation).</li> <li>The minutes of B3 waste delivery to the licensed schedule waste store (Traction Central Pundu) dated June 23, 2018 (No.001 / LB3-B / PAGE.WNL / VI / 2018) include gallons of chemical 20 liters (2 pieces), drums used oil (2 pieces) and air filter (1).</li> </ol> The Company shows the hazardous waste (Logbook hazardous waste) unit of Central Pundu Nabatindo Traksi Unit (CPNT) for the period of June 2018 with details as follows: 130 liters of used oil; 2 pairs of used pesticide packs, 1 kg of clothing, 1 ounce oil drums, and 12 pairs of used filters.  The company shows evidence of HSE inspection records conducted by the HSE Officer PAGE unit of 2018 period which explains the inspect of the provision of waste bins in the Housing area, the waste quotation schedule, the absence of reused B3 waste, the absence of garbage scattered around the house and the housekeeping schedule for the employees .  Based on the proof of improvement submitted then the inconsistency No.2018.06 is stated <b>Comply</b> .					
<b>Verified by</b>	:	<b>Brigitta Prita</b>			



**3.5.2. Identification of Findings, Corrective Actions and Observations at ASA-3**

<b>NCR No.</b>	<b>: 2019.01</b>	<b>Issued by</b>	<b>: Arif Faisal Simatupang</b>
<b>Date Issued</b>	<b>: 17 May 2019</b>	<b>Time Limit</b>	<b>: ASA-4</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>: 1 July 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 2.1.3 A mechanism for ensuring compliance shall be implemented</b>		
<b>Evidence observed (filled by auditor):</b> Based on the results of the document review, it is known that there are several jobs submitted to third parties, for example agreement No. 001-PRWT / WNLL-MPNR / LKL / 2018 for Fertilizer Loading and Unloading activities in PT WNL (Region III BGA) in the Sub-District of Cempaga Hulu. Related this case the company has not been able to show a mechanism to ensure compliance with the law as stipulated in the RSPO Principles and Criteria, related to: <ul style="list-style-type: none"><li>- Evidence of payment of minimum wages</li><li>- Health and employment insurance</li><li>- Implementation of OHS aspects</li></ul> (In the RSPO 2017 clausal 4.4.6 of Certification System, it is stated that in cases of non-processing activities to independent third parties, third parties fall inside the the scope of certification, and they shall comply with the relevant RSPO certification standards)			
<b>Non-Conformance Description (filled by auditor):</b> The company can not show a mechanism to ensure compliance with the law as stipulated in the RSPO Principles and Criteria for work carried out by the Contractor			
<b>Root Cause Analysis (filled by organization audited):</b> The evaluation of legal compliance for contractor's worker of fertilizer loading/unloading has not been done yet, this is due to the lack of understanding from the Unit Manager regarding the legal compliance mechanism for the contractor's worker according to the RSPO Certification System, clause 4.4.6.			
<b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"><li>- Socialization of legal requirements that must be complied by contractor of fertilizer loading/unloading.</li><li>- Requirements compliance as required in the RSPO Certification System, clause 4.4.6 for contractors, which includes records of minimum wage payments, health &amp; employment insurance, implementation of the OHS aspects.</li></ul>			
<b>Corrective Action (filled by organization audited):</b> Conduct regular internal audit & management review.			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>			
<b>Verification on 1 July 2019</b> Evidences of correction has been submitted in the form of: <ul style="list-style-type: none"><li>- OHS socialization, payment of wages, grievance mechanism, BPJS registration to the contractor and staff on 28 June 2019</li><li>- Registration and payment of the BPJS (state employment insurance) for contractor workers for the period of July - August 2019</li><li>- Wage details for contractor workers for the period January - April 2019.</li></ul>			



Related to the evidences submitted, the nonconformity stated as complied and will be verified during the next assessment.

**Verified by** : **Moh Arif Yusni**

<b>NCR No.</b>	: 2019.02	<b>Issued by</b>	: Moh Arif Yusni
<b>Date Issued</b>	: 17 May 2019	<b>Time Limit</b>	: ASA 4
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	: 25 June 2019
<b>Standard Ref. &amp; Requirement</b>	<b>2.2.2</b> <b>Evidence that legal boundaries are shown with a clear boundary and maintained.</b>		
<b>Evidence observed (filled by auditor):</b> <p>The company has an Work Instruction of Boundary Pole Maintenance (WNL-GIS-SOP-01 dated 27 July 2017). In the procedure in clause 7.3.1 it is stated that Monitoring the HGU stake becomes the responsibility of the Estate Manager to be carried out at least once in 4 months. However, based on the results of documents verifications and interview obtained information if Pelantaran Agro Estate:</p> <ul style="list-style-type: none"> <li>- In 2018 monitoring of boundaries poles is carried out once a year, in June 2018</li> <li>- Program of monitoring and maintenance in 2018 and 2019 scheduled twice a year (In June and December)</li> </ul>			
<b>Non-Conformance Description (filled by auditor):</b> <p>Pelantaran Agro Estate cannot show evidence that the program and realization of maintenance of HGU stakes have been carried out in accordance with the procedures.</p>			
<b>Root Cause Analysis (filled by organization audited):</b> <p>Lack of control from unit management related the implementation of program for monitoring and maintenance of HGU Poles</p>			
<b>Correction (filled by organization audited):</b> <ol style="list-style-type: none"> <li>1. Implementation of maintenance of HGU poles in according to the plan established in the 2019 period, which is 2 times a year.</li> <li>2. Presented the corrective evidence about results of monitoring the HGU maintenance program for the 2019 period (SM I &amp; SM II)</li> </ol>			
<b>Corrective Action (filled by organization audited):</b> <p>Implementation of Audit Internal &amp; Management Review.</p>			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verify 25 June 2019</b> <p>The company can presented the corrective evidence as follows:</p> <ul style="list-style-type: none"> <li>- Program and realization HGU poles that scheduled three (3) times a year, in April, August and December 2019</li> <li>- The documentation of realization monitoring and and maintenance HGU poles in April 2019</li> <li>- Revised the procedure Work Instruction of Boundary Pole Maintenance (WNL-GIS-SOP-01) In the clause 7.3.1 it is stated that Monitoring the HGU stake becomes the responsibility of the Estate Manager to be carried out at least once in 6 months (twice a year)</li> </ul>			

Based on the corrective evidence that presented, the non-conformity on this indicator stated closed and will be verify on the next assessments.

**Verified by** : Moh Arif Yusni

<b>NCR No.</b>	: 2019.03	<b>Issued by</b>	: Moh Arif Yusni
<b>Date Issued</b>	: May 17, 2019	<b>Time Limit</b>	: 15 August 2019
<b>NC Grade</b>	: Major	<b>Date of Closing</b>	: 25 June 2019
<b>Standard Ref. &amp; Requirement</b>	<b>4.7.1</b> <b>A health and safety policy shall be in place. A place and safety plan shall be documented and implemented, and its effectiveness monitored.</b>		
<b>Evidence observed (filled by auditor):</b> The results of the document review reveal that the company has conducted periodic health checks for 57 KAGM employees on March 2-3, 2019 with the type of audiometric examination. The results of the medical examination revealed that 30 employees had moderate hearing loss and mild hearing loss with the doctor's recommendation that they be "re-examined 2 months later free of noise". However, until the completion of the audit (May 13-17, 2019) a re-examination has not been conducted.			
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show advanced health checks for employees who moderate hearing loss and Mild hearing loss.			
<b>Root Cause Analysis (filled by organization audited):</b> Lack of control from management unit and company doctor to follow up the doctor recommendations related result of medical checkup			
<b>Correction (filled by organization audited):</b> Conduct re- medical check up for auditmetry to workers that's recommended by the company doctor.			
<b>Corrective Action (filled by organization audited):</b> Implementation of Audit Internal & Management Review.			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verify 25 June 2019</b> The company can presented the corrective evidencein form of follow up medical check up for 30 workes who exposed by moderate hearing loss and mild hearing loss on 23 – 24 May 2019. Based on the results of the examination its know that needed to further medical examination (referred to ENT) for 4 workers . Regarding this matter, evidence of examination can be shown to the ENT (ear, nose, throat) Specialist at Awal Bros Betang Pembalum Hospital on 27 May 2019. Based on the examination results it is identified that one person caused by noise disturbance (mutation recommendations), meanwhile the rest were not caused by work. Based on the corrective evidence that presented, the non-conformity on this indicator stated closed and will be verify on the next assessments.			

<b>Verified by</b>	:	<b>Moh Arif Yusni</b>
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<b>NCR No.</b>	:	<b>2019.04</b>	<b>Issued by</b>	:	<b>Radytio Puspanjana</b>
<b>Date Issued</b>	:	<b>17 May 2019</b>	<b>Time Limit</b>	:	<b>ASA-4</b>
<b>NC Grade</b>	:	<b>Minor</b>	<b>Date of Closing</b>	:	<b>10 July 2019</b>
<b>Standard Ref. &amp; Requirement</b>	:	<b>5.2.4</b> <b>Where an action plan has been created there shall be ongoing monitoring:</b> <ul style="list-style-type: none"><li>• <b>The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported;</b></li><li>• <b>Outcomes of monitoring shall be fed back into the action plan.</b></li></ul>			
<b>Non-Conformance Description &amp; Evidence observed</b> <i>(filled by auditor):</i> The CH has compiled and determined the HCV management plan in the Annual High Conservation Value Management Plan document for the period of 2019. Consists of: <ul style="list-style-type: none"><li>- Maintenance of buffer zone, 3 times a year.</li><li>- Maintenance of HCV signboard, 3 times a year.</li><li>- Repainting of bufferzone mark, 2 times a year</li><li>- Checklist management of the buffer zone area every month.</li></ul> Meanwhile in the HCV Management Program procedure (WNL-SUST-SOP-18) it is stated that the management unit appoints HCV officers to carry out an inventory of flora and fauna found in the identified HCV area. Related to this, Katari Agro Estate and Pantai Mas Estate do not shown evidence of inventory and monitoring of flora and fauna identified HCV areas.					
<b>Non-Conformance Description</b> <i>(filled by auditor):</i> Katari Agro Estate and Pantai Mas Estate hasn't been shown plans and realization of monitoring of flora and fauna as stipulated in the HCV Management Program procedure (WNL-SUST-SOP-18 April 21 2018) and recommendations on the identification of HCV areas in 2010.					
<b>Root Cause Analysis:</b> Lack of control by Asst /Manager related to the management of HCV in estate, especially in inventorying & monitoring flora and fauna in HCV areas.					
<b>Correction</b> Conduct an inventory of flora and fauna contained on the HCV area by the HCV Officer.					
<b>Corrective Action:</b> Implementation of Internal Audit & management review meetings regularly.					
<b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i> <b>Auditor verification 10 July 2019</b> <b>The company show evidence consist of:</b> <ul style="list-style-type: none"><li>- Memorandum from the PMSE estate manager regarding the appointment of PMSE HCV officers, include a job description.</li></ul>					

- Document monitoring of flora and fauna PMSE in riparian area, May 21, 2019, there are 4 types of flora fauna and 6 types of fauna included in initial identification HCV. There are minutes of HCV patrol PMSE May 31, 2019. (attached program realization documents).
- Minutes of patrol and evaluation of PMSE HCV management program May 27, 2019.

Based on the corrective evidence that presented, the non-conformity on this indicator stated closed and will be verify on the next assessments

**Verified by** :

<b>NCR No.</b>	<b>: 2019.05</b>	<b>Issued by</b>	<b>: Radytio Puspanjana</b>
<b>Date Issued</b>	<b>: 18 May 2019</b>	<b>Time Limit</b>	<b>: 15 August 2019</b>
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 5 August 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 7.3.1</b> <b>A 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 best ensure the HCVs identified are maintained and/or enhanced (see Criterion 5.2).</b>		
<b>Evidence observed (filled by auditor):</b> The CH has HCV assessments for the PT WNL for area 11,500 Ha, October 2010. On April 25, 2016 the CH has submitted WNL Liability Disclosure and LUCA PT WNL to the RSPO Compensation Panel April 25, 2016. The CH has also submitted RCA-Plan to RSPO but no evidence the RAC-Plan for PT WNL has been approval by the RSPO.			
<b>Non-Conformance Description (filled by auditor):</b> No Available evidence the RAC-Plan for PT WNL has been approval by the RSPO.			
<b>Root Cause Analysis (filled by organization audited):</b> The long period time of review process by HCV Compensation Panel for approval of HCV Compensation Panel PT. WNL			
<b>Correction (filled by organization audited):</b> Submits a proposal for time limit postponement NCR indicator 7.3.1 (approval of HCV Compensation Panel approval) to RSPO Secretariat.			
<b>Corrective Action (filled by organization audited):</b> Conduct intensive communication with the HCV panel compensation, for immediately approve the HCV Compensation Plan of PT. WNL.			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Auditor verification June 26 2019</b> The company shown communication the BGA and the RSPO June 20, 2019, the response from RSPO will be "Discussed internally and will be disclosed later (Next Week).  The related evidence submitted, the non-compliance with this indicator is declared unfulfilled because the RAC-Plan for PT WNL hasn't been approved by the RSPO or a delay in the time limit for repairs related to indicator 7.3.1 (approval of the HCV Compensation Panel approval) to the RSPO Secretariat has been approved.			

**Auditor verification 5 August 2019**

The company Shown evidence of improvement in the form of clarification the area affected by RaCP mandatory for 47.14 Ha in Pundu Nabatindo Estate, included in Pundu Nabatindo Mill certification scope.

Based on the corrective evidence that presented, the non-conformity on this indicator stated closed.

<b>Verified by</b>	<b>:</b>	<b>Radytion Puspanjana</b>
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**3.5.3. Opportunity for Improvement**

No	Ref. Std.	Description Deskripsi
1	<b>Major 2.1.1</b>	Following up on the submission of the OHS Operator License extension.
2	<b>Minor 2.1.4</b>	Ensure identification of new regulations published in 2018
3	<b>Minor 2.2.2</b>	Marking the boundaries of the certification and non-certification areas.
4	<b>Minor 6.5.3</b>	Following up on the progress of BPJS Health registration, which has been completed with files since December 2018.

**3.5.4. Noteworthy Positive Components**

No	Ref. Std.	Description Deskripsi
1		Has built Smallholders plantation with several patterns.
2		Good cooperation and presentation of documents during audit activities.
3		Good communication and teamwork



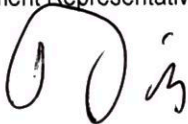

**3.6 Summary of Arising Issues from Public and Auditor Verification**

Public Issues (Institution/ NGO/Community)	Auditor Responses
<b>Bipartite Committee of PT Windu Nabatindo Lestari</b>  Result interview with bipartite representative from workers obtained information there is no negative issues such as discrimination, the use of labor under 18 years or sexual abuse issues.	Based on document review and field observation, it is known that there is no discrimination or child labor. Described in Criteria 6.7 and 6.8
<b>Gender Committee of PT Windu Nabatindo Lestari</b>  The gender committee representatives in each division have also been determined. The program has been written and implemented such as the socialization of sexual harassment and its mechanism.  Until now there has been no harassment of female employees or violations of reproductive rights in the company's operational area.	The results of interviews with female workers in the company's operational area, it is known that each employee already knows the gender committee, responsible personnel and procedures carried out when there is abuse and violation of women's reproductive rights in the company. Described in Criteria 6.8.
<b>Pelantaran Village Officials</b>  There are no negative issues, land dispute issues or environmental pollution.  The company has made efforts to develop the surrounding community through CSR programs, development and partnership with plasma, the use of local labor and local contractors.	The results of document review and field observations have not found issues of land disputes, environmental pollution, and social issues. This has been explained in criteria 2.2, 5.3, 6.1
<b>Pantai Harapan Village Head</b>  There are no negative issues, land dispute issues or environmental pollution.  The company has made efforts to develop the surrounding community through CSR programs, development and partnership with plasma, the use of local labor and local contractors.	The results of document review and field observations have not found issues of land disputes, environmental pollution, and social issues. This has been explained in criteria 2.2, 5.3, 6.1
<b>Katari Sub-Village Head – Keruing Village</b>  There are no negative issues, land dispute issues or environmental pollution.  The company has made efforts to develop the surrounding community through CSR programs, development and partnership with plasma, the use of local labor and local contractors.	The results of document review and field observations have not found issues of land disputes, environmental pollution, and social issues. This has been explained in criteria 2.2, 5.3, 6.1

Public Issues (Institution/ NGO/Community)	Auditor Responses
<b>Cooperative Officials of Harapan Abadi (scheme smallholder)</b>  The development and maintenance of smallholdings has been done well. FFB payments are made according to the pricing mechanism from Plantation Agency. Administration is carried out transparently and there is annual meeting between company and plasma to discuss the operational and financial aspects. There are no negative issues.	The company has shown documentary evidence regarding payment transparency, price accuracy according to pricing mechanism from Plantation Agency, and timely payment methods. Described in Criteria 6.10.
<b>Previous land owner on Pelantaran Village</b>  The land compensation process has been carried out with a negotiation process, good administration, involving witnesses and mediation of the traditional leader, village head, sub-district head and police.	The company has shown land compensation documentary evidence carried out referring to the concept of FPIC. Described in detail in criteria 6.4
<b>Previous land owner on Keruing Village</b>  The land compensation process has been carried out with a negotiation process, good administration, involving witnesses and mediation of the traditional leader, village head, sub-district head and police.	The company has shown land compensation documentary evidence carried out referring to the concept of FPIC. Described in detail in criteria 6.4
<b>Previous land owner on Pantai Harapan Village</b>  The land compensation process has been carried out with a negotiation process, good administration, involving witnesses and mediation of the traditional leader, village head, sub-district head and police.	The company has shown land compensation documentary evidence carried out referring to the concept of FPIC. Described in detail in criteria 6.4
<b>Demang (traditional leader) of Campaga Hulu Sub-District</b>  There are no land and social conflicts that have occurred in the past two years between communities and companies.  When the process of land compensation was done well, it involved Demang as a land ownership verifier. In the beginning there were land disputes due to overlapping ownership caused by the community itself, but now everything was finished.	The results of document review and field observations have not found issues of land disputes. The company has shown land compensation documentary evidence carried out referring to the concept of FPIC. Described in detail in criteria 2.2 and 6.4
<b>Manpower Agency of Kotawaringin Timur Regency</b>  <ol style="list-style-type: none"> <li>The agency requested that the company also send the KK1 form to the agency when an employee's work accident occurs.</li> <li>The company is expected to conduct work evaluations to contractors related to the fulfillment of labor social insurance for workers, work safety guarantees and OHS licenses for their operators.</li> </ol>	Based on the results of the document review, it is known that there are several jobs submitted to third parties, for example agreement No. 001-PRWT / WNLL-MPNR / LKL / 2018 for Fertilizer Loading and Unloading activities in PT WNL (Region III BGA) in the Sub-District of Cempaga Hulu. Related this case the company has not been able to show a mechanism to ensure compliance with the law as stipulated in the RSPO

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>3. In order to be able to do an overtime calculation simulation compared with the wage system that is applied in the company.</p> <p>4. In order to check labor social insurance payments and employee health insurance synchronized with employee data every month.</p> <p>5. The company has a good relationship with the agency, besides that the company has also complied with applicable regulations, among others: having an OHS Committee, company regulations that have been authorized by the agency, possessing equipment and machinery permits, having licensed operators, and routinely sending reports related to employment and OHS</p>	<p>Principles and Criteria, related to:</p> <ul style="list-style-type: none"> <li>- Evidence of payment of minimum wages</li> <li>- Health and employment insurance</li> <li>- Implementation of OHS aspects</li> </ul> <p>In the RSPO 2017 clausal 4.4.6 of Certification System, it is stated that in cases of non-processing activities to independent third parties, third parties fall inside the the scope of certification, and they shall comply with the relevant RSPO certification standards.</p> <p>The company can not show a mechanism to ensure compliance with the law as stipulated in the RSPO Principles and Criteria for work carried out by the Contractor. This become <b>NC No. 2019.01.</b></p> <p>Based on document review and field observations, there are opportunities for improvement for the company in the indicator 6.5.3 to follow up on the progress of BPJS Health registration that has been completed by the file since December 2018.</p>
<p><b>Environmental Agency of Kotawaringin Timur Regency</b></p> <p>The company has a good relationship with the agency, besides that the company has also complied with applicable regulations, among others: having schedule waste storage license in Mill and Estate, all mandatory reports related to plantation operation have reported well, no complaints of environmental pollution caused by operational companies on the public.</p>	<p>Based on document review and field observations, the company has demonstrated legal compliance regarding environmental, and no indications of environmental pollution. Described in detail in criteria 5.1 and 5.3</p>
<p><b>Agriculture Agency of Kotawaringin Timur Regency</b></p> <p>The company has a good relationship with the agency, besides that the company has also complied with applicable regulations, among others: have had adequate fire infrastructure facilities for the plantation scale, routinely sent mandatory reports related to the development of plantation business which included CSR reports to surrounding communities.</p>	<p>Based on document review and field observations, the company has demonstrated legal compliance regarding plantation permits, empowerment of local communities, and no indications of land disputes. Described in detail in criteria 2.2, 6.10 and 6.11.</p>
<p><b>National Land Agency of Kotawaringin Timur</b></p> <p>The company has a good relationship with the agency, besides that the company has also complied with applicable regulations, among others: already has a location permit, cultivation rights, and has routinely sent land use reports. further explained that until now there has never been a land dispute involving the agency.</p>	<p>Based on document review and field observations, the company has demonstrated legal compliance regarding legality, and no indications of land disputes. Described in detail in criteria 2.2, and 2.3.</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<b>Local Contractors for Infrastructure</b>  <p>The company continues to improve business and empower local communities by cooperating with local contractors, for example in making box culverts, making concrete harvest bridges and renovating employee housing. Making a work agreement based on the agreement between the two parties and payment is made on time in accordance with the contents of the agreement. The company always conducts socialization and evaluation related to the fulfillment of labor social assurance and the OHS aspects of contractor workers.</p>	<p>The company has demonstrated its commitment to develop local communities. In addition documentation has been shown that the payment of the contractor's results has been paid according to the agreement and on time. Described in detail in criteria 6.10 and 6.11.</p>
<b>CV. Graha Tenera (FFB Supplier)</b>  <p>The company receives FFB from third parties provided that FFB supplied is not the result of looting, theft or FFB produced by looting state forests. It is stated in the agreement based on the agreement between the two parties, further explained that the payment was made on time in accordance with the contents of the agreement and there had never been a problem in terms of payment.</p>	<p>The company has demonstrated its commitment and mechanism so that FFB received is not from illegal activities. in addition documentation has been shown that the payment of the contractor's results has been paid according to the agreement and on time. Described in detail in criteria 6.10.</p>

<b>4.0</b>	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>
<b>4.1</b>	<p><b>Formal Sign-off of Assessment Findings</b></p> <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>  <div style="display: flex; justify-content: space-between;"> <div style="text-align: center;"> <p>PT Windu Nabatindo Lestari Management Representative</p>  <p><b>Diar Hasymi Damanik</b> Monday, 05 August 2019</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><b>Moh Arif Yusni</b> Monday, 05 August 2019</p> </div> </div>

### Appendix 1. List of Stakeholder Contacted in the RSPO Certification Process

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Bipartite Cooperative	PT Windu Nabatindo Lestari	-	Direct interview	13 May 2019	✓	
2	Gender Committee	PT Windu Nabatindo Lestari	-	Direct interview	13 May 2019	✓	
3	Pelantaran Village Officials	Kotawaringin Timur Regency	-	Direct Interview	14 May 2019	✓	
4	Cooperative Officials of Harapan Abadi (scheme smallholder)	Kotawaringin Timur Regency	-	Direct Interview	14 May 2019	✓	
5	2 Previous land owner on Pelantaran Village	Kotawaringin Timur Regency	-	Direct Interview	14 May 2019	✓	
6	Pantai Harapan Village Head	Kotawaringin Timur Regency	-	Direct Interview	16 May 2019	✓	
7	Katari Sub-Village Head – Keruing Village	Kotawaringin Timur Regency	-	Direct Interview	16 May 2019	✓	
8	2 Previous land owner on Keruing Village	Kotawaringin Timur Regency	-	Direct Interview	16 May 2019	✓	
9	1 Previous land owner on Pantai Harapan Village	Kotawaringin Timur Regency	-	Direct Interview	16 May 2019	✓	
10	Demang (traditional leader) of Campaga Hulu Sub-District	Kotawaringin Timur Regency	-	Direct Interview	16 May 2019	✓	
11	National Land Agency	Sampit, Central Kalimantan	-	Direct interview	14 May 2019	✓	
12	Manpower Agency	Sampit, Central Kalimantan	-	Direct interview	14 May 2019	✓	
13	Environmental Agency	Sampit, Central Kalimantan	-	Direct Interview	14 May 2019	✓	
14	Agriculture Agency	Sampit, Central Kalimantan	-	Direct Interview	14 May 2019	✓	
15	Local Contractor (Infrastructure)	Sub District of Cempaga Hulu	-	Direct Interview	13 May 2019	✓	
16	CV. Graha Tenera (FFB Supplier)	Sub District of Cempaga Hulu	-	Direct interview	13 May 2019	✓	
17	WWF	Jakarta, Indonesia	<a href="mailto:supporter-service@wwf.or.id">supporter-service@wwf.or.id</a>	Questionnaire by email	03 May 2019		✓
18	Walhi	Jakarta, Indonesia	<a href="mailto:informasi@walhi.or.id">informasi@walhi.or.id</a>	Questionnaire by email	03 May 2019		✓
19	AMAN	Jakarta, Indonesia	<a href="mailto:rumahaman@cbn.net.id">rumahaman@cbn.net.id</a>	Questionnaire by email	03 May 2019		✓
20	<b>Katari Agro POM</b> - 2 worker at loading ramp - 2 sterilizer operator - 4 worker at process station - 1 operator at engine room - 1 boilerman - 2 warehouse officer - 2 workshop officer - 1 operator of schedule waste storage - 1 WTP operator - 1 WWTP operator - 3 security	PT Windu Nabatindo Lestari	-	Field observation and direct interview	15 May 2019	✓	



	- 2 weighbridge operator						
21	<b>Katari Agro Estate</b> - 1 Manuring Clerk - 1 Fertilizer Clerk - 1 BSS & BMS Clerk - 1 Daycare officer - 1 Operator generator - 1 Operator water pump - 4 <b>Fire Fighter.</b> - 1 midwife. - 1 GIS officer - 1 peat management officer - 12 manuring officer - 4 harvester - 3 officer of land application - 1 HCV officer	PT Windu Nabatindo Lestari - Kotawaringin Timur Regency	-	Field observation and direct interview	15 May 2019	✓	
22	<b>Pelantaran Agro Estate</b> - 2 harvesters. - 16 manuring workers - 1 road maintenance worker. - 1 Peat monitoring worker. - 4 occupants at housing complex. - 1 generator set operator - 1 fertilizer loading worker. - 1 workshop worker (driver). - 10 pesticide operators - 1 store keeper	PT Windu Nabatindo Lestari - Kotawaringin Timur Regency	-	Field observation and direct interview	16 May 2019	✓	
23	<b>Pantai Mas Estate</b> - 6 Chemis Operator - 5 harvester - 3 manuring workers - 1 occupants at housing complex. - 3 daycare workers. - 1 store keeper - 2 mechanics	PT Windu Nabatindo Lestari - Kotawaringin Timur Regency	-	Field observation and direct interview	16 May 2019	✓	
24	<b>Central Pundu Traksi (CPNT)</b> - 3 worker of emergency team. - 1 store keeper. - 2 mechanics. - 1 security.	PT Windu Nabatindo Lestari - Kotawaringin Timur Regency	-	Field observation and direct interview	15 May 2019	✓	
25	<b>Central Clinic (Metro).</b> - 1 Doctor	PT Windu Nabatindo Lestari - Kotawaringin Timur Regency	-	Field observation and direct interview	15 May 2019	✓	

	<ul style="list-style-type: none"> <li>- 1 admin</li> <li>- 1 medical team</li> </ul>						
26	<b>Central Warehouse</b> <ul style="list-style-type: none"> <li>- 1 officer of warehouse.</li> <li>- 3 store keeper.</li> </ul>	PT Windu Nabatindo Lestari - Kotawaringin Timur Regency	-	Field observation and direct interview	15 May 2019	✓	

**Appendix 2. Assessment Program**

DATE	13 – 18 May 2019	
PROGRAM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Monday, 13 May 2019</b>		
05.30 – 07.30	<b>Jakarta → Palangkaraya</b>	<b>All Auditor</b>
08.00 – 12.00	<b>Traveling to Site</b>	
14.00 – 15.00	<b>Opening meeting</b> <ul style="list-style-type: none"> <li>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li> <li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li> </ul>	<b>All Auditor</b>
15.00 – 16.30	<b>Documents Review</b> <ul style="list-style-type: none"> <li>Review of previous assessment findings</li> <li>Verification of Basic Information Mill and Estate</li> <li>Confirmation of Time Bound Plan</li> <li>Review of Partial Certification</li> </ul>	<b>MAY / AFS / RDT</b>
15.00 – 16.30	Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier	<b>DHT / YYT</b>
<b>Tuesday, 14 May 2019</b>		
08.00 – 15.00	<b>Stakeholders consultation to related agencies in Kotawaringin Timur Regency</b>	<b>YYT</b>
08.00 – 15.00	<b>Stakeholder consultation to affected communities surrounding the plantations and previous land owner</b>	<b>AFS</b>
08.00 – 12.00	<b>Field Observation to Pelantaran Agro Estate</b> Aspect to be verified : <ul style="list-style-type: none"> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>Implementation of Occupational Health &amp; Safety Aspect</li> <li>Implementation of Employment Procedure and Mechanism Aspect</li> </ul> Observation of Workers Facilities (Housing, School, Worship Place).	<ul style="list-style-type: none"> <li><b>MAY</b></li> <li><b>DHT</b></li> <li><b>RPJ</b></li> <li><b>DHT</b></li> <li><b>RPJ</b></li> </ul>
12.00 – 14.00	<b>Break</b>	<b>All Auditor</b>
<b>Wednesday, 15 May 2019</b>		
08.00 – 12.00	<b>Field observation to Katari Agro Mill</b> <ul style="list-style-type: none"> <li>Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO)</li> <li>Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond)</li> <li>Implementation of Employment Procedure and Mechanism Aspect</li> </ul>	<b>MAY / YYT</b>

12.00 – 14.00	<b>Break</b>	<b>All Auditor</b>
14.00 – 16.30	<ul style="list-style-type: none"> <li>• Verification of stakeholder consultation result and field visit.</li> <li>• Document review and completing audit checklist.</li> </ul>	<b>All Auditor</b>
<b>Thursday, 16 May 2019</b>		
08.00 – 15.00	<b>Stakeholder consultation to affected communities surrounding the plantations and previous land owner</b>	<b>MAY</b>
08.00 – 12.00	<b>Field Observation to Katari Agro Estate &amp; Pantai Mas Estate</b> Aspect to be verified : <ul style="list-style-type: none"> <li>• Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> <li>• Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>• Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>• Implementation of Occupational Health &amp; Safety Aspect</li> <li>• Implementation of Employment Procedure and Mechanism Aspect</li> <li>• Observation of Workers Facilities (Housing, School, Worship Place.) //</li> </ul>	<ul style="list-style-type: none"> <li>• AFS</li> <li>• DHT / YYT</li> <li>• RPJ</li> <li>• DHT / YYT</li> <li>• DHT / YYT</li> <li>• RPJ</li> </ul>
12.00 – 14.00	<b>Break</b>	<b>All Auditor</b>
14.00 – 17.00	<ul style="list-style-type: none"> <li>• Verification of stakeholder consultation result and field visit.</li> <li>• Document review and completing audit checklist.</li> </ul>	<b>All Auditor</b>
<b>Friday, 17 May 2019</b>		
08.00 – 11.30	<ul style="list-style-type: none"> <li>• <b>Continue Field Observation to Estate; Mill and Public Consultation to village surrounded Company and community leader (if needed)</b></li> <li>• <b>Completion of checklist and RSP Document Review</b></li> </ul>	<b>All Auditor</b>
11.30 – 14.00	<b>Break</b>	<b>All Auditor</b>
14.00 – 16.30	• <b>Completion of checklist and RSP Document Review</b>	<b>All Auditor</b>
<b>Saturday, 18 May 2019</b>		
07.00 – 08.00	Internal discussion by auditor team preparing for Closing Meeting	<b>All Auditor</b>
08.00 – 10.00	<b>Closing Meeting:</b> <ul style="list-style-type: none"> <li>• (Noteworthy Positive Component, Non Conformities, OFI, Timelie of CAR's, Conclusion)/</li> <li>• Comments, Responses and Questions</li> </ul>	<b>All Auditor</b>
10.00 – 13.00	<b>PT WNL → Palangkaraya</b>	<b>All Auditor</b>
14.00 -	<b>Palangkaraya → Jakarta</b>	