

*Roundtable on Sustainable Palm Oil Certification
RSPO*

[✓] Ext. Scope

Name of Management Organisation : Stabat POM – PT Langkat Nusantara Kepong, subsidiary of Kuala Lumpur Kepong Bhd
 Plantation Name : Gohor Lama Estate, Bekiun Estate, Basilam Estate, Tanjung Keliling Estate, Bukit Lawang Estate, Padang Brahrang Estate, Maryke Estate, and Tanjung Beringin Estate
 Location : Gohor Lama Village, Sub District of Wampu, Langkat District, Province of Sumatera Utara, Indonesia
 Certificate Code : **MUTU-RSPO/095**
 Date of Certificate Issue : 04 August 2017 Date of License Issue : 13 March 2020
 Date of Certificate Expiry : 03 August 2022 Date of License Expiry : 03 August 2020

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
Ext. Scope	17 to 20 February 2020	Sandra Purba (Lead Auditor), Rizliani Aprianita Hasibuan, Briyogi Shadiwa	Ardiansyah	Octo H P Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
Ext. Scope	13 March 2020

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Figure 1. Location Map of PT Langkat Nusantara Kepong

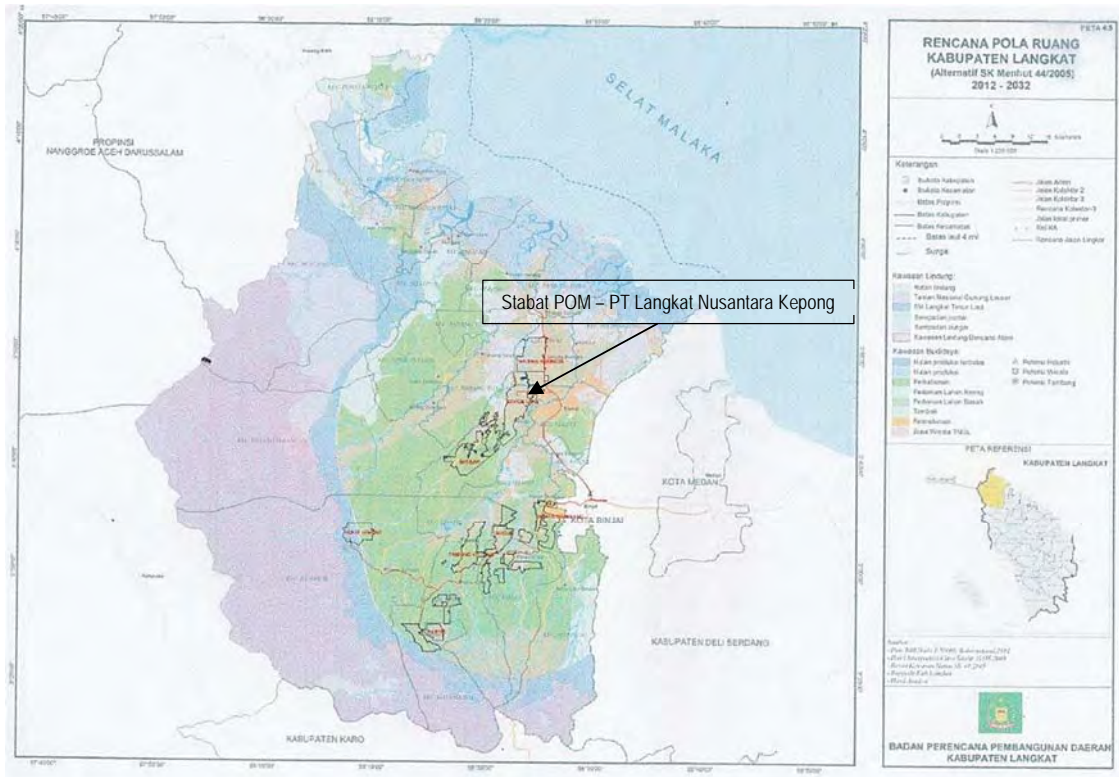


Figure 2. Operational Map of Basilam Estate

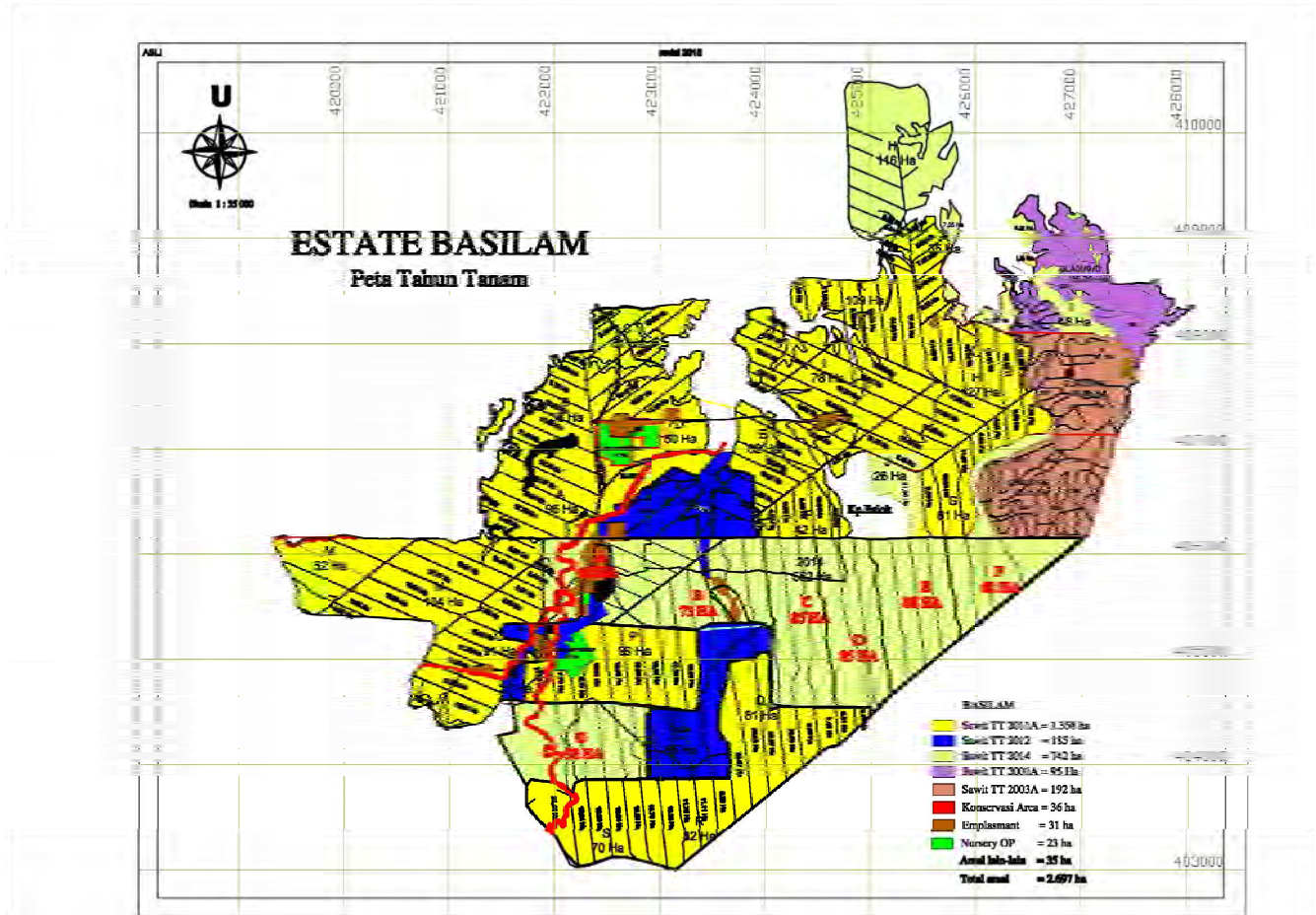


Figure 3. Operational Map of Bukit Lawang Estate

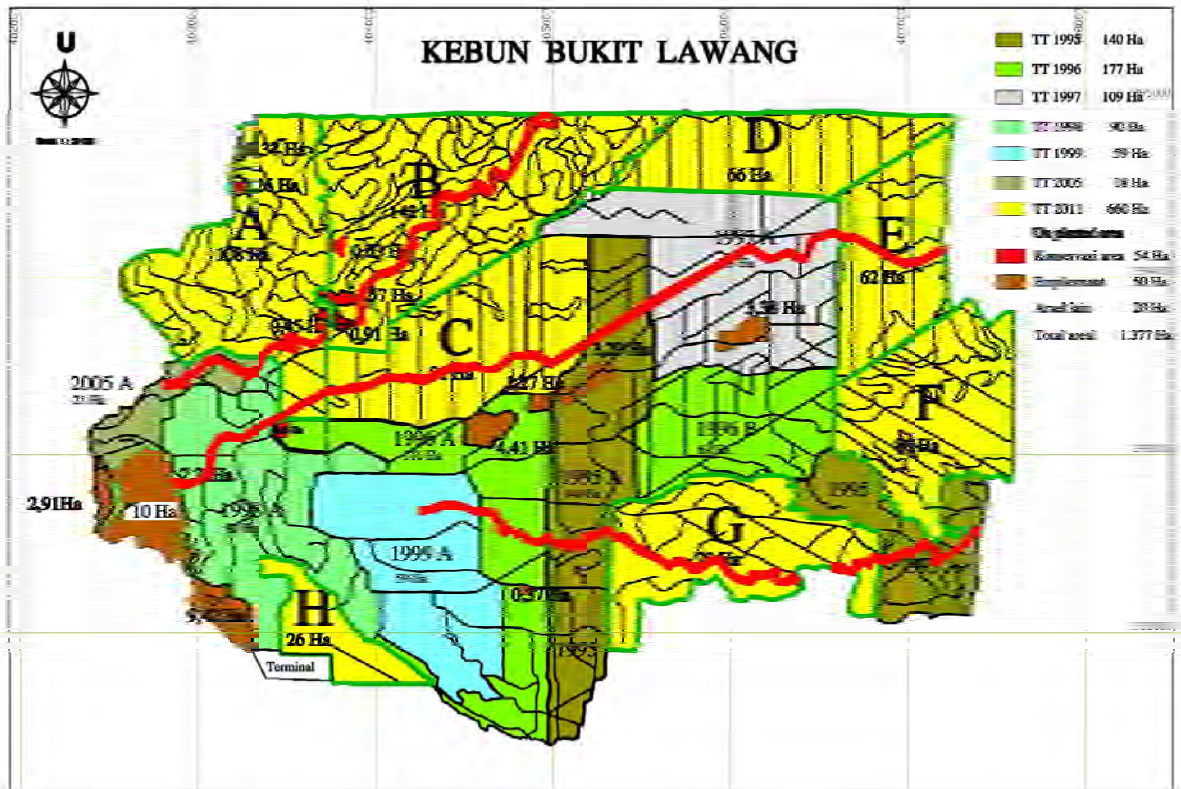


Figure 4. Operational Map of Gohor Lama Estate

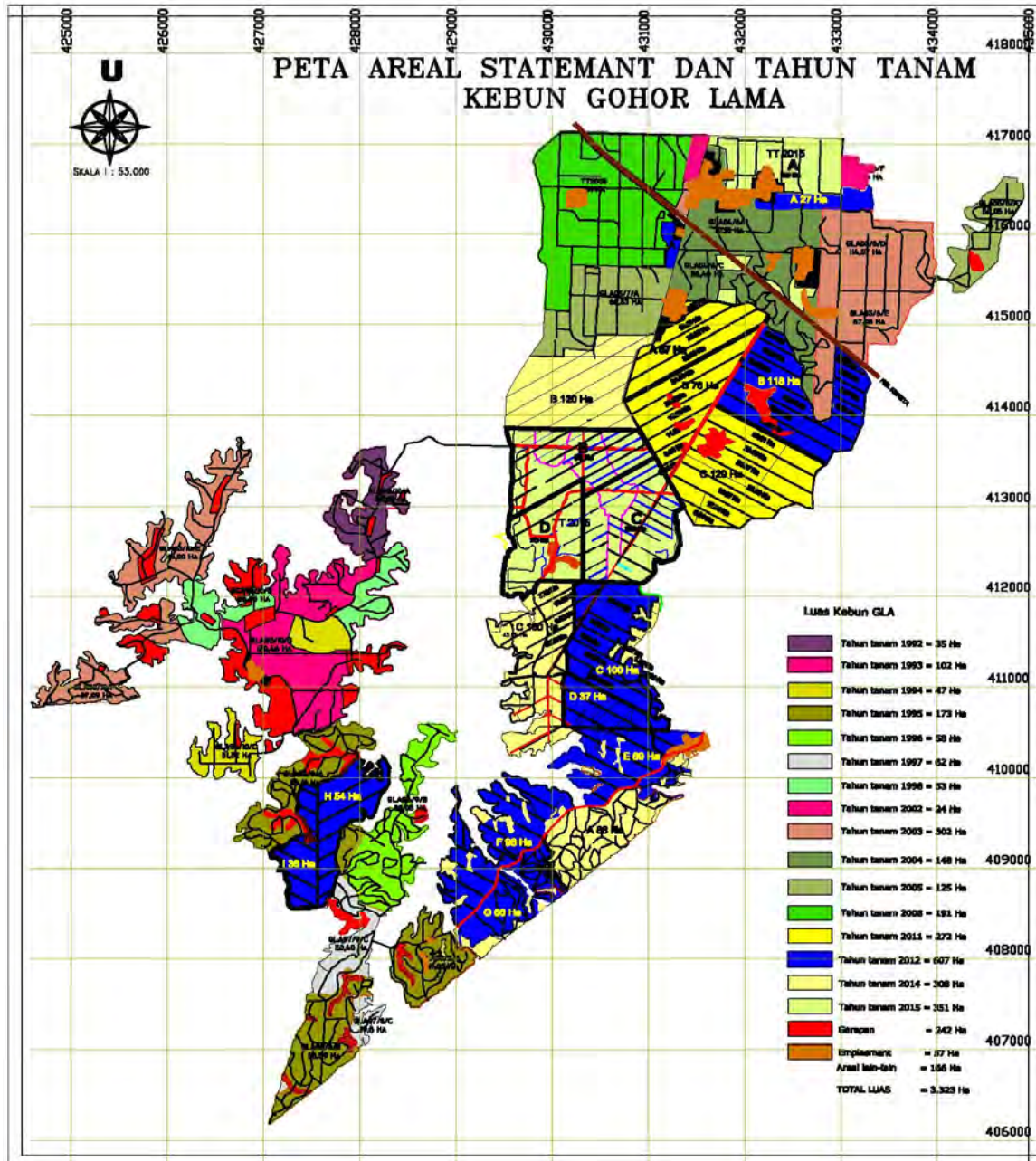


Figure 5. Operational Map of Bekiun Estate

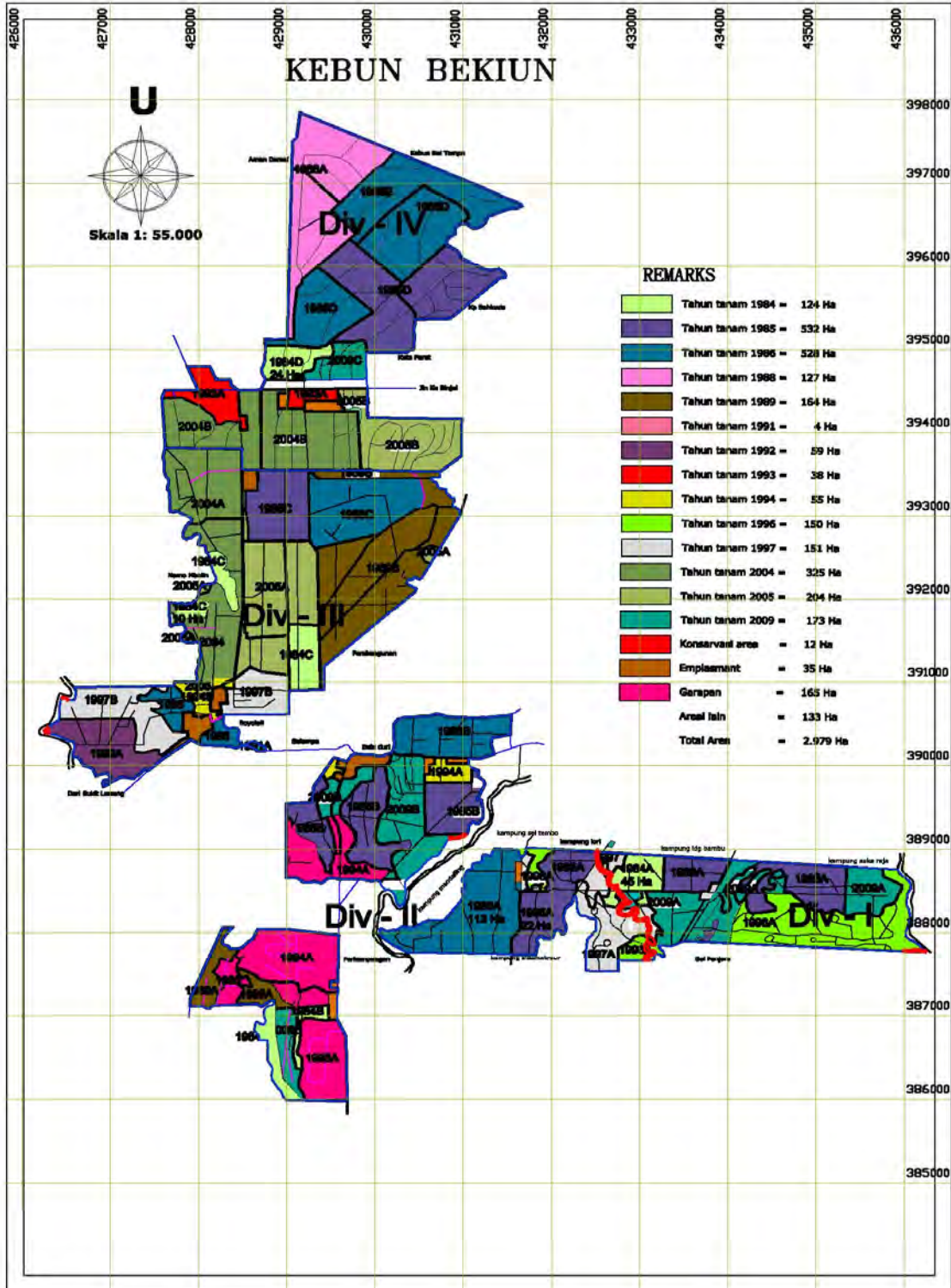


Figure 6. Operational Map of Maryke Estate

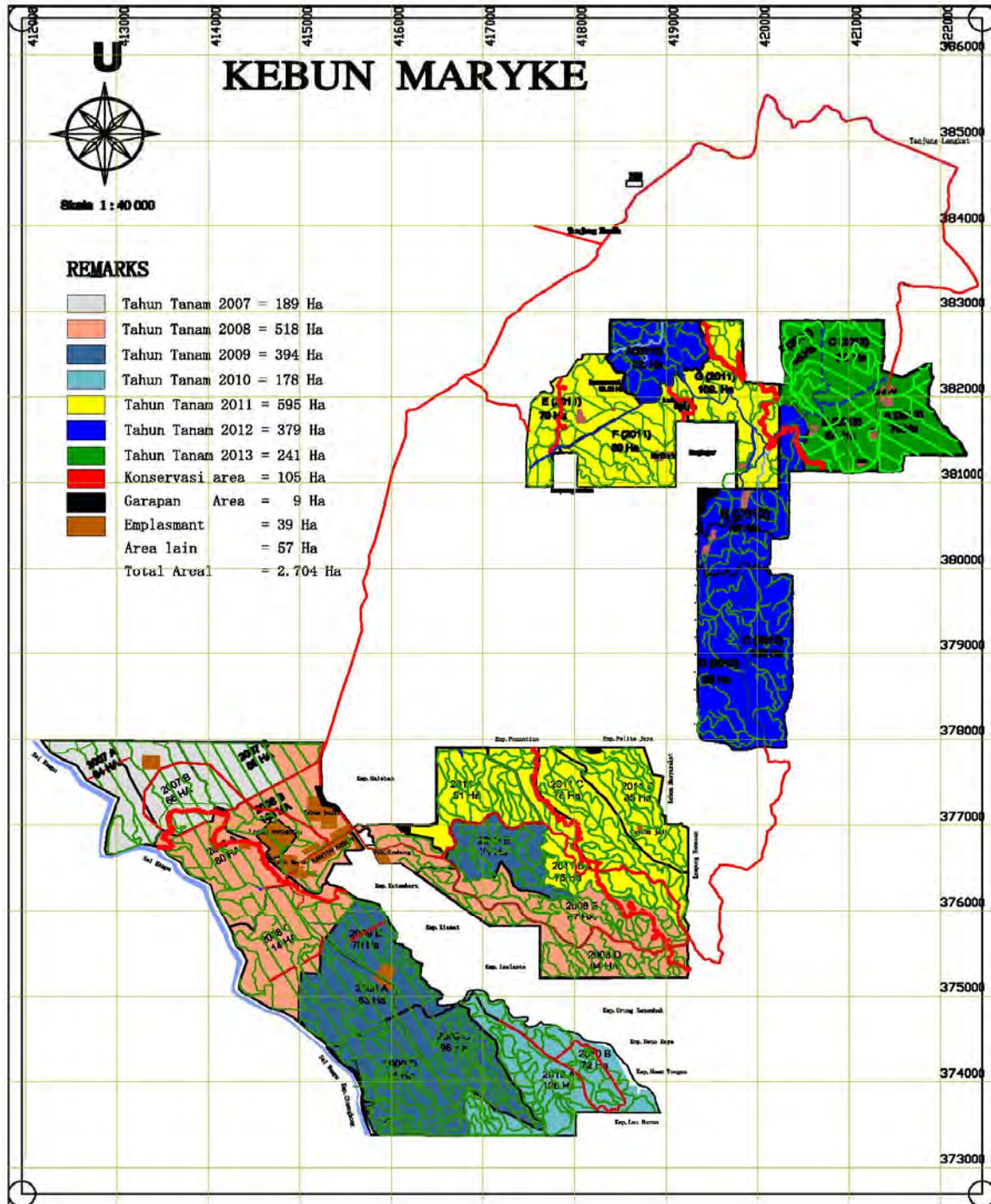


Figure 7. Operational Map of Padang Brahrang Estate

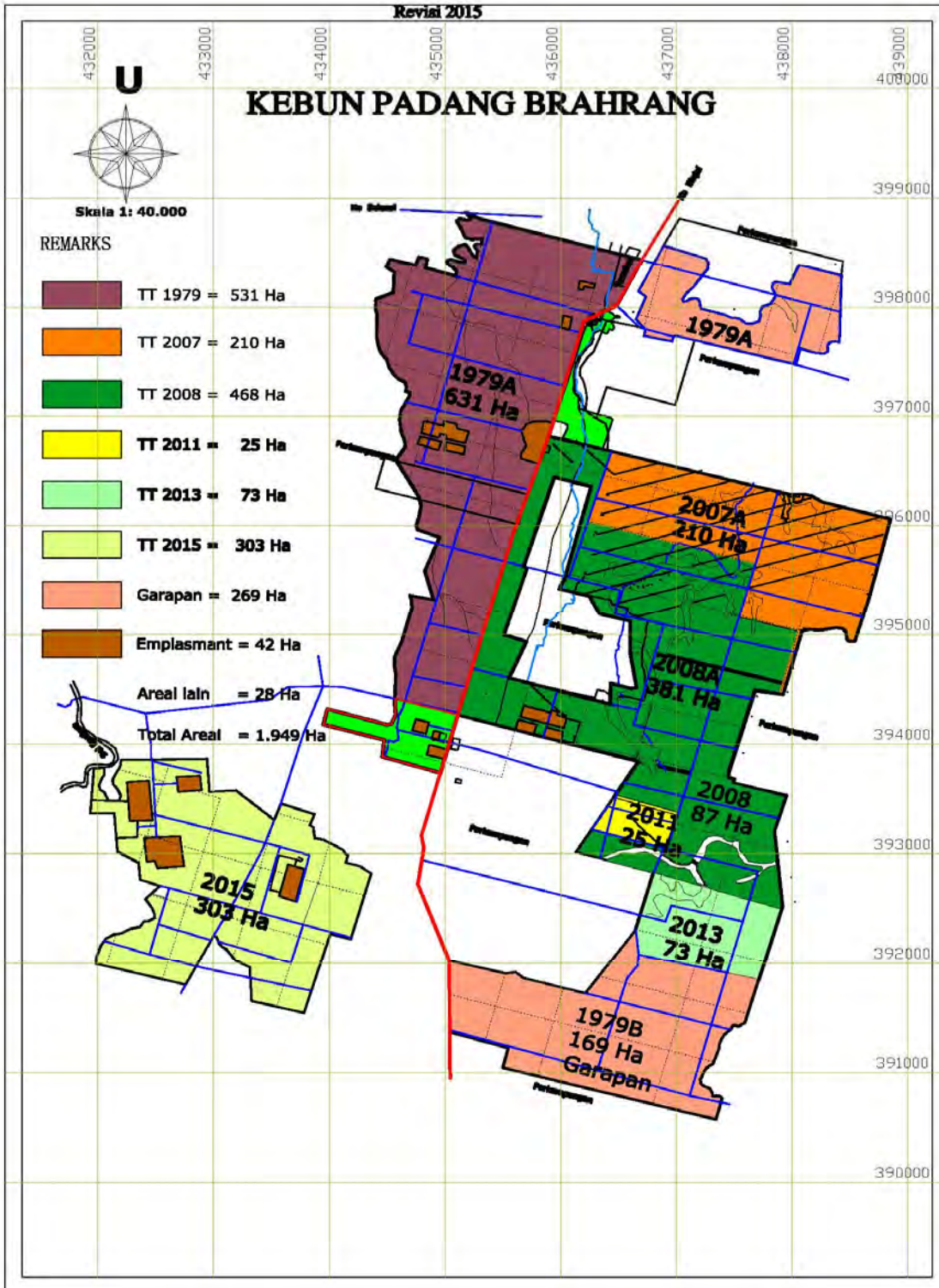


Figure 8. Operational Map of Tanjung Keliling Estate

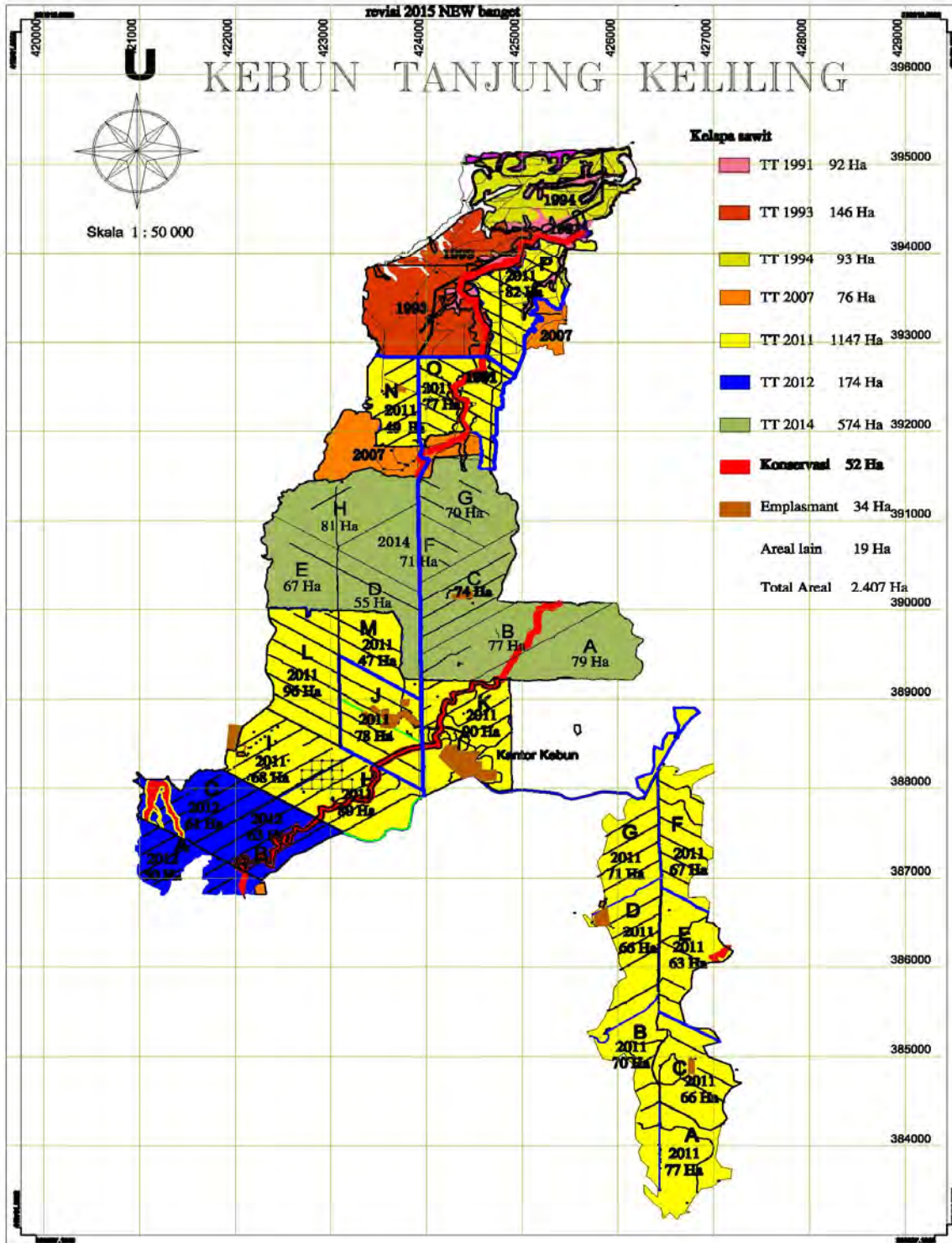
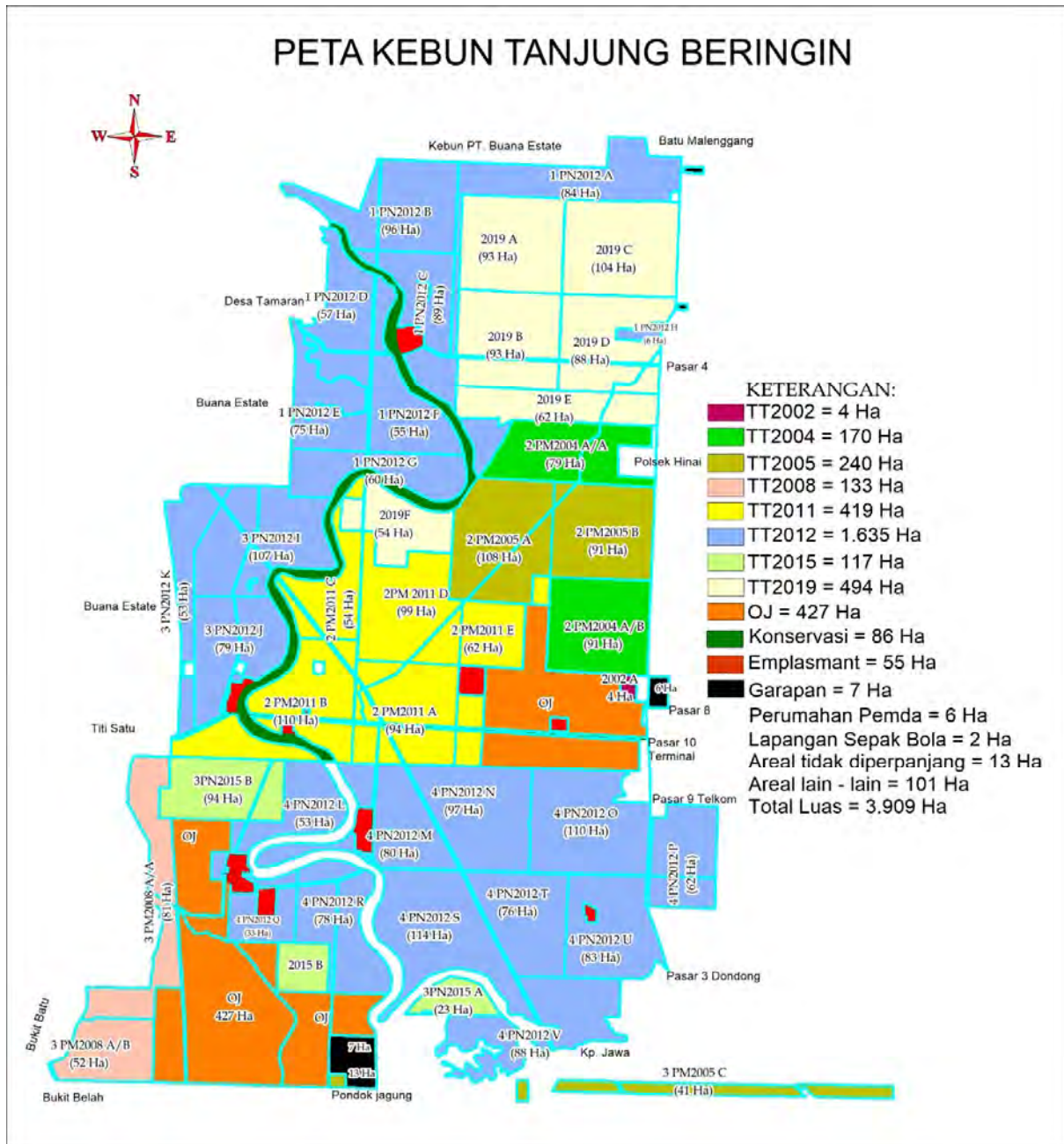


Figure 9. Operational Map of Tanjung Beringin Estate



Abbreviations Used

AKAD	:	Interregional Workforce
ALS	:	Assessor Lisence Scheme
APAR	:	<i>Alat Pemadam Api Ringan</i> (Fire Extinguisher)
ASA	:	Annual Surveillance Assessment
BOD	:	Biological Oxygen Demand
BPN	:	<i>Badan Pertanahan Nasional</i> (National Land Agency)
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> (sosial insurance)
CH	:	Certificate Holder
CPO	:	Crude Palm Oil
CSPK	:	Crude Sustainable Palm Kernel
CSPO	:	Crude Sustainable Palm Oil
CSR	:	Coorporate Social Responsibility
FFA	:	Free Fatty Acid
EFB	:	Empty Fruit Bunch
EFS	:	Encrypting File System
FFB	:	Fresh Fruit Bunch
GLA	:	Gohor Lama
GM	:	General Manager
HGU	:	Hak Guna Usaha (Land Tenure)
HIRAC	:	Hazard Identification Risk Assessment and Control
HRD	:	Human Resources Department
HCV	:	High Conservation Value
IPM	:	Integrated Pest Management
IUP	:	Plantation permit (Izin Usaha Perkebunan)
KER	:	Kernel Extraction Rate (Rendemen Kernel Kelapa Sawit)
KLK	:	Kuala Lumpur Kepong
LCC	:	Legume Cover Corps
LD	:	Lethal Dosage
LNK	:	Langkat Nusantara Kepong
MCU	:	Medical Check Up
MSDS	:	Material safety data sheet
NCR	:	Nonconformity Report
NGO	:	Non Government Organization
OER	:	Oil Extraction Rate (Rendemen Minyak Kelapa Sawit)
OHS	:	Occupational Health and Safety
OFI	:	Opportunity for Improvement
PIC	:	Personel In Charge
PK	:	Palm Kernel
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
P&C	:	Principle and Criteria
PPE	:	Personal Protective Equipment
PTPN	:	<i>PT Perkebunan Nusantara</i>
RSPO	:	Roundtable on Sustainable Palm Oil
RTE	:	Rare, Threatened, Endangered
SCCS	:	Supply Chain Certification System
SIA	:	Social Impact Assessment

SOP	:	Standard Operating System
SPSI	:	<i>Serikat Pekerja Seluruh Indonesia</i> (Indonesian Trade Union)
SBSI	:	<i>Serikat Buruh Seluruh Indonesia</i> (Indonesian Worker Union)
ST-2	:	Stage-2 Assessment/Audit
TPS	:	<i>Tempat Penyimpanan Sementara</i> (Hazardous Scheduled Storage)
UKL/UPL	:	<i>Upaya Kelola Lingkungan / Upaya Pemantauan Lingkungan</i> (environment management and monitoring)
UMSK	:	<i>Upah Minimum Sektor Kabupaten</i> (Region Minimum Wages)
WHO	:	World Health Organization
WLTK	:	<i>Wajib Laporkan Tenaga Kerja</i> (Labour Report)
WTP	:	Water Treatment Plant
WWTP	:	Waste-water Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> • RSP0 Certification Systems for Principles & Criteria June 2017. Endorsed by the RSP0 Board of Governors on 14th of June 2017. • RSP0 Principles & Criteria for the Production of Sustainable Palm Oil 2018. Endorsed by the RSP0 Board of Governors and adopted at 15th Annual General Assembly by RSP0 Members on 15 November, 2018. 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT Langkat Nusantara Kepong - Kuala Lumpur Kepong Bhd	
1.2.2	Contact person	Stephen Tiong Mee Ing	
1.2.3	Organisation address and site address	RSP0 registered Company Wisma Taiko, No 1 Jalan SP Seenivasagam Ipoh/Perak Darul Ridzuan, Malaysia 30000 Liaison Office: Komplek Kantor Direksi PTPN II Jl. Medan – Tanjung Korawa KM 17.5 Medan, Sumatera Utara 20362	
1.2.4	Telephone	061 – 7720 0717 / 794 0229	
1.2.5	Fax	061 – 794 7412	
1.2.6	E-mail	mi.tiong@klk.com.my	
1.2.7	Web page address	www.klk.co.id	
1.2.8	Management Representative who completed the application for certification	Stephen Tiong Mee Ing	
1.2.9	Registered as RSP0 member	18 October 2004 Registration Number 1-0014-04-000-00	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	One (1) palm oil mill (Stabat POM) supplied by seven (8) estates: Stabat POM, Gohor Lama Estate, Bekiun Estate, Basilam Estate, Tanjung Keliling Estate, Bukit Lawang Estate, Padang Brahrang Estate, Maryke Estate, Tanjung Beringin Estate.	
1.3.2	Type of certificate	<i>Single</i>	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude
			Longitude
	Stabat POM	Gohor Lama Village, Wampu Sub District, Langkat District, Sumatera Utara Province, Indonesia	03° 45' 35" N
			98° 23' 35" E

1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude
	Padang Brahrang	Padang Brahrang Village, Selesai Sub District, Langkat District, Sumatera Utara Province, Indonesia	03° 35' 20" N 98° 25' 20" E
	Bekiun	Bekiun Village, Kuala Sub-district, Langkat District, Sumatera Utara Province, Indonesia	03° 31' 42" N 98° 21' 03" E
	Tanjung Keliling	Tanjung Keliling Village, Salapian Sub District, Langkat District, Sumatera Utara Province, Indonesia	03° 30' 46" N 98° 19' 08" E
	Maryke	Maryke Village, Salapian Sub District, Langkat District, Sumatera Utara Province, Indonesia	03° 24' 29" N 98° 14' 16" E
	Gohor Lama	Gohor Lama Village, Wampu Sub District, Langkat District, Sumatera Utara Province, Indonesia	03° 46' 02" N 98° 23' 08" E
	Basilam	Basilam Village, Wampu Sub District, Langkat District, Sumatera Utara Province, Indonesia	03° 40' 15" N 98° 18' 01" E
	Bukit Lawang	Bukit Lawang Village, Bahorok Sub District, Langkat District, Sumatera Utara Province, Indonesia	03° 32' 50" N 98° 07' 40" E
	Tanjung Beringin	Gohor Lama Village, Wampu Sub District, Langkat District, Sumatera Utara Province, Indonesia	03° 47' 28" N 98° 23' 17" E
1.5	Description of Area Statement		
1.5.1	Tenure		
	• State		21,344.00 Ha
	• Community		- Ha
1.5.2	Area Statement		
	• Total area		21,344.00 Ha
	• Mature area		16,383.00 Ha
	• Immature area		2,874.00 Ha
	• Mill		37.00 Ha
	• HCV		240.58 Ha
	• Occupied by government		26.00 Ha
	• Emplacement		344.00 Ha
	• Road		720.00 Ha
	• Football Field		2.00 Ha
	• Replanting area		427.00 Ha
	• Research and plot area		115.00 Ha
	• Reserve area		7.00 Ha
	• Occupation by community in Tanjung Beringing Estate		13.00 Ha
	• Nursery		43.00 Ha

• conservation area/river	112.42 Ha
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There is an area of 391 ha which is still in the process of completing the area under cultivation by the community that will be taken back by the certificate holder and is currently included in the planting area.

1.6 Planting Year and Cycles (Inc. Extension Scope Tanjung Beringin)

1.6.1 Age profile of planting year

Planting Year	Hectarage (Ha)							
	Padang Brahrang	Bekiun	Tanjung Keliling	Maryke	Bukit Lawang	Gohor Lama	Basilam	Tanjung Beringin
MATURE								
1979	240	-	-	-	-	-	-	-
1984	-	82	-	-	-	-	-	-
1985	-	341	-	-	-	-	-	-
1986	-	408	-	-	-	-	-	-
1988	-	135	-	-	-	-	-	-
1989	-	138	-	-	-	-	-	-
1991	-	-	91	-	-	-	-	-
1993	-	40	141	-	-	-	-	-
1994	-	96	103	-	-	-	-	-
1995	-	56	-	-	145	-	-	-
1996	-	-	-	-	180	-	-	-
1997	-	36	-	-	108	-	-	-
1998	-	-	-	-	109	-	-	-
1999	-	-	-	-	58	-	-	-
2000	-	-	-	-	-	-	-	-
2001	-	-	-	-	-	-	101	-
2002	-	-	-	-	-	24	-	4
2003	-	-	-	-	-	241	179	-
2004	-	319	-	-	-	147	-	170
2005	-	207	-	-	16	122	-	240
2007	207	-	82	188	-	-	-	-
2008	444	-	-	523	-	197	-	133
2009	-	136	-	415	-	-	-	-
2010	-	-	-	160	-	-	-	-
2011	-	-	1,083	598	664	272	1,360	419
2012	-	-	168	362	-	605	187	1,635
2013	73	-	-	215	-	-	-	-
2014	-	-	446	-	-	307	745	-
2015	281	-	-	-	-	84	-	117
Sub total	1,245	1,994	2,114	2,461	1,280	1,999	2,572	2,718

IMMATURE									
2015	-	-	-	-	-	267	-	-	
2016	111	144	-	-	-	-	-	-	
2017	48	-	-	-	-	541	-	-	
2018	-	300	-	-	-	263	-	-	
2019	443	263	-	-	-	-	-	494	
Sub Total	602	707	-	-	-	1,071	-	494	
TOTAL	1,847	2,701	2,114	2,461	1,280	3,070	2,572	3,212	
1.6.2	New Planting area after January 2010		-						Ha
1.6.3	Planting Cycle		2 nd Cycle						
1.7	Description of Mill and Supply Base								
1.7.1	Description of Mill								
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel			
Out put (tonnes)				Extraction (%)	Out put (tonnes)	Extraction (%)			
	Stabat POM	70	287,739.50	68,974.60	23.97	10,805.87	3.76		
	<i>*Production data source from July 2018 to June 2019</i> <i>Note. The differences of FFB processed and FFB production is due to unripe in previous date.</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)						%			
	Padang Brahrang	1,949	1,847	16,120.56	8.73	16,120.56	100		
	Bekiun	2,979	2,701	12,205.60	4.52	12,205.60	100		
	Tanjung Keliling	2,406	2,114	19,536.68	9.24	19,536.68	100		
	Maryke	2,704	2,461	40,695.38	16.54	40,695.38	100		
	Bukit Lawang	1,377	1,280	22,871.28	17.87	22,871.28	100		
	Gohor Lama	3,323	3,070	42,182.43	13.74	42,182.43	100		
	Basilam	2,679	2,572	60,509.35	23.53	60,509.35	100		
	Tanjung Beringin	3,909	3,212	73,788.82	22.97	73,788.82	100		
	TOTAL	21,384	19,257	287,910.10	14.95	287,910.10	100		
	<i>*Production data source from July 2018 to June 2019</i>								
1.7.3	FFB description from other source								
	Name of	Type of Organisation	number of	Production Area	Supplied to Mill				

sources/Organisation (RSPO certified / non-certified)		smallholders	(Ha)	FFB (tonnes/year)				
-	-	-	-	-				
TOTAL								
<i>*Source Production Data on July 2018 to June 2019</i>								
1.7.4	Product categories	FFB, CPO, PK						
1.8	Tonnage of Product							
1.8.1	Past Annual Claim Certified Product	Previous Certificate Claim (tonnes/year)	Actual certified product (tonnes/year)					
	• FFB Production	292,605	214,121.28					
	• CPO Production	70,550	51,374.19					
	• Palm Kernel (PK) Production	10,795	8,043.82					
1.8.2	Product selling							
	Tonnage of selling product	Period of actual selling product for last year						
	• CSPO sold as RSPO certified product	26,603.48						
	• CSPK sold as RSPO certified product	694.60						
	• CSPO sold under other scheme	0						
	• CSPK sold under other scheme	0						
	• CSPO sold as conventional	19,765.35						
	• CSPK sold as conventional	7,062.59						
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)		
MB				IP				
	Padang Brahrang*	1,949	1,847	12,180	8,120	10.99		
	Bekiun*	2,979	2,701	9,720	6,480	5.99		
	Tanjung Keliling*	2,406	2,114	13,950	9,300	10.99		
	Maryke*	2,704	2,461	28,080	18,720	19.02		
	Bukit Lawang*	1,377	1,280	15,360	10,240	20.00		
	Gohor Lama*	3,323	3,070	27,630	18,420	15.00		
	Basilam*	2,679	2,572	38,580	25,720	25.00		
	Tanjung Beringin**	3,909	3,212	9,636	6,424	5.00		
	TOTAL	21,384	19,257	155,136	103,424	12.50		
	<i>*Projected FFB production for 04 August 2019 to 03 August 2020</i>							
	<i>**Projected FFB production for 13 March 2020 to 3 August 2020 (Extension scope)</i>							
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 (%)		
	Stabat POM	70	155,136	37,200	24.00	6,300	4.00	MB
			103,424	24,800		4,200		IP

<i>*Projected CSPO and CSPK production for 04 August 2019 to 03 August 2020</i>							
1.9	Other Certifications						
	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					
INDONESIA							
	Berau POM PT Hutan Hujan Mas	2018	Sungai Melemah (PT MP)	2018	Berau, Kalimantan Timur	IC	
			Sungai Atap (PT MP)	2018		IC	
			Sungai Segah (PT HHM)	2018		IC	
			Sungai Pura (PT HHM)	2018		IC	
			Sumbarata (PT SSD)	2018		IC	
	Jabontara POM PT Jabontara Eka Karsa	2017	Sungai Raya	2017	Berau, Kalimantan Timur	Certified	
			Sungai Jantui	2017		Certified	
	MAP POM PT Mulia Agro Permai	2018	Menteng Jaya Sawit Perdana	2018	Mentaya Hilir Utara, Kalimantan Tengah	IC	
			MAP Barat (PT MAP)	2018		Baamang, Kalimantan Tengah	IC
			MAP Timur (PT MAP)	2018		IC	
	KMA POM PT Karya Makmur Abadi	2017	KMA Utara	2018	Mentaya Hulu, Kalimantan Tengah	IC	
			KMA Tengah	2018		IC	
			KMA Selatan	2018		IC	
	SWP POM PT Steelindo Wahana Perkasa	2012	Barat	2012	Belitung, Bangka Belitung	Certified	
			Utara	2012		Certified	
			Timur	2012		Certified	
			Selatan	2012		Certified	
	Parit Sembada POM PT Parit Sembada	2013	Parit Sembada	2013	Belitung, Bangka Belitung	Certified	
			Alam Karya Sejahtera	2013		Certified	
	Mandau POM PT ADEI	2012	Kebun Mandau Selatan 1	2012	Bengkalis, Riau	Certified	
			Kebun Mandau Selatan 2	2012		Certified	
			Kebun Mandau Selatan 3	2012		Certified	
			Kebun Mandau Selatan 4	2012		Certified	
			Kebun Mandau Utara 5	2012		Certified	
			Kebun Mandau Utara 6	2012		Certified	
			Kebun Mandau Utara 7	2012		Certified	
	Nilo POM 1 PT ADEI	2012	Nilo Barat 1	2012	Pelalawan, Riau	Certified	
			Nilo Barat 2	2012		Certified	
			Kop Petani Sejahtera (KKPA)	2018		-	

			Kop Karya Mitra (KKPA)	2018		-	
			Kop Tani Harapan Maju (KKPA)	2018		-	
			PT Safari Riau	2018		Certified	
			KKPA PT Safari Riau	2018		-	
			KTA Safari	2018		-	
	Nilo POM 2 PT ADEI	2012	Nilo Timur 1	2012	Pelalawan, Riau	Certified	
			Nilo Timur 2	2012		Certified	
			KKPA SP 1 (PT SWP)	2018		Certified	
			KKPA SP 2 (PT SWP)	2018		Certified	
			KKPA Sungai Buluh (PT SWP)	2018		Certified	
			Ladang Mutiara (PT SWP)	2018		Certified	
	Tapung Kanan POM PT Sekarbumi Alamlestari	2012	Tapung Kanan 1	2012	Kampar, Riau	Certified	
			Tapung Kanan 2	2012		Certified	
			Tapung Kanan 3	2012		Certified	
			KKPA (Kopni Sahabat Lestari)	2016		Refuse to take a part RSPO process.	
	Stabat POM PT Langkat Nusantara Kepong	2014	Basilam	2017	Langkat, Sumatera Utara	Certified	
			Gohor Lama	2017		Certified	
			Tanjung Keliling	2017		Certified	
			Maryke	2017		Certified	
			Bekiun	2017		Certified	
			Padang Brahrang	2017		Certified	
			Bukit Lawang	2017		Certified	
			Tanjung Beringin	2019		IC	
	Padang Brahrang POM PT Langkat Nusantara Kepong	2014	Sudah tidak beroperasi				
PENINSULAR MALAYSIA							
	Batu Lintang POM	2013	Pelam	2013	Kulim, Kedah	Certified	
			Batu Lintang	2013	Serdang, Kedah	Certified	
			Subur	2013	Batu Kurau, Perak	Certified	
			Ghim Khoon	2013	Kulim, Kedah	Certified	
	Kekayaan POM	2011	Kekayaan	2011	Paloh, Johor	Certified	
			Landak	2011	Paloh, Johor	Certified	
			Voules	2011	Tenang, johor	Certified	
			Bandar Tenggara	2011	Bandar Tenggara, Johor	Certified	
			New Pogoh	2011	Tenang, johor	Certified	
			Fraser	2011	Kulai, Johor	Certified	

			Paloh	2011	Paloh, Johor	Certified
			Sungai Bekok	2011	Bekok, Johor	Certified
			Ban Heng	2011	Pagoh, Muar, Johor	Certified
			See Sun	2011	Renggam, Johor	Certified
	Paloh POM	-	Outside Crop	-	Paloh, Johor	-
	Jerang Padam POM	2012	Ayer Hitam	2012	Bahau, Negri Sembilan	Certified
			Batang Jelai	2012	Rompin, Negri Sembilan	Certified
			Jeram Padang	2012	Bahau, Negri Sembilan	Certified
			Kombok	2012	Rantau, Negri Sembilan	Certified
			Ulu Pedas	2012	Pedas, Negri Sembilan	Certified
			Gunung Pertanian	2012	Simpang Durian, Negri Sembilan	Certified
			Sungai Kawang	2012	Lanchang, Pahang	Certified
			Renjok	2012	Telemong, Pahang	Certified
			Tuan	2012	Telemong, Pahang	Certified
	Tanjung Malim POM	2013	Tanjung Malim	2013	Tanjung Malim, Perak	Certified
			Kerling	2013	Kerling, Selangor	Certified
			Sungai Gapi	2013	Serendah, Selangor	Certified
			Bukit Kato	2013	-	Certified
			Kampar	2013	-	Certified
	Tuan Mee POM	2013	Tuan Mee	2013	Sungai Buloh, Selangor	Certified
	Kuala Pertang POM	2013	Kerila	2013	Tanah merah, Kelantan	Certified
			Pasir Gajah	2013	Kuala Krai, Kelantan	Certified
			Sungai Sokor	2013	Tanah Merah, Kelantan	Certified
	Changkat Chermin POM	2013	Lekir	2013	Batu 12, 32020 Sitiawan, Perak	Certified
			Changkat Chermin	2013	Batu 13 ½, 32400, Ayer Tawar, Perak	Certified
			Raja Hitam	2013	Bt 18, Kg Jering, 32400 Ayer Tawar, Perak	Certified
			Allagar	2013	Ladang Allagar, 34800 Trong, Perak.	Certified
			Glenealy	2013	Jalan Si Putih – Batu Hampar, 32800 Parit, Perak	Certified
			Serapoh	2013	Ladang Serapoh, 32800 Parit, Perak	Certified
			Kuala Kangsar	2013	Ladang Kuala Kangsar, 33700 Padang Rengas, Perak	Certified
			Pinji	2013	Ladang Pinji, P.O.Box 1027, 30820 Ipoh, Perak	Certified
			Batu Dua	2013	Ladang Batu Dua, P.O.Box 1027, 30820 Ipoh, Perak	Certified
			Menglembu	2013	Ladang Menglembu d/k No. 1, Hala Kledang 4, Taman Kledang, 31450 Menglembu, Perak	Certified

			Kampar	2013	Peti Surat 20, 31907, Kampar, Perak.	Certified
			Subur	2013	34520, Batu Kurau, Perak	Certified
			Bukit Kartho	2013	Ladang Bukit Katho, 35500 Bidor, Perak.	Certified
SABAH, MALAYSIA						
	Mill 1	2009	Jatika	2009	Tawau, Sabah	Certified
			Sigalong	2009		Certified
			Pangeran	2009		Certified
			Sri Kunak	2009		Certified
			Pang Burong	2009		Certified
	Mill 1	-	Outside crop	-	-	-
	Pinang	2009	Pinang	2009	Tawau, Sabah	Certified
			Tundong	2009		Certified
			Ringlet	2009		Certified
	Lungmanis	2010	Lungmanis	2010	Lahad Datu, Sabah	Certified
			Sungai Silabukan	2010		Certified
	Rimmer	2010	Rimmer	2010	Lahad Datu, Sabah	Certified
			Tungku	2010		Certified
			Bukit Tabin	2010		Certified
	Bornion	2010	Bornion	2010	Kinabatangan, Sabah	Certified
			Segar Usaha	2010		Certified
<p>Partial audit with scopes audit of KKPA Batang Nilo Kecil, KKPA Telayap and KKPA Sering, it is known that some areas of cooperatives do not have legality, among others:</p> <ul style="list-style-type: none"> • KKPA Batang Nilo Kecil (300 members): No evidence of land legality ownership for 300 members (still in process) • KKPA Sering (50 members): 46 people have land legality ownership (Certificate of Ownership), but there are 4 persons who have not been able to show land legality ownership (still in process) • KKPA Telayap (465 members): 450 people already have land legality ownership, but there are 15 people who have not been able to show land legality ownership. <p>In addition, KKPA Telayap also has internal problems between the board and members of the cooperative, so it has not been able to follow the RSPO certification process.</p> <p>The Company has shown the RSPO Certification Socialization News Report for KKPA / Plasma on December 15, 2017 attended by KKPA Batang Nilo Kecil (Petani Sejahtera cooperative), KKPA Sering (Karya Mitra cooperative), PT Safari Riau, KKPA Telayap, KKPA Safari Riau (Terantang Manuk cooperative) and Pelalawan District Agency. The results of the RSPO certification consultation meeting to the KKPA/Plasma only agree to be audited after all legality is available.</p> <p>The company also shows the Licensing Monitoring document with the following details:</p>						
No	Estate	Cooperative Name	Number of Members	SHM	STDB	Supply to Mill
1	KKPA Batang Nilo Kecil	Petani Sejahtera	300	Available: 264 Not available yet: 36	Available: 300	NPOM1
2	KKPA Sering	Karya Mitra	50	Available: 46 Not available yet: 4	Available: 50	NPOM1

	3	KKPA Telayap	Harapan Maju	465	Available: 450 Not available yet: 15	Not available yet: 465	NPOM1
	4	KKPA TERANTANG MANUK (KKPA Safari Riau)	Terantang Jaya Mandiri	325	Available: 315 Not available yet: 10	Available: 315 Not available yet: 10	NPOM1
	5	PT. SAFARI RIAU	Total area of 5,348 Ha for PT Safari Riau, has have HGU of 2,500 Ha and area of 2,848 Ha is still in the process of HGU.				
<p>Based on the above explanation, it is known that there are still problems of legality on KKPA Batang Nilo Kecil, KKPA Sering, KKPA Telayap, KKPA Safari Riau and PT Safari Riau, so it has not been able to follow RSPO certification process.</p>							
1.10.2	Progress of Associated Smallholders and Out growers for Certifiable Standard						
	There is no smallholder in this certification scope						

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-2	<ol style="list-style-type: none"> 1. Sandra Purba (Lead Auditor). Graduated from Forestry Faculty Bachelor Degree, majored in Forest Product Technology. Have experience working in industrial forest company, mining and oil palm plantations company for 6 (six) years as EHS and Sustainability Assistant. Has been certified as General OHS Expert, attend and passed the several trainings of management system (OHS, environment and quality management), has been attend the training of waste management, GHG verification and validator training, and conflict resolution and mapping training. Have been successfully passed the Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course, RSPO lead auditor training course and auditor of RSPO Next, SCCS LAT and SA8000. Involve in many audit activities of similar scheme (ISPO and MSPO) since April 2013 covering the Legal Aspect, Environmental aspect, Social Aspect, Health and Safety Aspect, conservation and Worker Welfare. During this audit, she assigned to verify legal aspect land dispute, and HCV. 2. Rizliani Aprianita Hasibuan (Auditor). Indonesian Citizen. Bachelor and Magister of Agribusiness, Faculty of Agriculture. She had followed training such as RSPO Lead Auditor Training, lead Auditor ISO 9001:2008, ISO 14001:2004, ISPO Auditor training and followed several IHT related to environment, BMP etc. She has been involved in several audit activities related to sustainable palm oil certification since 2015 covering social aspect, health and safety aspect, worker welfare and waste management aspect. During the assessment she assigned to verified transparency, environment and SCCS. 3. Briyogi Shadiwa (Auditor). Indonesian citizens. Diploma 3 of Oil Palm Plantation. He has 7 years working experience since 2009 as Agronomy Assistant and Agronomy Quality Control in several private oil palm plantation companies in Indonesia. The training has been followed include: Training ISPO Auditor, Awareness RSPO, Lead auditor ISO 9001: 2015, Awareness SMK3, Lead Auditor ISO 14001: 2015, Awareness OHSAS 18001: 2007 and OHS Expert. During this audit, he assigned to verify worker welfare and transparency. 4. Andreas Budi Rahutomo (Auditor). Indonesian citizen, Bachelor of Forestry, Gadjah Mada University. Have at least 2 years of experience in forestry and climate change issue including REDD+, and over 5 years of experience in sustainability certification of forestry and palm oil operations. Trainings attended are ISPO Auditor, ISO 9001:2015, ISO 19011:2011, RSPO Lead Auditor, IFCC Auditor, FSC FM Auditor, RSPO SCC Auditor, and GRI Sustainability Reporting. During this audit he performs the assessment in best practices management. 5. Afiffuddin (Auditor Trainee). Indonesian citizen, Diploma III majoring Palm Oil Plantation, Bogor Agricultural University. Five years working experience since 2010 at Oil Palm Plantation Company in Indonesia as agronomy operational staff and followed several trainings namely: Basic Plantation Management Program, Auditor Training Indonesian Sustainable Palm Oil (ISPO), Training of RSPO lead auditor, OHS General Expert, OHS System Management based on PP 50 2012 and Management System Certification (ISO 9001-2015/SNI 19011-9001:2015) ISO 17021, ISO 17065, SA 8000 training. He has been involved in several audit activities related to sustainable palm oil certification since 2016 covering Best Management Practices aspect, health and safety aspect and worker welfare aspect. During this audit, He conducted an assessment on complaint mechanism and OHS.
Ext. Scope	<ol style="list-style-type: none"> 1. Sandra Purba (Lead Auditor). Graduated from Forestry Faculty Bachelor Degree, majored in Forest Product Technology. Have experience working in industrial forest company, mining and oil palm plantations company for 6 (six) years as EHS and Sustainability Assistant. Has been certified as General OHS Expert, attend and passed the several trainings of management system (OHS, environment and quality management), has been attend the training of waste management, GHG verification and validator training, and conflict resolution and mapping training. Have been successfully passed the Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course, RSPO lead auditor training course and auditor of RSPO Next, SCCS LAT and SA8000. Involve in many audit activities of similar scheme (ISPO and MSPO) since April 2013 covering the Legal Aspect, Environmental aspect, Social Aspect, Health and Safety Aspect, conservation and Worker Welfare. During this audit, she assigned to verify legal aspect land dispute, HCV, Environment and SCCS.

2. **Rizliani Aprianita Hasibuan (Auditor)**. Indonesian Citizen. Bachelor and Magister of Agribusiness, Faculty of Agriculture. She had followed training such as RSPO Lead Auditor Training, lead Auditor ISO 9001:2008, ISO 14001:2004, ISPO Auditor training and followed several IHT related to environment, BMP etc. She has been involved in several audit activities related to sustainable palm oil certification since 2015 covering social aspect, health and safety aspect, worker welfare and waste management aspect. During the assessment she assigned to verify Worker Welfare, Social and Third parties.
3. **Briyogi Shadiwa (Auditor)**. Indonesian citizens. Diploma 3 of Oil Palm Plantation. He has 7 years working experience since 2009 as Agronomy Assistant and Agronomy Quality Control in several private oil palm plantation companies in Indonesia. The training has been followed include: Training ISPO Auditor, Awareness RSPO, Lead auditor ISO 9001: 2015, Awareness SMK3, Lead Auditor ISO 14001: 2015, Awareness OHSAS 18001: 2007 and OHS Expert. During this audit, he assigned to verify Transparency, Best Management Practice and OSH.

2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-2	Number of auditors : 4 auditor Number of days for ASA 2 at site : 5 days Number of working days for ASA 2 at site : 20 Working days
Ext. Scope	Number of auditors : 3 auditor Number of days for Ext. Scope at site : 4 days Number of working days for Ext. Scope at site : 12 Working days
2.2.2	Assessment Process
ASA-2	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Langkat Nusantara Kepong to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014, revised on 14 June 2017 (Module E for CPO Mill).</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site. Some opportunities for improvement of the results ASA 2 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-3).</p> <p>Improvement of findings from main assessment findings were observed by auditors at this ASA 2 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA 2.</p> <p>The opening meeting and closing meeting were held attends by company's MR, mill and estates managers, PSQM staff, supervisors, field assistant, head adm and document control of each units. During the closing meeting, there was an interrupted/debate from MR of PT LNK against the NCRs issued.</p> <p>The assessment program please find Appendix 2</p>
Ext. Scope	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Langkat Nusantara Kepong to the requirements of RSPO Certification Systems for Principles & Criteria June 2017. Endorsed by the RSPO Board of Governors on 14th of June 2017 & RSPO Principles & Criteria for the Production of Sustainable Palm Oil 2018. Endorsed by the RSPO Board of Governors and adopted at 15th Annual General Assembly by RSPO Members on 15 November, 2018.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site. Some opportunities for improvement of the results extension scope delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-3).</p>

Improvement of findings from extension scope findings were observed by auditors at this assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of extension scope.

The opening meeting and closing meeting were held attends by company's MR, mill and estates managers, supervisors, field assistant, head adm and document control of each units. During the closing meeting, there was no interrupted/debate from MR of PT LNK against the NCRs issued.

The assessment program please find Appendix 2

2.2.3	Locations of Assessment
ASA-2	<p>Stabat POM</p> <ul style="list-style-type: none"> • Loading Ramp. Observations and interviews with officers sorting FFB. Based on the interview, the officer can explain the criteria FFB decent though, demonstrating how sorting FFB, employment aspect, OHS aspect and working procedures specified. • Sterilizer Station. Observation and interviews with operator Sterilizer regarding employment aspect, OHS aspect and working procedures specified. • Press Station. Observation and interviews with operator Press regarding employment aspect, OHS aspect and working procedures specified. • Boiler room. Observation and interviews with Boiler operator regarding employment aspect, OHS aspect and working procedures specified. • Engine Room. Observation and interviews with engine room operator regarding employment aspect, OHS aspect and working procedures specified. • Chemical Warehouse. Observation and interviews related to chemical containers management, OHS implementation, medical check up and complaint mechanism. • Weigh Bridge Station. Observation and interview related to FFB receiving and CPO/PK delivery (SCCS implementation) and employment aspect. • Security post. Observations and interview related to receipt of FFB. • Workshop. Observation and interviews with employees related to management of hazardous waste and hazardous material, training, provision of PPE, training, emergency response facilities • WTP. Observation and interview related management of process and domestic water • Chemical storage. Observation and interview on environmental aspect, OHS implementation, management of chemical and understanding of working procedure. • WWTP. Field observations and interviews with WWTP officer about wastewater management. • Material Warehouse. Observation and Interview related to PPE stock. <p>Gohor Lama Estate</p> <ul style="list-style-type: none"> • Chemical Warehouse. Observation and interviews related to chemical and pesticide storage area, hazardous waste management, employment, and implementation OHS. • Chemical mixing area. Observation and related to OHS Implementation and hazardous waste management. • PPE Storage. Observation related to washing of working tools, PPE spray teams and used pesticide containers handling. • Rinse house for spray team. Observation and interviews related to washing of working tools, PPE spray teams and used pesticide containers handling. • Fertilizer warehouse. Observation and interviews related to hazardous management, waste management and implementation OHS. • Temporary 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. • Clinic. Observation and interviews related to hazardous waste management, employee health care, wages and employment.

- **Fire extinguisher equipment.** Observation for emergency responses and facilities of emergency responses.
- **HGU pole: BPNXLX, BPNXLVIII and BPNXLVII.** Observation related to HGU boundary.
- **Circle & Path Spraying Block 2008 B Division 2.** Observation and interview related to work technic (based on company Procedure), PPE and labor.
- **Harvesting Block 2014 B Division 2.** Observation and interview related to work technic (based on company Procedure), PPE and labor.
- **Pest Spraying Block 2014 B Division 2.** Observation and interview related to work technic (based on company Procedure), PPE and labor.
- **Housing complex.** Observation of the availability of infrastructure such as employee housing facilities, water facilities, educational facilities, religious facilities, health facilities and sports facilities.

Tanjung Keliling Estate.

- **Housing complex (Division 4).** Observation of the availability of infrastructure such as employee housing facilities, water facilities, educational facilities, religious facilities, health facilities and sports facilities
- **Landfill Blok M2011.** Observation regarding management of domestic waste.
- **HCV area, Namancin Lake (block of C20212).** Observation related to HCV management
- **Riparian of Glondang River (block of A2014).** Observation related to HCV management
- **Boundary pole No. CXV, CXVI, CXVII, CXVIII, LXII and LXIII.** Observation of availability and maintenance of boundary poles.
- **Material Warehouse.** Observation and Interview related to PPE stock.
- **Chemical storage.** Observation and interview on environmental aspect, OHS implementation, management of chemical and understanding of working procedure.
- **Fertilizer storage.** Observation and interviews related to waste management and implementation OHS
- **Workshop.** Observation and interviews related to the competence of workers, implementation OHS (including medical check up), employment, waste management and complaint mechanism.
- **Hazardous waste warehouse.** Observation and interviews related to hazardous waste management
- **Clinic.** Observation and interview with paramedic about first aid mechanism, medical waste management and work accident record monitoring.
- **Spraying House.** Observation the conditions of chemical mixing area, PPE warehouse and PPE handling.

Bekiun Estate

- **Chemical store.** Observation and interview related to OHS, employment and waste management
- **Pre-mixing area.** Observation and interview related to OHS, employment and waste management
- **Washing place and PPE space.** Observation and interview related to OHS, employment and waste management
- **Fuel tank.** Observation and interview related to OHS, employment and waste management
- **Fertilizer store.** Observation and interview related to OHS, employment and waste management
- **Clinic.** Observation and interview related to OHS, employment and waste management
- **Landfill.** Observation waste management
- **Housing complex of Division 2.** Observation and interview workers facility, employment and domestic waste
- **Boundary pole No. 38, 44, 42, 43, 39, 40 and XCVII.** Observation of availability and maintenance of boundary poles.
- **HCV Area.** Observation of existing and maintenance of HCV area.

Public Consultation

- **Man Power Agency**
- **Environment Agency**
- **Labor Unions**
- **Gender Committee**

	<ul style="list-style-type: none"> • Community representative (Head of Padang Brahrang village, Secretary of Bukit Melintang Village and Head of sub village of Perkebunan Bekiun) • Contractor (PT Genio Pratama Mandiri and PT Pratama Satya Citra) • Mill and estate workers
Ext. Scope	<p>Tanjung Beringin Estate</p> <ul style="list-style-type: none"> • Circle & Path Spraying, Block 12E Division 1. Observation and interview related to work technic (based on company Procedure), PPE and labor. • Harvesting, Block 15B Division 3. Observation and interview related to work technic (based on company Procedure), PPE and labor. • Manuring, Block 4A Division 2. Observation and interview related to work technic (based on company Procedure), PPE and labor. • Replanting, Block 2019 F Division 2. Observation related to best management practice on replanting area. • Chemical warehouse. Observation and interview related to work procedures, OHS implementation, employment and hazardous waste management. • Fertilizer warehouse. Observation and interview related to work procedures, OHS implementation, and waste management. • Fuel warehouse. Observation and interview related to OHS implementation and employment. • Material warehouse. Observation and interview related to material and PPE stock • Hazardous waste Warehouse Transit. Observation and interview related to work procedures, OHS implementation and hazardous waste management. • Chemical mixing area. Observation and related to OHS Implementation and hazardous waste management. • PPE Storage. Observation related to washing of working tools, PPE spray teams and used pesticide containers handling. • Rinse house for spray team. Observation and interviews related to washing of working tools, PPE spray teams and used pesticide containers handling. • Workshop. Observation and interviews related to the competence of workers, implementation OHS (including medical check up), employment, waste management and complaint mechanism. • Clinic. Observation and interviews related to hazardous waste management, employee health care, wages and employment. • Fire extinguisher equipment. Observation for emergency responses and facilities of emergency responses • Housing division II. Observation of the availability of infrastructure such as employee housing facilities, water facilities, educational facilities, religious facilities, health facilities and sports facilities. • Landfill block 2005A. Observation related to waste management. • HGU poles no 55 and no 35. Observation to legal boundaries, there is no overplanted. • Arable area block 2002B. Observation to dispute area (arable area) • Replanting area. Observation related to land preparation without burning • Security and weighbridge. Observation and interview related to SCCS implementation • Storage tank. Observation related to facility provided by the mill regarding to IP/MB implementation • Kernel bunker. Observation related to facility provided by the mill regarding to IP/MB implementation
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-2	<p>Consultation of stakeholders for PT. Langkat Nusantara Kepong was held by:</p> <ul style="list-style-type: none"> • Public Notification on 17 June 2019 at PT Mutuagung Lestari Website (www.mutucertification.com) on 17 June 2019 • Public consultation with government of Langkat District conducted on 2 July 2019 • Public consultation meeting with local stakeholder conducted by interview on 2 July 2019

	<ul style="list-style-type: none"> • Public consultation meeting with internal stakeholders on 2 July 2019 • Public consultation with NGO by email conducted on 20 June 2019
Ext. Scope	Consultation of stakeholders for PT. Langkat Nusantara Kepong was held by: <ul style="list-style-type: none"> • Public consultation meeting with local stakeholder conducted by interview on February 18th, 2020 • Public consultation meeting with internal stakeholders on February 18th, 2020.
2.3.2	Stakeholder contacted
	Please find appendix 1
2.4	Determining Next Assessment
	The next visit (ASA 3) will be determined after the certificate released (ASA-2)

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of LNK Stabat POM – PT. Langkat Nusantara Kepong, Kuala Lumpur Kepong Bhd operation consisting of one (1) mill and one (1) oil palm estate.

During the assessment, there were nil (0) Non conformity was assigned against Major Compliance Indicator; nil (0) non conformity was assigned against Minor Compliance Indicators; and seven (7) 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.

MUTUAGUNG LESTARI found that Stabat POM – PT. Langkat Nusantara Kepong, Kuala Lumpur Kepong Bhd complied with the requirements of Principles and Criteria for the Production of Sustainable Palm Oil 2018, endorsed by the RSPO Board of Governors and adopted at the 15th Annual General Assembly by RSPO Member on 15 November 2018 and RSPO Certification System for Principles and Criteria, 14 June 2017.

Therefore, MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is Continued

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY		
1.1 The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.		
1.1.1, 1.1.2, 1.1.4 & 1.1.5 The CH has SOP of Communication, Provision of Information, and Submission of Complaints (SOP No. 01 date 10 August 2017), as practical guidance to handle the internal and external communication related to information of RSPO, environmental, social and law. Based on these procedure, it is intended to ensure that: <ul style="list-style-type: none"> - The reference document in effective and precise time - The effective dialogue among the company, workers and another party - These procedures also were contained of communication flow chart with internal and external. - The company was stated that the deadline for respond of information request is 15 days. <p>The documents that can be accessed by the public including company policy, regional director memo's, working progress of OHS & RSPO program, OHS & RSPO related matters, crop report, insurance, agreement, details of complaints and complaints, incoming and out coming letter, continuous improvement plan, land use rights, public summary and certification assessment report, and human rights policy.</p> <p>The company shows a contact list and detailed stakeholder information in the PT Langkat Nusantara Kepong Kebun Tanjung Beringin Stakeholders Register document, which consists of: 6 Agencies, 3 Workers Organizations, 6 Service Providers / Suppliers, 3 Villages / Local Communities, 4 Contractor, and others. The document also attached with the address, name of the representative and destination number that can be contacted via telephone.</p> 1.1.3 From the results of the document review of the request for information, there was no record of requests for information from relevant stakeholders, there were only incoming letters related to requests for assistance in relation to extra fooding at the clinic on October 8, 2019. The company responded to that letter on the same date.		

Based on interview with surrounding village officials, if they need information, they will submit a letter to the company. According to them, the company always responds each letter submitted.

Status: Comply

1.2

The unit of certification commits to ethical conduct in all business operations and transactions.

1.2.1 & 1.2.2

The CH showed a KLK Business Ethics Policy approved by Chief Executive Officer/CEO on 01 Desember 2014. Besides the business ethics, the CH also makes the work ethic that governs the individual's basic attitudes and the individual's behavior inside and outside the company, besides including the prohibition of corruption, bribery and fraud also arranged on the code of conducts. That document which is available in Indonesian Language, explains fair conduct of business, and provides information in accordance with applicable laws. Dissemination of code of integrity and ethical behavior disseminated by specific socialization or morning briefing to all level of workers, or meeting with external stakeholder.

it is known that the certificate holder routinely conducts inspection or monitoring activities according to the operational procedures (including work ethic implementation) performed by Internal Audit Division, Mandau Central Laboratory (MCL), Mill Controller / Mill Advisor and Agronomist PT Applied Agricultural Resources Indonesia (PT AARI).

Based on interview with Local Contractor, Employee Cooperative, Labor Union, Gender Committee, as well as the workers in Estates, they have received information about the code of integrity, and there are no violations related to this.

Status: Comply

PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS

2.1

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

2.1.1

The company showed implementation of related laws and regulations, such as:

Employment

The minimum wage is based on the Governor of North Sumatra Decree No. 188.44 / 18 / KPTS / 2018 concerning Langkat District Sectoral Minimum Wages in 2019 amounting to Rp. 2,562,500

Best Management Practice

In term of best management practices, it was known that estate and mill management has implementing several pursuance with Indonesia laws and regulations, for example has conducting mechanical or zero burning method during land clearing, palms planted were derived from seeds (DxP) producers, recognized by the government of Indonesia. Furthermore, estate has implementing integrated pest management, biological control and only used pesticides listed on pesticide.id.

2.1.2

Based on the results of the document review and interviews with management, regarding a documented system, a mechanism to ensure compliance with the law and a system for tracking any changes in the law, it is known that there was no change from the previous assessment, which is stated in SOP No. 2 on Compliance with the Rules and Regulations dated August 10, 2017 which describes the person in charge and procedures for the Control of compliance with all applicable laws and regulations with details as follows:

- Responsible for compliance is manager / Head of Administration / sustainability coordinator.
- Responsible for monitoring changes in laws and regulations is the legal coordinator / public relations
- Responsible for evaluation of regulatory compliance is General Manager / Mill Advisor / legal coordinator / team sustainability.

The certificate holder shows the list of legal requirements listed in *Daftar Hukum dan Peraturan yang Baru* document. The document inform about all relevant laws and regulations that can be implemented on company.

The company shows the recording of internal audit activities as a document to monitor the implementation of the last procedure carried out on October 2, 2019

2.1.3

Tanjung Beringin estate has been monitored its boundary poles regularly, there was as much as 137 poles which been installed and maintained. The list contains the coordinates and photos of the current conditions. Site visits are conducted to HGU poles no 35 and no 55, observed that the poles are visible and maintained. There is no indication of planting to the legal limit.

Status: Comply

2.2

All contractors providing operational services and supplying labour, and Fresh Fruit Bunch (FFB) suppliers, comply with legal requirements.

2.2.1; 2.2.2; 2.2.3

The company has a list of contractors working with PT LNK (Tanjung Beringin Estate). The contractor list also informs the company name, agreement number, location of work, type of activity, date of contract, and validity period. There are 4 contractors, namely PT Citra Abdi Sibero (for maintenance activities), PT Stabat Maju Perkasa (for the activities of transporting kettle dust and FFB), PT Anugerah Bintang Timur (home construction), and PT Sejahtera Putra Solo (replanting). The company can show the Work Agreement with the contractor. For example: Work Agreement with PT Stabat Maju Perkasa No. 1217 / LNK-TBR / SPB / XII / 2019 dated December 27, 2019 and valid until March 31, 2020. The agreement explains the obligation to comply with the supplier / contractor's code of ethics which includes occupational safety and health, the environment, employment, governance and adherence to the code of ethics.

The third party (contractor) has been able to demonstrate the implementation of employment such as a Work Agreement between the contractor, evidence of registration of BPJS for Workers (including BPJS cards), payment of wages in accordance with minimum wages and dump truck operator certificates. The contractors (example PT Stabat Maju Perkasa and PT Citra Abdi Sibero) have been able to show list of workers' names, work agreements, wage slips, BPJS employment card, etc.

In terms of compliance with regulations by third parties, the company conducts monitoring such as agreement number, validity period of agreement, BPJS, workers' wages, etc. From the results of interviews with management, it was conveyed that monitoring of compliance with regulations to third parties has just been carried out and would be carried out regularly. In this regard, company are encouraged to reassure the mechanism for compliance with regulations by third parties. (OFI)

Status: Comply

2.3

All FFB supplies from outside the unit of certification are from legal sources.

The company (Stabat Mill) only accepts FFB originating from the nucleus estate, there's no FFB from the outside.

Status: Comply

PRINCIPLE #3 OPTIMISE PRODUCTIVITY, EFFICIENCY, POSITIVE IMPACTS AND RESILIENCE

3.1

There is an implemented management plan for the unit of certification that aims to achieve long-term economic and financial viability.

The management plan at estate level was evidenced with a document of Economic Indicators for Estate (5 Years) from 2018 – 2022 which include projected OER and KER, FFB Production, Pesticide usage, production cost projection, and revenue projection. The document consists of capital expenditure (buildings, plant and machinery, etc.), indirect cost (salaries, fees, medical, etc.), and operational cost of plantation activity.

The company also had program for replanting, but the company only has a replanting plan in 2019/2020 with the extensive planning is 427 ha.

The company evaluates annually by considering various aspects (e.g Inflation, plant age, etc.). The last annual evaluation was conducted in 2019 by the President Director of PT Langkat Nusantara Kepong.

	Status: Comply	
3.2		
The unit of certification regularly monitors and reviews their economic, social and environmental performance and develops and implements action plans that allow demonstrable continuous improvement in key operations.		
3.2.1		
Based on field observations and document verification, it is known that the Tanjung Beringin unit has carried out sustainable environmental management such as chemical waste management, domestic waste management and conservation area management.		
3.2.2		
The company in this case PT Langkat Nusantara Kepong which is a subsidiary of Kuala Lumpur Kepong Bhd has reported the development of its company in the ACOP Progress Report 2019 report which has been submitted to the RSPO secretariat and can be downloaded on the RSPO Website.		
For now, the monitoring and continuous improvement report is still waiting for the RSPO metric template.		
	Status: Comply	
3.3		
Operating procedures are appropriately documented, consistently implemented and monitored.		
3.3.1		
The certificate holder already has a estates SOP (starting from Land Clearing to Harvest) that has been documented, including in the revised SOP Sustainability document dated August 10, 2017 and authorized by the General Manager. The SOP includes major processes such as harvesting (SOP number 10), transportation (SOP number 11), fertilization (SOP number 7C), IPM (SOP number 17) and supply chain (SOPs 31 and 32).		
3.3.2 & 3.3.3		
Based on the results of document review and interviews with the management, it is known that the certificate holder routinely conducts inspection or monitoring activities according to the operational procedures performed by Internal Audit Division, Mandau Central Laboratory (MCL), Mill Controller / Mill Advisor and Agronomist PT Applied Agricultural Resources Indonesia (PT AARI). Inspections are also conducted through inspections conducted by local unit staff such as managers, assistants or supervisors (foremen) such as inspections on harvesting activities. The company has procedures related to monitoring activities for operational activities such as explained monitoring conducted by PT AARI conducted every 6 months and monitoring the quality of FFB production and citation of brondol conducted once in 4 months by MCL.		
The company shows the recording of internal audit activities as a document to monitor the implementation of the last procedure carried out on October 2, 2019. The following are the results of monitoring:		
<ul style="list-style-type: none"> • Conclusion of grading result for Tanjung Beringin Estate unit is 98.4% ripe fruit. This meets the company standards where the minimum percentage of ripe fruit is >97%. • The average percentage of numbered bunches is 96.7%, which has fulfilled the company standard of >95%. • The average quality of harvest in Tanjung Beringin Estate is 94.2%, where this has met the company standard of >90%. 		
	Status: Comply	
3.4		
A comprehensive Social and Environmental Impact Assessment (SEIA) is undertaken prior to new plantings or operations, and a social and environmental management and monitoring plan is implemented and regularly updated in ongoing operations.		
3.4.1		
Based on the results of verification of documents (environmental documents and area maps) and interviews with management, it was known that the Tanjung Beringin Estate area was previously managed by the Gohor Lama Estate, so that the Tanjung Beringin environmental documents are included in the Gohor Lama Estate environmental documents. The environmental impact analysis of the Tanjung Beringin / Gohor Lama Estate is detailed in the document:		
<ul style="list-style-type: none"> - Environmental Impact Analysis (Andal) of the Gohor Lama Oil Palm Plantation and the Processing Plant of Gohor Lama Village & RKL-RPL for an area of 6,535.56 ha with a factory capacity of 30 tons of FFB / hour according to 		

Decree of the Regent of Langkat No. 660.1-36 / PDL-LKT / XI / 2005 dated November 9, 2005 concerning the Approval of the Revised AMDAL Document for Gohor lama Plantation and Processing factory. The revision of the ANDAL has involved stakeholders such as regional development agency of Langkat, Health Agency, Plantation Agency, and National Land Agency.

- The Environmental Evaluation Document (DELH) which was ratified by the Head of the Langkat Regency Environmental Agency was legalized based on decree number 660.1245 / SEKRE.II-BLH / Year 2011 dated October 3, 2011. The scope of the document review is the activities of Converting Rubber and Cocoa Plantations into PT Langkat Nusantara Kepong Palm Oil Plantations, with a study area of 8,450 Ha (952 Ha in Gohor Lama).

The certificate holder has conducted an SIA study conducted by a consultant (Aksenta) on 30 January – 9 February 2016 and was finalized in May 2016. The certificate holder also documented records of meetings involving 125 people in the village of Tanjung Beringin, Padang Brahrang, Padang Cermin, Tanjung Keliling, Sei Prison, Maryke, Gelugur Langkat Village, Turange Village, Tanjung Keliling Plantation Village, Bukit Lawang Plantation Village, Tanjung Beringin Village, Sumber Mulyo Village, Situngkit Village, Gergas Village and Gohor Lama Village.

3.4.2; 3.4.3

Tanjung Beringin Estate has prepared a social impact management plan listed in the PT LNK's Social Impact Management and Monitoring Plan document 2019/2020 which informs: issues, impacts (positive / negative), and involved stakeholders, actions, responsible, targets and status. issues identified was included internal and external, for example:

- For arable land by carrying out a negotiations with the cultivators and involving relevant agencies and governments
- Replanting activities by submitting letters to the village regarding replanting and prohibiting the entrance of livestock into the replanting area
- The condition of employee housing that is not adequate is managed by making a improvement and repairment plan and has included in the FY19/2020 estimation.

The Environmental Impact Management and Monitoring Plan is contained in the RKL-RPL Matrix document. The matrix explains the management and monitoring plan according to the type of impact being managed and monitored. Related to this, the company shows the Report of the Implementation of RKL-RPL semester 1 of 2019 along with evidence of reporting to agencies. The management and monitoring activities that have been carried out such as:

- Management of pesticides
- Utilization of solid waste
- Planting ground cover crops to maintain soil moisture and fertility
- Monitoring flora and fauna
- Install plank warnings of important species and prohibition of hunting
- Providing information on job vacancies to the village community around the plantation by installing bulletin boards in the village head's office
- Monitoring soil quality
- Monitoring the quality of clean water in the housing
- Etc

Reviews of management plans and monitoring of social impacts have been carried out periodically, most recently conducted on June 25, 2019 involving Bukit Malenggang Village (bordering with Tanjung Beringnin Estate), in the minutes of the review there is a summary of proposals / aspirations from community representatives from each village. The results of the review have been input into the social impact management plan prepared for the 2019/2020 period. There is evidence of documentation in the form of attendance and photos of the review.

The company has also conducted a tendency evaluation, critical level and structuring evaluation for all impacts that are managed and monitored. From the results of tests / monitoring that have been carried out such as air quality and clean water quality at the housing complex, it was also known that there are no test results that exceed the quality.

Company needs to make sure RPL documents are available at the unit and ensure environmental monitoring plans (OFI)

Status: Comply

3.5

A system for managing human resources is in place.

3.5.1 & 3.5.2

The company has a recruitment procedure which is contained in SOP 29 Workers Management no. revision 4 dated revised 10 April 2019. The procedure explains the recruitment and interview / selection method, requirements for recruitment of workers, registration, direction, evaluation, monitoring and appraisal, and career paths. The procedure also describes Workers' Training, medical facilities not due to workplace accidents and others. Other labor mechanisms are regulated in the Collective Labor Agreement which explains probation (article 6), Movements (article 7), Promotion and Demotion (article 8), Termination of Employment (Article 40), etc.

Based on the verification of labor recruitment procedures documents, list of workers, and documentation of recruitment of workers, it was known that the recruitment was done directly by PT LNK (T. Beringin estate). The last recruitment was done in 2016.

The company can show records of the implementation of employment procedures, such as:

- Harvest Employee Probation Period Assessment Document 15 March 2016 No. TBR / LNK / 48 / III / 2016. From the results of the assessment, the probation workers have been appointed as permanent employees, as indicated by the Decree on the determination as permanent employees on April 1, 2016 with initial ES, EI as harvest employees.
- Promotion letter No. 90 / TBR-LNK / P / I / 2020 dated 31 January 2020 related to Transfer of Job Position / Promotion from maintenance employees to maintenance foreman as of February 1, 2020. It has also been shown the results of assessments for the workers.

The results of interviews with workers and labor unions revealed that labor procedures have been implemented by the company in accordance with applicable regulations.

Status: Comply

3.6

An occupational health and safety (H&S) plan is documented, effectively communicated and implemented.

3.6.1

The company already had OHS policy, namely Occupational Safety and Health Policy set by Group Plantation Director dated November 7, 2014 (Roy Lim Kiam Chye).

The company also presented the Hazard Identification, Risk Analysis and Risk Management documents made by the PT Langkat Nusantara Kepong plantation team (Tanjung Beringin Estate, Stabat POM) which were approved by the management leader in 2017. The document contains hazard identification, risk analysis and control risks in each estate maintenance activity (Pesticide spraying, fertilizer use, empty longitudinal application, frond pruning, etc.), harvesting activities, FFB transportation and General Activities (warehouses, workshops, employee transportation, employee housing, garbage disposal, generator sets & pumps water, and security personnel).

3.6.2

Based on the results of the document review, worker interviews and field observations, the company carries out OSH effectiveness monitoring activities, including:

- Conduct PPE checks on every morning briefing activity.
- Conduct periodic health checks for all workers and special health checks for employees who work with chemicals.
- Conduct OHS monthly meetings.
- Examination of emergency response facilities such as fire extinguisher, First Aid Box and checkpoint facilities.
- Conduct OSH-related training such as fire fighting simulation, spraying training, Hazardous waste management training to certified operator training.

Based on the results of interviews with employees during a visit to the Tanjung Beringin Estate, it is known that in general the employees have understood the OHS policy and acknowledged that they had received information related to OSH determined by the company. Related to occupational safety and health applied in the field including the use of PPE, health checks, etc.

Status: Comply

3.7

All staff, workers, Scheme Smallholders, outgrowers, and contract workers are appropriately trained.

3.7.1 & 3.7.2

The company shows a Training Program for Tanjung Beringin Estate in 2019/2020 which prepared by Sustainability Department, consisting of:

- Management of agrochemical mixing (MSDS, hazardous waste management)
- Fertilizer warehouse and agrochemical training (warehouse stock, chemical handling, OHS handling)
- Harvest Technical Training (SOP for harvesting, HIRARC, usage and violations of PPE, submitting complaints, reporting work accidents)
- Fire fighting training and the use of fire extinguisher
- Spraying technical training
- Fertilizing technical training
- IPM training
- Training of the first aid kit
- Minimum wage socialization
- Code of Conduct socialization
- Gender committee socialization
- Socialization of waste management
- Etc.

The company already has training records, such as:

- Records of formal training in the Tanjung Beringin Estate, one of which is welder training with certificate number 5/5 / AS.02.00 / VII / 2019 dated July 29, 2019.
- Fertilizing training records on 3 February 2020 to 9 fertilizer workers
- Records of spraying training on 3 January 2020 to 7 spray workers
- Record of fire emergency training and dissemination of emergency response SOPs on December 11, 2019 to 22 members.
- Records of harvest technical training on November 19, 2019 to 27 harvest workers
- Records of MSDS training, premix officers and chemical warehouses on 10 October 2019 to 3 workers.
- Etc.

The results of interviews with workers such as warehouse officer, harvesters, fertilizer workers stated that the company had provided training or socialization regarding work procedures for each worker. In addition, the results of interviews with welder officers, also conveyed that the worker has been given in welder training. The results of interviews with the contractor (PT Stabat Maju Perkasa) also conveyed that the company routinely gives socialization or training to the contractor and their workers regarding the implementation of technical work including OHS.

3.7.3

SCCS training conducted to personnel identified as critical control points, latest training was conducted on 17 Jan 2020, the material trained was the SCCS requirements, IP procedures and MB procedures. There were 11 participants consisting of assistants, grading personnel, weighbridge operators, labs officer, security and analysts.

Status: Comply

3.8

Supply Chain Requirements for Mills

3.8.1, 3.8.2

POM Stabat will implement the D (IP) and E (MB) modules in its supply chain system, currently the supply of FFB received is from 3 estates namely:

1. Gohor Lama Estate (certified)
2. Basilam Estate (certified)
3. Tanjung Beringin Estate (audited extension scope simultaneously with SCCS upgrade audit to IP)

3.8.3

The estimated data and the actual certified product for MB:

Product	Estimated in certificate + Ex volume (Ton)	Realization from July 2018 until June 30 2019 (Ton)
FFB	213,883	214,121,28

CPO	52,202	51,374.19
PK	8,231	8,043,82

Estimated IP for rest of license (March 2020 – August 2020):

FFB : 94,954 MT

CPO: 22,833 MT

PK : 4,134 MT

3.8.4

Stabat POM – PT. Langkat Nusantara Kepong, has registered in RSPO membership 1-0014-04-000-00.

Stabat POM has been registered in IT platform palm trace RSPO <https://palmtrace.rspo.org/web/rspo/member-directory> which information as follows:

- Member Name: Stabat POM – PT. Langkat Nusantara Kepong
- Account UID: RSPO_AC1000005698
- Core Product: Palm Oil
- Member ID: RSPO_PO1000005803
- Member Category: Oil Mill

The CPO sales will be verified on ASA 3.

3.8.5

The company already has a Supply Chain SOP - MB Model that has been documented with No. SOP 32 revision 2 date of revision 18 September 2019. The procedure also consist personal job description as follows :

- Definition
- FFB suppliers
- Documentation for CPO / PK certified
- Management responsibilities
- Training
- Registration of transactions
- FFB reception at security posts & weighbridge stations
- Production and Storage - Building and Storage Tank
- Sales and Delivery of products to Refinery / KCP
- Handling of products / documents that are not appropriate

The company has established the procedure for implementation of the supply chain model IP / SG in SOP 31 revision 3 dated April 18, 2018. In the SOP explained that the application of IP if the FFB received is 100% from certified sources, in case of found from an uncertified source then will be downgraded to MB (SOP 32 applied). Describes in SOP 31, official declaration from mill manager to all CCP should be made prior of upgrading from MB to IP. The Stabat POM has set a timetable for implementing MB and IP, in one year the MB will be applied from January to March, while the IP will be applied from April to December.

It was explained in the SOP that the receipt of FFB at security posts and weighbridge became a critical control point to ensure that all FFB received were from certified sources, checks through seals, DO and approved supplier lists.

In storage, special bulk silos for the IP kernel and special storage for CPO IP with 100% purity have been provided.

In the process of upgrading from MB to IP, all FFB, CPO and PK produced as MB have been completely processed and emptied, flushing across all production lines and storage tanks so that what is produced is 100% pure IP. CPO and PK generated in the flushing process are mixed to storage tanks and MB kernel bunkers. The flushing process will be carried out using a 100% FFB certified in accordance with the calculation of volume conversion.

The recording of production and sales volumes (balance sheet) will be done monthly, the sales division must pay attention to the supply chain model specified in the contract, and the recording in the book keeping is carried out in real time. The marketing division is responsible for making announcements on the palm trace.

3.8.6

Internal audit related procedures contained in the Supply Chain SOP - MB Model which has been documented with No. SOP 32 revision 2 date of revision 18 September 2019. In the SOP it is explained that internal audit and management review is conducted at least 1 x 1 year.

The company has conducted an internal audit covering all PT LNK on May 20-25, 2019 for the RSPO P & C and SCCS conducted by PT LNK's internal auditor team. There were 1 nonconformity and 3 observations found during internal audit, and during surveillance 2, non-conformity (1) was fulfilled. The audit has been covering all SCC requirement including RSPO Market Communications and Claims Documents.

3.8.7

Based on verification of FFB receiving data, the Stabat POM only receives from 3 of its own plantations, namely:

1. Tanjung Beringin (Extension scope simultaneously with SCCS upgrade audit to IP)
2. Basilam (certified)
3. Gohor Lama (certified)

The following are data on FFB receipts from July 2019 to Jan 2020:

Month	Kebun Gohor Lama (certified)	Tanjung Beringin (Extension scope simultaneously with SCCS upgrade audit to IP)	Basilam (Certified)
	MT	MT	MT
Jul 2019	4414.53	7725.27	6219.19
Aug 2019	3745.62	7068.93	6876.95
Sept 2019	4171.38	6944.96	6674.03
Oct 2019	2117.33	5486.91	5971.61
Nov 2019	2375.91	4715.20	4989.82
Dec 2019	2431.79	4609.10	4825.53
Jan 2020	2512.95	4165.03	3929.63
Total	21769.51	40715.40	39486.76

The over-production will be verified in ASA 3.

3.8.8

Stabat POM has had a list of palm product buyer which is informed detail information of buyer. Until the audit, mill has 5 buyer as follows:

- PT Multimas Nabati Asahan
- PT Pasific Palmindo Industry
- PT Pasific Medan Industri
- PT SMART Tbk
- PT Musim Mas.

Another information regarding to buyer address, shipment date, description of the product, quantity of the products delivered, contract number, supply chain certificate number of the seller, unique identification number et cetera can find out on the book keeping document, shipping announcement or monthly/annual summary report of production.

3.8.9, 3.8.10, 3.8.11

Stabat POM did not outsourced its activities to third parties.

3.8.12

IP will applied after the license and extension scope approved.

Stabat POM has record and balance of all RSPO CSPO and CSPK, non-certified products produced, as well as presented in the Table bellows:

Crude Palm Oil

Period	CPO Production (mt)		CPO Delivery (mt)	
	Cert	Non-Cert	RSPO	Non-Cert
Jul-18	4,997.715	1,673.675	3,103,480	1,888.330
Aug 18	4,510,574	1,461,790		5,596.360
Sep-18	2,827.679	1,177.343		3,974.040
Oct-18	3,720.333	1,870.215		7,207.550
Nov-18	4,765.688	1,624.427		5,922.310
Des-18	4,755.169	1,505.766		7,852.170
Jan-18	4,384.332	1,572.747		4,324.260
Feb-18	3,745.816	1,245.317	5,250.000	586.230
Mar-18	4,196.269	1,294.289	6,750.000	14.510
Apr-19	4,761.763	1,269.183	4,000.000	
Mei-19	3,872.746	1,192.771	6,500.000	
Jun-19	4,836.104	1,712.611	1,000.000	
Total	51,374.187	17,599.877	26,603.48	37,365.76*

*Note: for CPO sold as conventional, amount of **19,765.35 MT** are taken from sustainable stock

Palm Kernel

Period	PK Production (mt)		PK Dispatch (mt)		
	Cert	Non-Cert	RSPO	ISCC	Non-Cert
Jul-18	731.168	243.728			1,053.790
Aug 18	676.605	219.792	150.000		774.240
Sep-18	446.218	186.788			448.650
Oct-18	578.369	289.994			1,044.430
Nov-18	715.731	282.513	18.310		873.680
Des-18	744.838	235.843	281.690		783.400
Jan-18	687.938	246.915	57.540		900.000
Feb-18	652.392	216.652	92.460		600.000
Mar-18	690.681	213.125			1,050.000
Apr-19	708.990	188.697			1,047.080
Mei-19	640.973	197.170			652.920
Jun-19	769.918	27.4091	94.600		596.450
Total	8,043.821	2,795.308	694.6	0	9,824.64*

*Note: for PK sold as conventional, amount of **7,062.59 MT** are taken from sustainable stock

3.8.13, 3.8.14

Audit are done to CPO POM, conversion factor is not applicable

3.8.15

In the supply chain SOP the IP / SG model in SOP 31 revision 3 dated 18 April 2018 has explained that the application of IP if the FFB received is 100% from certified sources, if found from uncertified sources it will be downgraded to MB (SOP 32 applied). In storage, special bulk silos for the IP kernel and special storage for CPO IP with 100% purity have been provided.

In the process of upgrading from MB to IP, all FFB, CPO and PK produced as MB have been completely processed and emptied, flushing across all production lines and storage tanks so that the oil palm product produced is 100% pure IP. CPO and PK generated in the flushing process are mixed in MB storage tanks and MB kernel bunkers. The flushing process will be carried out using a 100% FFB certified in accordance with the calculation of volume conversion.

POM Stabat can show the procedure for CPO and PK flushing issued on 18 February 2020, the SOP explains the calculation of CPO and PK volumes needed for the flushing process:

CPO

- Production line flushing → 350 MT CPO
- Flushing pipe → 1.7 MT CPO
- Time required is 3 days (estimated OER 23%)
- Flushing storage will be carried out after the production line (CPO from the flushing process is mixed in storage tanks 1 and 2)
- CPO required for the process of flushing storage tanks depends on the amount of CPO previously stored, and washing with soapy water
- Flushing the dispatch path using pure IP CPO with 1.5 hour of operating.
- Flushing trucks are carried out when all have been completed, and the former flushing will be pumped back into the MB storage tank
- When IP is applied, one of the storage will be devoted to accommodate the CPO produced (storage 3).
- If all storage will be used for IP, then flushing back tanks and pipes will be carried out according to the volume calculation above

Kernel

- The number of IP kernels needed is 135 MT with a total of days 9 days
- Flushing bunkers will be performed after the silo nut, kernel silo and kernel bulking
- Trucks carried to transport the kernel must be ensured to be clean and free of contaminants

There are 3 storage tanks for CPO storage in Stabat POM, ST 1 and 2 are for MB storage (currently being used) and ST 3 is for IP CPO storage (currently empty and has been flushed). An official report on flushing of ST3 can be shown with details:

- On January 24, 2020 the opening of the main hole with seal no. 1711162
- The remaining 62 tonnes of CPO mixed with mud are recycled and mixed into production CPO, the remaining 12 MT is pumped to the deoiling tank (not recycled)
- On 1 Feb 2020 the bottom main hole is opened
- On 4 February 2020 washing was done to ST no. 3
- On 10 February 2020 the addition of a 6 m dispatch pipe

Field observations to the storage tank have been carried out and observed that preparations have been made by the factory.

There are 2 bunker kernels in POM, namely bunkers 1 and 2, for storage PK-IP will be done in bunker 1, currently emptying and washed on February 17, 2020.

3.8.16, 3.8.17

Stabat POM – PT. Langkat Nusantara Kepong, has registered in RSPO membership 1-0014-04-000-00.

Stabat POM has been registered in IT platform palm trace RSPO <https://palmtrace.rspo.org/web/rspo/member-directory> which information as follows:

- Member Name: Stabat POM – PT. Langkat Nusantara Kepong

- Account UID: RSPO_AC1000005698
- Core Product: Palm Oil
- Member ID: RSPO_PO1000005803
- Member Category: Oil Mill

Whole transaction of CSPO/CSPK has been declared in RSPO IT Platform. The company has removing the stock in palm trace for certified product that sold as conventional.

Until now the mill still klaim under RSPO MB, the claim has been conducted in accordance with RSPO on communication and claim rules.

Status: Comply

PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS

4.1

The unit of certification respects human rights, which includes respecting the rights of Human Rights Defenders.

4.1.1

The company has a human rights policy contained in the KLK Sustainability Policy which was approved by management on August 30, 2019, among others

- Recognize the inherent dignity of everyone and support the Universal Declaration of Human Rights by the United Nations including the prohibition of retaliation against human rights defenders in accordance with the United Nations Declaration on Human Rights.
- Honor and uphold the rights of all workers, including contract workers, temporary and migrants with the core conventions of the International Labor Organization, UN guiding principles on business and human rights and principles of free and fair employment in palm oil production as a guide.

The company showed evidence of the socialization of the Internal Sustainability Policy, KLK Policy, and the socialization of employee code of conduct located in division 4 on 25 November 2019 attended by 46 participants and division III on 25 November 2019 which was attended by 57 participants. The results of interviews with workers such as warehouse officers, harvesters, local contractors, and the surrounding community were conveyed that the company had delivered information related to human rights policies. In addition, the results of the interview also revealed that there were no human rights violations.

4.1.2

In terms of conflict resolution, the company has a dispute resolution policy explained in the land dispute resolution SOP No. SOP-26 issued on August 1, 2013. It was explained that in the process of resolving land conflicts (occupation) carried out through a process of negotiation and / or legal efforts. The results of field observations and interviews with stakeholders (Sumber Mulyo Village and Tanjung Beringin Plantation Village) revealed that there was no use of paramilitaries in the process of settling land claims.

Status: Comply

4.2

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

4.2.1; 4.2.2, 4.2.3

The company has SOP 1 Procedure regarding Requests and Providing Information, Communication and Submission of Complaints no. revision 2 dated August 10, 2017. The procedure explains the grievance procedure submitted through management (complaint logbook), foreman of workers, suggestion box, gender committee, labor union, hotline & email. The procedure also explains the protection of whistleblowers contained in point C.5.2 which explains that the identity of whistleblowers and victims of sensitive cases such as sexual harassment will be kept confidential.

The company has carried out socialization of procedure mechanism, as follows:

- The complaints procedure socialization on November 19, 2019 (location of division 1) was attended by 53 participants.
- Socialization of complaints procedures on February 19, 2020, which was attended by 3 participants consisting of representatives of Sumber Mulyo village, and Tanjung Beringin Plantation Village.
- Socialization of complaints procedures for contractors on 18 February 2020 by 4 participants.

The company also has SOP No. 26 on procedures for resolving land disputes, issued on August 1, 2013. The SOP explains the mechanism for resolving land disputes and land occupation disputes (squatter disputes). For the resolution of land conflicts explained in detail in criterion 4.8.

The results of interviews with representatives of Sumber Mulyo Village and Tanjung Beringin Plantation Village, were conveyed that the company has provided socialization related to the mechanism if there are complaints or requests for information. From interviews with stakeholders (Sumber Mulyo village, T. Beringin plantation village, contractors and workers) it was also found that there were no complaints or violations committed by the company. The complaints are only related to internal complaints, namely housing improvements and have been followed up gradually by the company.

Status: Comply

4.3

The unit of certification contributes to local sustainable development as agreed by local communities.

4.3.1

The company has contributed to local development through CSR assistance delivered / given to the community. The assistance / CSR has been based on community needs (based on proposals submitted by the community). The company has also shown a number of assistance that was realized in 2019 contained in the CSR Report 2018/2019 along with evidence of its realization such as:

- Koramil social service assistance, Tahfiz housing construction assistance, religious teacher vehicle assistance as evidenced by the Record of Cash Expenditures and receipts on August 8, 2019 no. evidence 003071
- Door purchase assistance for mosques on 8 August 2019
- Eid al-Adha prayer assistance on August 10, 2019.
- Republic of Indonesia Independence Day in West Stabat Village, Gohor Lama Village, Pemuda Pancasila, media, Hinai sub-district, Wampu sub-district as evidenced by cash receipts and cash disbursements dated August 15, 2019 No. evidence 003083
- Assistance with the construction of a church service office in April 2019
- Christmas and new year assistance on January 2019
- Assistance in hardening the mosque on June 2019.

The results of interviews with village representatives such as Sumber Mulyo Village and Tanjung Beringin Plantation Village revealed that the company has realized some CSR assistance in accordance with the proposal submitted.

Status: Comply

4.4

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

4.4.1

Total area managed by the Tanjung Beringin estate is area of **3909 Ha**.

The plantation area is an *erfpacht* rights converted into HGU by the Agrarian Law No. 5 year 1960, land tenure rights can be shown as follows:

- **Plantation Permit (IUP)**, by Langkat Regent Decree No.: 525-16/K/2015 dated 21 April 2015 for an area of 39,690.87 ha and processing unit with a capacity of 70 tons / hour
- **HGU decree number 1** / Tanjung Beringin Village on behalf of PT Perkebunan Nusantara II (Persero) on an area of 2360,182 Ha located in Tanjung Beringin Plantation Village, Hinai District, Langkat Regency, and North Sumatra. Issued by the Minister of Agrarian Affairs and Spatial Planning / Head of the National Land Agency on July 25, 2019, consisting of 9 certificates (certs no. 212, 213, 214, 215, 216, 217, 218, 219 and 220). All HGU certificate issued in 17 Sept 2019

Based on the statement area, the area managed by Tanjung Beringin estate is 3909 Ha, an area of 1488.58 Ha is an area taken from the Gohor Lama Estate HGU, namely:

- ✓ HGU No. 43 / HGU / BPN / 2002 date 29/11/2002, valid until 31 Dec 2024, issued by BPN, area 64.74 Ha
- ✓ HGU No. 57 / HGU / BPN / 2000 on 05/05/2003, area 4576.97 Ha, valid until 31 Dec 2024, issued by BPN, cert no: 04 / Gohor Lama / 2003, area 3,820.06 Ha (area of 1485.29 ha managed by Tanjung Beringin Estate)

There is a map of Tanjung Beringin with a scale of 1: 53,700.

4.4.2, 4.4.3, 4.4.4, 4.4.5, 4.4.6.

There is no FPIC process in Tanjung Beringin Estate, as part of PT LNK operation area, land managed by PT LNK legally under the ownership of PTPN II (Persero), is one of the Dutch colonial plantations were nationalized by Government of Indonesia on the basis Constitution Law (Undang Undang No: 86 Tahun 1958) about Erpacht right , Then erpacht rights are converted to Land Use Tittle based Basic Agrarian Law (UU Pokok Agraria No. 5 tahun 1960) Therefore we can conclude there is no customary rights in the PT LNK.

The company has SOP No 26 about the land dispute settlement procedure, published 1 august 2013. In SOP has explain about of the dispute settlement mechanism of land occupation and land disputes (squatter disputes). Based on HCV identification has done at 2014 and EIA report has explain that the area of PT LNK was rights erpacht nationalized to the states rights. In that document explain there are no areas that are customary rights / indigenous peoples.

Based on reports of social impact assessment (SIA) PT Langkat Nusantara Kepong on 30 January - 9 February by Aksenta there are no areas of customary rights/ indigenous peoples. It also has been confirmed through interview with villager at Kelurahan Bingai, Sumber Mulyo Village, Mekar Jaya Village and Minta Kasih Village, Sukamulya tahun 26 Village and mentioned that the plantation has been exist before the establishment of the villages and there are no indigenous rights in the area of PT LNK.

Status: Comply

4.5

No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.

4.5.1, 4.5.2, 4.5.3, 4.5.4, 4.5.5, 4.5.6, 4.5.7, 4.5.8

There is no FPIC process in Tanjung Beringin Estate, as part of PT LNK operation area, land managed by PT LNK legally under the ownership of PTPN II (Persero), is one of the Dutch colonial plantations were nationalized by Government of Indonesia on the basis Constitution Law (Undang Undang No: 86 Tahun 1958) about Erpacht right , Then erpacht rights are converted to Land Use Tittle based Basic Agrarian Law (UU Pokok Agraria No. 5 tahun 1960) Therefore we can conclude there is no customary rights in the PT LNK.

The company has SOP No 26 about the land dispute settlement procedure, published 1 august 2013. In SOP has explain about of the dispute settlement mechanism of land occupation and land disputes (squatter disputes). Based on HCV identification has done at 2014 and EIA report has explain that the area of PT LNK was rights erpacht nationalized to the states rights. In that document explain there are no areas that are customary rights / indigenous peoples.

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There is no new development since Nov 2005 in Tanjung Beringin Estate.

Status: Comply

4.6

Any negotiations concerning compensation for loss of legal, customary or user 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.

4.6.1, 4.6.2, 4.6.3, 4.6.4

Based on the social impact assessment report (SIA) of PT Langkat Nusantara Kepong on 30 January - 9 February 2016 by Aksenta, there were no traditional and customary rights within the company' HGU. In line with results of interviews with representatives of the Sumber Mulyo village, it was told that the estates has been exist since 1958.

The land managed by PT LNK which is legally owned under PTPN II (Persero), is one of the Dutch colonial heritage plantations

nationalized by the Indonesian Government on the basis of Law Number 86 of 1958 (*Erpacht* Rights). Then the *erpacht* rights were converted into Business Use Rights under the Agrarian Basic Law No. 5 of 1960. These was stated in HCV report by Aksenta in September 2014 and environmental documents owned by the company.

The company has SOP No 26 about the land dispute settlement procedure, published 1 august 2013. In SOP has explain about of the dispute settlement mechanism of land occupation and land disputes (squatter disputes). Based on HCV identification has done at 2014 and EIA report has explain that the area of PT LNK was rights erpacht nationalized to the states rights. In that document explain there are no areas that are customary rights / indigenous peoples.

Based on the HGU decree, in the section of consideration, it was explained that the managed land was state land covering an area of 2360.182 Ha, and the committee B had been inspected on 7 December 2017 no. 01 / PPT / B / 2017 which states that at the time of measurement there were no objections from other parties and had fulfilled judicial, technical and administrative requirements in accordance with the Law. It was also explained that in the land there were no disputes, objections or legal claims.

Status: Comply

4.7

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 FPIC and negotiated agreements.

4.7.1, 4.7.2, 4.7.3

Based on the HGU decree, in the section of consideration, it was explained that the managed land was state land covering an area of 2360.182 Ha, and the committee B had been inspected on 7 December 2017 no. 01 / PPT / B / 2017 which states that at the time of measurement there were no objections from other parties and had fulfilled judicial, technical and administrative requirements in accordance with the Law. It was also explained that in the land there were no disputes, objections or legal claims.

Status: Comply

4.8

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.

4.8.1, 4.8.2, 4.8.4

Based on the statement area, in the company HGU there is a community arable area of 7 hectares, located in block 2002B Div. 5. The area has been sought for settlement which is communicating with the affected party through a official letter, visit and measurement involving BPN and local government was carried out on 27 January 2020, and as well as the plotting of area. Can be shown a plot of map 7.3 Ha with a scale of 1: 5000, plotting carried out by BPN. The company are considered to follow up the progress of settlement. OFI

4.8.3

There are no customary rights and prior use rights.
Based on the HGU decree, in the section of consideration, it was explained that the managed land was state land covering an area of 2360.182 Ha, and the committee B had been inspected on 7 December 2017 no. 01 / PPT / B / 2017 which states that at the time of measurement there were no objections from other parties and had fulfilled judicial, technical and administrative requirements in accordance with the Law. It was also explained that in the land there were no disputes, objections or legal claims.

Status: Comply

PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION

5.1

The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.

5.1.1; 5.1.2; 5.1.3; 5.1.4; 5.1.5; 5.1.6; 5.1.8; 5.1.9

The company does not accept FFB from other sources. However, the company has a policy to facilitate the inclusion of smallholders / other farmers in the supply chain contained in the KLK Sustainability Policy which was passed on August 30, 2018.

5.1.7

The company showed Certificate of Test Results No. 510.3-0040 / SKHP / UPT-ML / IV / 2019 dated April 18, 2019 for the weighbridge calibration carried out by *Unit Pelaksana teknis Metrologi legal Dinas Perdagangan dan Perindustrian*.

Status: Comply

5.2

The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.

5.2.1; 5.2.2; 5.2.3; 5.2.4; 5.2.5

The company does not accept FFB from other sources. However, the company has a policy to facilitate the inclusion of smallholders / other farmers in the supply chain contained in the KLK Sustainability Policy which was passed on August 30, 2018.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

6.1

Any form of discrimination is prohibited.

6.1.1; 6.1.2; 6.1.3

The company has a non-discrimination policy contained in the KLK Sustainability Policy which was approved by management on August 30, 2018 and available in *bahasa*. The policy explains the same Employment Opportunities in Diversity, including:

- Ensuring equal opportunities at work. All decisions relating to recruitment, payroll, coaching access, promotion, termination or retirement will be made based on business needs, job requirements and individual qualifications.
- There is no discrimination based on ethnic origin, caste, disability, nationality, nation, religion, gender, sexual orientation, union membership, political affiliation or age.

The company has shown evidence of recruitment, promotion and appointment according to abilities and feasibility, medical check up such as :

- Harvest Employee Probation Period Assessment Document 15 March 2016 No. TBR / LNK / 48 / III / 2016. From the results of the assessment, the probation workers have been appointed as permanent employees, as indicated by the Decree on the determination as permanent employees on April 1, 2016 with initial ES, EI as harvest employees.
- Promotion letter No. 90 / TBR-LNK / P / I / 2020 dated 31 January 2020 related to Transfer of Job Position / Promotion from maintenance employees to maintenance foreman as of February 1, 2020. It has also been shown the results of assessments for the workers.

The company showed evidence of the socialization of the Internal Sustainability Policy, KLK Policy, and the socialization of employee code of conduct located in division 4 on 25 November 2019 attended by 46 participants and division III on 25 November 2019 which was attended by 57 participants. The results of interviews with workers, local contractors, and representatives of surrounding villages revealed that no discrimination issue and the company had provided equal opportunities in employment opportunities. Based on the verification of labor registration documents, also known that the majority of workers come from surrounding villages.

6.1.4

The company does not conduct pregnancy testing for female workers except for workers who deal with chemicals. Based on the results of monitoring of pregnant women conducted at the Tanjung Beringin Estate clinic, interviews with female workers also conveyed that pregnancy testing was only carried out for female workers whose work was related to chemicals to avoid exposure to chemicals.

6.1.5

The company has formed a gender committee to deal with women's issues at Tanjung Beringin Estate. In addition, the gender committee has prepared a work program for 2019/2020 and some program has been implemented. The company shows records of meetings and socialization on gender committees, such as:

- The socialization record of gender committee in division IV on 18 September 2019 was attended by 39 participants
- Record of the gender committee structure and program socialization meeting on September 24, 2019 attended by 4

- participants (organizer of the gender committee)
- The socialization record of gender committee in division III on 24 September 2019 was attended by 8 participants
- Records of the socialization of the gender committee at the estate office on June 25, 2019 were attended by 11 participants.

The results of interviews with gender committee organizers and interviews with women workers revealed that there were no issues related to women in Tanjung Beringin Estate in the last 3 years.

6.1.6

The wages applied in the Tanjung Beringin Estate are in accordance with the Decree of the Governor of North Sumatra No. 188.44 / 18 / KPTS / 2018 concerning Langkat Regency Sectoral Minimum Wage in 2019 which was set on January 17, 2019. Based on the Governor's Decree above, the minimum wage in the Langkat Regency Sectoral Minimum (Palm Oil Platation) is Rp. 2,562,500. The provisions for the sectoral minimum wage in 2020 have not yet come out.

The company also has Circular No. 098 / Dir.SDM / SE / II / 2019 concerning Determination of Employee Level Wages (Grade K / grade employees) of PT LNK 2019. Based on the Circular, it was stated that the determination of the minimum wage in 2019 was Rp. 2,562,500. The results of verification of wages of workers (for example harvesting and maintenance workers), it was known that the company has given the same wage for the same scope of work. The results of interviews with workers such as harvest and maintenance workers stated that the company has given the same salary for the same scope of work.

	Status: Comply	
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6.2
Pay and conditions for staff and workers and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).

6.2.1; 6.2.2; 6.2.3
 Certification unit has Collective Labor Agreement accordance with Decree Letter of Head of Manpower Agency of Langkat Regency No. KEP.568-121.3/DISNAKER/2019 dated 31 January 2019 and valid until 10 January 2021. The Collective Labor Agreement is available in bahasa and has explained the conditions of work such as recognition of the rights of employers and workers, recruitment of workers, probation, mutation, promotion and demotion, working days and hours of work, rest, annual leave, menstrual leave, overtime , wage systems, wage increases, performance appraisal, health care and medication, occupational health and safety, worker protection, complaint handling, termination of employment, etc. The results of interviews with labor unions and workers such as harvesting, warehouse officials conveyed that the company has given CLA socialization to workers.

Based on document verification, field observation, interview with workers (harvesting workers, manuring workers, etc) there's no indication about the force labor. In addition, they get the wage accordance with the wage minimum regulation. Based on interview with harvesters, it is known that there is no force labor. If they've got the target, they will get the premium pay. And if they don't get the target and has been working for 7 working hours, they will get daily minimum wage. Interview with Labor Union, said that wages and overtime paid are in accordance with applicable regulations.

6.2.4
 The company has a list of facilities and infrastructure provided at Tanjung Beringin Estate such as employee housing, mosque , church, sports field, PAUD / kindergarten, medical center, etc. The results of field observations in the housing division II, it was known that the housing conditions provided are quite decent, Electricity is sourced from PLN (State Electricity Company), clean water sources from bore wells. In addition, the company has also carried out domestic waste management by providing final landfill and transporting it twice a week. From the results of field observations it was also known that the company has realized the construction of 10 (new) houses and the other (10 unit) are still under construction. Educational facilities are available in the surrounding villages (quite close to the housing location) and can be reached by driving (15 minutes).

6.2.5
 From the results of housing observations and interviews of workers and residents of housing, it was known that the management unit provides the freedom to sell basic needs in housing areas. In addition, the distance of housing to the

nearest market ranges from ± 10-15 minutes. Many peddlers also enter the housing area to sell basic needs. The company's location is also quite close to Binjai City and Stabat City, so that employees get access to meet basic needs.

6.2.6

The wages applied in the Tanjung Beringin Estate are in accordance with the Decree of the Governor of North Sumatra No. 188.44 / 18 / KPTS / 2018 concerning Langkat Regency Sectoral Minimum Wage in 2019 which was set on January 17, 2019. Based on the Governor's Decree above, the minimum wage in the Langkat Regency Sectoral Minimum (Palm Oil Platation) is Rp. 2,562,500. The provisions for the sectoral minimum wage in 2020 have not yet come out. The minimum wage determination has been based on a decent living standard prepared by the wage council.

The company has tried to calculate prevailing wages consisting of housing, electricity & water, education, daycare, and others. Regarding this matter, the company is encouraged to reconfirm the prevailing wage calculation because Tanjung Beringin unit does not provide daycare (OFI).

6.2.7

The results of verification of worker registration documents, labor union interviews, worker interviews and field observations are known that all workers in Tanjung Beringin Estate are permanent employees. There are no temporary or daily employees employed by the company. The use of contractors for jobs that are seasonal (not done continuously) and also intended for social (helping local residents to work).

Status: Comply

6.3

The unit of certification respects the rights 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.

6.3.1; 6.3.2; 6.3.3

The company has a policy of freedom of association contained in the KLK Sustainability Policy which was approved by management on 30 August 2018 which explains that:

- Recognize and respect the right of employees to form and join labor unions of their choice and bargain collectively. KLK will not reject the opportunity to negotiate directly with the group of workers who wish to do so.
- Labor unions have access to KLK plantations, and KLK will not interfere with the organization of workers 'activities, workers' representatives or union representatives. Workers' representatives will not be discriminated against and have access to carry out their representative functions at work.

The company showed evidence of the socialization of the Internal Sustainability Policy, KLK Policy, and the socialization of employee code of conduct located in division 4 on 25 November 2019 attended by 46 participants and division III on 25 November 2019 which was attended by 57 participants. The results of interviews with workers and labor unions revealed that the company gave every worker the freedom to form a union.

As a form of implementing the policy of association in the Tanjung Beringin Estate, it was known that a labor union has been formed at the Tanjung Beringin Estate, in accordance with Decree No. PEM. 02 / SPBP / PT.LNK / IX / 2019 concerning the stipulation of SPBP Management Tanjung Beringin of PT LNK on October 1, 2019. The United Plantation Workers Union (SPBP) has been registered at the Manpower Agency with registration number 568-443.3 / DISNAKERTRANS / 2013 dated May 29, 2013 (SPBP registered for PT LNK).

Labor Union showed the recording of the minutes of the Bipartite Meeting (the Bipartite Chair was the chair of the SPBP union) on 31 October 2019 which was attended by 17 participants. Also available are minutes, attendance and photos of the bipartite meeting. The labor union also showed the recording of the Meeting on the appointment of the union structure which was held on 28 September 2019 which was attended by 54 SPBP members. The results of interviews with workers such as security, welders, warehouse officers also conveyed that the appointment of the union was based on the deliberations of union members and there was no intervention from management

Status: Comply

6.4

Children are not employed or exploited.

6.4.1; 6.4.2; 6.4.3; 6.4.4

The company has a KLK sustainability policy which was passed on August 30, 2018. The policy explains:

- It is prohibited to employ child labor
- Recovery measures with appropriate follow-up must be taken if child labor cases are found to protect children's welfare.

The company showed evidence of the socialization of the Internal Sustainability Policy, KLK Policy, and the socialization of employee code of conduct located in division 4 on 25 November 2019 attended by 46 participants and division III on 25 November 2019 which was attended by 57 participants.

The results of verification of labor register documents, agreement between contractor and contractor workers, and field observations are known that there are no underage workers. All workers are above the age of 18 years with an average age of workers being above 25 years.

Status: Comply

6.5

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

6.5.1

The company has a policy to prevent sexual harassment and violence contained in the Policy on Sexual Harassment and Violence which was passed on May 18, 2016 by management. The policy explains about:

- The company does not tolerate sexual harassment and violence against women at work
- Sexual harassment and violence are serious mistakes so companies will take firm action against the perpetrators
- The management must be an example and be responsible as an example and prevent sexual harassment and violence.

The company has formed a gender committee to deal with women's issues at Tanjung Beringin Estate. In addition, the gender committee has prepared a work program for 2019/2020 and some program has been implemented. The company shows records of meetings and socialization on gender committees, such as:

- The socialization record of gender committee in division IV on 18 September 2019 was attended by 39 participants
- Record of the gender committee structure and program socialization meeting on September 24, 2019 attended by 4 participants (organizer of the gender committee)
- The socialization record of gender committee in division III on 24 September 2019 was attended by 8 participants
- Records of the socialization of the gender committee at the estate office on June 25, 2019 were attended by 11 participants.

The results of interviews with gender committee organizers and interviews with women workers revealed that there were no issues related to women in Tanjung Beringin Estate in the last 3 years.

6.5.2

The company has a policy related to reproductive rights contained in the KLK Sustainability Policy which was approved by management on August 30, 2018. The policy explains that - reproductive rights that are in line with national law must be respected.

The results of interviews with representatives of gender committees and women workers, it was known that the company has given permission to leave H1 (menstruation) and H2 (giving birth/maternity) as a form of protection for reproductive rights. The company has also shown examples of H1 and H2 records of female workers such as: Letter of work transfer and maternity leave, with initial SS division IV based on inspection on December 3, 2019 starting from June 15, 2020 to September 7, 2020.

6.5.3

The identification of new mothers is based on the pregnancy record carried out by the clinic. For example, identification of pregnant women in 2018 there were 4 workers, in 2019 there were 4 workers and in 2020 there were 2 workers. The interviews with nurses revealed that the needs of new mothers such as *posyandu* or immunization. In this regard, the company shows the schedule and records of *posyandu* activities, such as on November 6, 2019 there were 17 toddlers participating and 3 pregnant women participating in the *posyandu*.

6.5.4

The company has SOP 1 Procedure regarding Requests and Providing Information, Communication and Submission of Complaints no. revision 2 dated August 10, 2017. The procedure explains the grievance procedure submitted through management (complaint logbook), foreman of workers, suggestion box, gender committee, labor union, hotline & email. The procedure also explains the protection of whistleblowers contained in point C.5.2 which explains that the identity of whistleblowers and victims of sensitive cases such as sexual harassment will be kept confidential.

The company has carried out socialization of procedure mechanism, as follows:

- The complaints procedure socialization on November 19, 2019 (location of division 1) was attended by 53 participants.
- Socialization of complaints procedures on February 19, 2020, which was attended by 3 participants consisting of representatives of Sumber Mulyo village, and Tanjung Beringin Plantation Village.
- Socialization of complaints procedures for contractors on 18 February 2020 by 4 participants.

The results of interviews with gender committee organizers and interviews with women workers revealed that women workers have known the existence of gender committees as a forum that handles women's issues and there have been no issues related to women in Tanjung Beringin estate in the last 3 years.

Status: Comply

6.6

No forms of forced or trafficked labour are used.

6.6.1; 6.6.2

The company has a KLK sustainability policy which was ratified on August 30, 2018. The policy also explains about forced labor, as follows:

- Prohibit the use of forced or bound labor or human trafficking
- If there are victims, assistance will be provided to find rehabilitation services centered on victims and access to social protection
- Ensure that there are no restrictions on workers' freedom of movement
- KLK bears all costs of recruiting workers. KLK prohibits the imposition or withdrawal by its contractors from all costs, commissions that are not required / violate the law and / or any fees from its workers. Non-compliant contractors will be terminated if it is proven to violate the provisions
- Prohibit any deductions from the share of the worker's wages and retain all property, identity cards, passports or other travel documents unless otherwise regulated by law.

The results of verification of worker registration documents, union interviews, worker interviews and field observations are known that all workers at Tanjung Beringin are permanent employees who are recruited directly by the company. There are no migrant, temporary, daily or AKAD (interregional workforce) workers employed by the company. The use of contractors by the company for jobs that are seasonal (not done continuously) and also intended for social (helping local residents to work).

Status: Comply

6.7

The unit of certification ensures that the working environment under its control is safe and without undue risk to health.

6.7.1

Certificate holder has identified those responsible for implementation of OHS program formed in P2K3 (guiding committee of occupational safety & health). P2K3 has regularly conducted meetings every month to discuss issues related to OHS. This has been proven (for example) by showing the attendance list of P2K3 Meetings / Meetings in January 2020 Tanjung Beringin Estate, a meeting on January 29, 2020 discussing evacuation routes, health service reports clinic, PPE list, P2K3 organizational structure.

6.7.2

Company has made efforts to prevent emergencies and accidents. Company has procedures related to the handling of emergencies and accident investigation in SOP 24 about Emergency Response (10 August 2017). Company has emergency facilities and infrastructure such as fire extinguisher, first aid kit, hydrant, water tank, and other supporting equipment. Based on field observation in emplacement for e.g. known that hydrant are functioned properly and the fire

extinguishers there check and monitored every month (checklist of inspection provided in each fire extinguisher), also it is known that the contents of first aid box are available as determined by the company.

6.7.3

Based on field visit in Estate, all workers have been using PPE according to risk analysis made and PPE is in good condition and in accordance with its function. Spraying team and manuring team at field using PPE kinds of helmets, gloves, mask, and safety shoes. Workers also can explain how to work safely for example in related activities, workers can explain the PPE to be used, how to manage the chemical waste and the equipment. Based on interviews with spray workers, harvesters, and pest sprayer workers stated that they get PPE free of charge from the company. The company also shows the documents related to the provision of PPE in the document of PPE Monitoring Record. The document contains monitoring of grant and returns if any PPE are damaged.

6.7.4 & 6.7.5

The company has provided a polyclinic to provide treatment for all of its employees (2 paramedics), while also involving all its employees in the BPJS employment program.

Based on the results of interviews with employees during field visits on several activities such as harvesting, spraying, and fertilizing, it was found that the employees received treatment at the clinic and admitted that they were registered in the BPJS Health and BPJS Employment programs.

As additional evidence, the company also showed the latest BPJS payment records for January 2020 amounting to Rp 101,931,030 for BPJS Employment and Rp 53,422,728 for BPJS Health.

Company already had recorded of work accidents in Work Accident Monitoring Reports that inform date, name of victim, site of accident, number of accidents, loss of work days, and category of an accident and cause of the accident. Based Monitoring accident period 2018/2019 note that in estate there are no major accidents so there's no claim for work accident.

In addition, the third party (contractor) has been able to demonstrate the implementation of employment such as a Work Agreement between the contractor, evidence of registration of BPJS for Workers (including BPJS cards), payment of wages in accordance with minimum wages and dumtruck operator certificates. The contractors (example PT Stabat Maju Perkasa and PT Citra Abdi Sibero) have been able to show list of workers' names, work agreements, wage slips, BPJS employment card, etc.

	Status: Comply
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PRINCIPLE #7 PROTECT, CONSERVE AND ENHANCE ECOSYSTEMS AND THE ENVIRONMENT

7.1

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

7.1.1

The procedure for Integrated Pest Management is in place i.e. no. 17 revision 2 dated 10 August 2017, which states various identified pest for oil palm, basic steps of IPM including early warning system through monitoring by harvester and threshold implementation for pesticide application. An example of pest monitoring is for caterpillar which for vulnerable area, census is to be conducted every 6 months with economic threshold of 5 larvae per palm. The same also happens for Ganoderma. The procedure also consists of biological control measure for e.g. beneficial plant and barn owl boxes. The pest management program starts at the very beginning of palm oil cultivation i.e. cover crop application and spreading of shredded felled palm to reduce Oryctes infestation. Based on field observation, the procedures have been implemented for examples, there's beneficial plant on the main road in each division.

Based on the results of interviews with supervision, officers understand the technical pest control with an early detection and census system. officers know that the use of chemicals is only done if the results of the census have passed the threshold.

7.1.2 & 7.1.3

From interviews with management, field workers and the surrounding community, there was no indication of the use of fire material for pest control. From the results of field observations, no burn marks were found from the area visited by the auditor. The company also does not use certain species in order to control pests and diseases.

Status: Comply

7.2

Pesticides are used in ways that do not endanger health of workers, families, communities or the environment.

7.2.1, 7.2.2, 7.2.3, 7.2.4 & 7.2.5

The company shows the list of chemicals used by the company in accordance with the applicable regulations, such as the Kenlon 480 EC trademark with the Triclopyr active equivalent: 345 g/L (registration number 01030120). In addition, the company also has SOP related to the safety of the use and storage of chemicals, explained the recommended doses and targets in accordance with recommendations on pesticide packaging. Steps taken to avoid the emergence of resistance in target species are done such as the rotation of pesticide use. There is no Prophylactic usage of pesticide. Based on interview with Division 1 Tanjung Beringin Estate Assistant the economic threshold of 5% according to the procedure is being implemented. The company is currently optimising the usage of turnera and antigonon to tackle caterpillar pest.

The company shows records of the use of pesticides in Tanjung Beringin Estate, examples of the use of pesticides for the period December 2019, among others as follows:

- Glyphosat: Quantity of 208 liters; active ingredient 0.29 AI / ha application. The area of application is 339 ha.
- Methyl methsulfuron: Quantity 3 kg; Active ingredient 0,0006 AI / ha application. The area of application is 339 ha.
- Indaziflam: Quantity of 11.5 liters; Active ingredients 0.5 AI / ha application. The area of application is 339 ha.
- Triclopyr: Quantity of 50 liters; active chart 0.23 AI / ha application. The area of application is 104 ha.

The company records are stored in each division and are managed by each division assistant for monthly evaluation. Based on that records, there's no pesticide which categorized 1 A and 1 B.

Based on records of the use of pesticides in the period 2018/2019 with 2019/2002, there was a reduction in the use of several types of pesticides such as pesticides with active ingredients Fluroxypyr and triclopyr. The company also no longer uses paraquat. The use of brodifakum / coumatetralyl is also only used if the rat attack exceeds the threshold.

7.2.6 & 7.2.9

Based on interviews with spray workers, it is known that PPE is given free of charge by the company (gloves, aprons, goggles, masks, safety shoes, and helmets). Workers also store and wash the work tools in the washing place that has been provided at the Estate Office (work tools are not brought home). Workers also understand the technical activities of workers by explaining the technical work starts from how to spray, weeds target, and avoid spraying in the border area of the river. The spray foreman also equipped himself with a first-aid kit with complete contents. Based on that interview and field observation, its known that there's no pesticide with aerial spraying.

The company has also shown training records related to the use of pesticides, in which the training explained to employees related to pesticide use guidelines starting from the characteristics of the ingredients, spill prevention, storage, to first aid if there is poisoning.

7.2.7

The company has SOPs on pesticide storage contained in SOP No. 18 about Safety and Chemical Storage Use including Hydrocarbons dated 10 August 2017, revision 1, which explains that chemical storage is stored separately with non-chemical substances and shall be labeled as Hazardous Materials.

Based on the results of visit in the pesticide warehouse known to exist in a special room and have good ventilation. There are MSDS for each type of pesticide. Based on visits at the pesticide mixing site, the company has provided a place to cleaning up after work and available storage equipment such as spray equipment, PPE and shoes. Based on observations to the housing of workers in Tj. Beringin, there are not found the use of pesticide packaging for household purposes, such

as bins, water containers and flower pots.

7.2.8

The management of used pesticide containers is carried out in accordance with the SOP for hazardous and toxic waste and non-hazardous waste management, namely SOP 23 revision 2 dated 15 Oct 2019. In the SOP explained related to hazardous storage in divisions or estates which do not have a licensed storage for a maximum of 7 days and then delivered licensed scheduled waste storage, ex containers of 200 l and 20 l are reused for mixing after triple rinsing.

7.2.10 & 7.2.11

The company shows annual medical surveillance records for all pesticide operators as well as medical and treatment records for all pesticide operators and other employees, including:

- Summary of Examination Results of Tanjung Beringin Estate for the November 2019 Period, followed by 89 employees. Where the examination results are known to all workers diagnosed with conditions within normal limits.
- Summary of Examination Results of Tanjung Beringin Estate for the period of July 2019 followed by 395 employees. Where the examination results are known to all workers diagnosed with conditions within normal limits.

From the results of field observations and interviews with 7 pesticide spray workers in division 2, it was discovered that the workers admitted that they were in good health, and the auditor found no trace of skin irritation or eye damage. Also, it was found that there were no pregnant workers and the workers knew the prohibition of breastfeeding and pregnant women from applying pesticides. The foreman also stated that if there are female workers experiencing signs of pregnancy then the person concerned will report to the foreman or staff and immediately go to the clinic.

Status: Comply

7.3

Waste is reduced, recycled, reused and disposed of in an environmentally and socially responsible manner.

7.3.1, 7.3.2, 7.3.3

The company has SOP for hazardous and toxic waste and non-hazardous waste management, namely SOP 23 revision 2 dated 15 Oct 2019. In the SOP explained related to hazardous storage in divisions or estates which do not have a licensed storage for a maximum of 7 days and then delivered licensed scheduled waste storage.

The company are prohibiting fires in wastes handling, all waste generated is managed in collaboration with licensed transporters and collectors.

Schedule waste is handled in accordance with applicable regulations, the records are sighted during the audit, namely: balancing sheets and official delivery documents from Tanjung Beringin Estate to licensed storage in Stabat POM, the latest delivery is in 18 Feb 2020.

In Stabat POM provided the licensed storage, license based on PT Langkat Nusantara Kepong hazardous waste temporary storage permit recommendation, number 660-1391 / DLH-LKT / 2019 dated October 21, 2019 from the Department of the Environment to DPMP2TSP Langkat Regency which explained that field verification has been carried out on July 25, 2019. The letter also explained that this recommendation was submitted as material for issuing permits, based on interviews with management representatives explaining that the issuance was currently in the process. OFI

A hazardous waste management agreement between PT Langkat Nusantara Kepong and PT Sumatra Deli Lestari Indah (collector) and PT Indostar Cargo (carrier) can be shown, number: 18 / LNK / SPK / XII / 2019 dated December 16, 2019, valid for 1 year to 15 December 2020. Sighted the hazardous transport documents by licensed carriers can be presented, namely on December 23, 2019.

Status: Comply

7.4

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

7.4.1 & 7.4.2

The company has SOP to maintain soil fertility and recording of its implementation in accordance with SOP number 7C related to crop maintenance which explains that fertilization is based on the recommendation issued on soil and leaf test result. In addition, there are SOPs on fertilization before re-planting and fertilizing special compound fertilizer. Based on the result of document review and interview with the management, it is known that the implementation and monitoring of soil and leaf analysis is done by Agronomist Team of PT AARI as the party issuing fertilizer recommendation. The last soil and leaf analysis done on March 15th, 2019 (The leaf analysis done once a year).

7.4.3 & 7.4.4

Based on the results of the field observation, the company also conducts organic fertilization activities in the form of empty fruit bunches applications. for example, in 2012 Block of 365.99 tons in September 2019. The auditor also saw no indication of the application of empty bunches outside the company's procedures at Block 2019 F. Empty bunches are placed near the oil palms and nothing falls in the watercourse or settlement area.

Company also displays some records of the realization of Tanjung Beringin Fertilization for the 2018/2019 period:

- Fertilization realization in 2012 Block A: BRP 28.84 Tons; OPCOM32A 23.07 Ton; FERTIBOR 1.15 Tons.
- Fertilization realization in 2004 Block B: BRP 30.58 Tons; OPCOM32A 15.29 Tons; MOP 22.93 Tons.
- Fertilization realization in 2005 Block C: BRP 11.33 Tons; MOP 8.50 Tons.

Fertilization realization shown by the company is in accordance with fertilizer recommendations set by PT Applied Agricultural Resources Indonesia (AARI).

Status: Comply

7.5 Practices minimise and control erosion and degradation of soils.

Available Land Distribution Maps issued by AARI (Applied Agricultural Resources Indonesia) at a scale of 1: 60,000. in the map explains information about the unit map, lend unit code, general description, parent material, soil group, percentage map unit, texture, drainage, soil depth, slope, area and percentage of soil type.

The map states that the 90% of the Tanjung Beringin Estate area has a flat slope with the category of soil group Tropaquepts, 6% Tropofluvents and 4% Dystropepts. And has a majority of fine clay textures.

From the results of the document review and field observations, no indication of peatlands was found.

The company has a strategy related to planting for certain sloped areas in SOP No. 15 on erosion control and optimal soil fertility management for productivity on August 10, 2017 which explains the technical actions related to the management of high erosion areas such as ensuring that ground cover is prioritized before planting oil palm, the use of empty bunches, making conservation terraces for slopes above 15-22 °, and prohibition of planting oil palm at slopes above 40 °.

Based on field observations in Divisions 1, 2 and 3, Tanjung Beringin Estate, it is known that the majority of the areas visited have flat slopes and no areas with high steepness (>15°) were found.

Status: Comply

7.6 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.

The second cycle is started in 2002 for Tanjung Beringin Estate. Tanjung Beringin Estate as part of PT LNK are developed since 1960, currently has entered 2nd cycle of planting.

Status: Comply

7.7 No new planting on peat, regardless of depth after 15 November 2018 and all peatlands are managed responsibly.

The second cycle is started in 2002 for Tanjung Beringin Estate. Tanjung Beringin Estate as part of PT LNK are developed since 1960, currently has entered 2nd cycle of planting.

From the results of the document review and field observations, no indication of peatlands was found.

Status: Comply

7.8 Practices maintain the quality and availability of surface and groundwater

7.8.1, 7.8.2

Water bodies and water source management programs are listed in the HCV area management plan matrix for the 2019/2020 period. The company has carried out maintenance and restoration of other buffer zones, in Tanjung Beringin Estate, there was only lowlands (swamps) in audited unit, for this area a border has been set along 50 M right and left, the border area is left forested (no chemical or manual treatment). Based on field observations seen that there is no traces of spraying up to buffer zone and no-spray sign has been installed in the palm-stem along the river.

7.8.3, 7.8.4

Indicator are applied in mill.

Status: Comply

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

7.9.1

Indicator are applied in mill.

Status: Comply

7.10 Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimise GHG emissions.

7.10.1

All waste including emmissions and pollutions sources from Mill and estate are identified and recorded on 2018 GHG mitigation document. This document informed e.g: greenhouse gases produced and mitigations plans such as replanting activities and renewable fuels used.

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. GHG are calculated simultaneously with Stabat POM GHG calculation, until now the calculation provided are for period Of 2019, using RSPO Palm GHG Calculator Version 4.0 Palm GHG Calculation option applied Full version.

Summary of Net GHG Emissions periode January-December 2019

Emissions per Product	tCO2e/t Product
CPO	1.16
PK	1.16

Production	ton/year
FFB processed	301742.97
CPO produced	72579.34
PK produced	11389.19

Land Use	Ha
OP planted area	17779
OP planted on peat	0
Conservation	353

Extraction	%
OER	24.05

KER	3.77
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Summary of Field Emissions and Sinks

Description	Own Crop			Group		
	tCO2e	tCO2e/ha	tCO2e/t FFB	tCO2e	tCO2e/ha	tCO2e
Land Conversion	175596.57	9.88	0.46	-	-	-
*CO2 Emissions from Fertilizer	16701.51	0.94	0.04	-	-	-
**N2O Emissions from fertilizer	14528.85	0.82	0.04	-	-	-
Fuel Consumption	1604.01	0.09	0	-	-	-
Peat Oxidation	0		0	-	-	-
Sinks						
Crop Sequestration	-166442.26	-9.36	-0.44	-	-	-
Conservation Sequestration	-1192.1	-0.07	0	-	-	-
Total	40796.56	2.3	0.6	-	-	-

Summary Oil Mill Emissions and Credits

Remarks	tCO2e	tCO2e/t FFB
Emissions sources		
POME	59146.73	0.2
Fuel consumption	331.02	0
Grid electricity	0	0
Credits		
Export of grid electricity 0(housig)	0	0
Sales of PKS	2602	0.01
Sales of EFB	0	0
Total	56875.94	0.19

Palm Oil Mill Effluent (POME) Treatment

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

POME Divert to Anaerobic Digestion

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

Based on document verification shown that accurate data has been put into RSPO Palm GHG Calculator.

7.10.2

The second cycle is started in 2002 for Tanjung Beringin Estate. Tanjung Beringin Estate as part of PT LNK are developed

since 1960, currently has entered 2nd cycle of planting.

7.10.3

In the document identification of sources of waste and pollutants as well as plans to reduce pollution, the types of waste, sources, actions, targets and responsibility are explained.

Waste produced includes: used oil, used filters, batteries, light bulbs, cloth rags, clinical waste, fertilizer plastic packaging, used containers, domestic waste water, domestic waste, chemical washing water.

Management is carried out such as providing the scheduled waste storage, stockpiling in land fill for domestic waste, recycling and returning to suppliers.

The plan has been implemented by the company, hazardous management has been explained in criterion 7.3. During field observations to the housing it seen that domestic waste has been managed by stockpiled to landfill.

Status: Comply

7.11

Fire is not used for preparing land and is prevented in the managed area.

7.11.1, 7.11.2, 7.11.3

There is no new development, there are replanting activities carried out mechanically in accordance with the agreement with PT Sejahtera Putra Solo no. 1204 / LNK-TBR / SPB / XII / 2019 dated December 23, 2019

Based on field observations on replanting in Block 2002B Div. 3, observed that the land preparation activities are carried out by mechanical means, there is no indication of burning.

The action plan for the prevention and control of land fires in the area managed is stipulated in SOP 33 regarding emergency response to land fires on 1 Jan 2020, in the SOP describes related to the policy of the prohibition of burning, firefighting team, firefighting facilities and infrastructure, monitoring / patrol, early warning, early detection, firefighting, prevention and recovery, training and outreach and as well as management review. During the audit there were no cases of land fires, equipment and teams were on standby.

There is evidence of training for fire fighters and employees conducted on 4 February 2020 and 13 Dec 2019. The company has established a joint fire management training program with the surrounding community to be conducted in April 2020. It will be verified on ASA 3. OFI

Status: Comply

7.12

Land clearing does not cause deforestation or damage any area required to protect or enhance High Conservation Values (HCVs) or High Carbon Stock (HCS) forest. HCVs and HCS forests in the managed area are identified and protected or enhanced.

7.12.1, 7.12.2, 7.12.3, 7.12.4, 7.12.5,

Tanjung Beringin estate is part of PT LNK (a partnership with PTPN II) which has been operating since 1950, currently it has entered the second and third planting cycles. The second cycle is started in 2002 for Tanjung Beringin Estate.

Identification of HCV was done by Aksenta in September 2014 covering the entire area of PT LNK where a total indicative HCV area of 154.58 ha. The assessment was carried out by the RSPO approving assessor. A review of HCV assessment reports at PT LNK Langkat District was conducted by Yana Suryadinata (ALS) on June 17-27, 2014. The results of the document review indicate that HCV activities have involved several parties such as the surrounding community (Tanjung Keliling villager, Bukit Lawang, Bekiun, Basilam, Kuala); government administration (Langkat forestry and plantation service; Environment Agency of Langkat) on June 27, 2014. The assessment included identification of HCV areas and RTE species.

There is no HCV / HCS area in Tanjung Beringin Estate based on this assessment. There is no peat in the operational area of Tanjung Beringin estate.

7.12.6

There is a matrix for HCV and RTE management plans for PT LNK for 2019/2020. The program describes: descriptions, management objectives, threat identification, management actions, indicators of success, findings of identification and work plans (programs, locations and targets).

7.12.7, 7.12.8

The company has been established since 1979, there is no new expansion and new planting up to ASA 2. The company has shown an e-mail from Aina Amara (RSPO) dated February 14, 2018 related to PT LNK's disclosure stating the agreement to the disclosure.

Status: Comply

3.2. Conformity Checklist of Certificate and Logo Use

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or√
ASA-2	PT Langkat Nusantara Kepong do not use RSPO trademark and CB Logo. Kuala Lumpur Kepong Bhd Trademark License Number RSPO-1106058.	√
	Status: Comply	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-2	PT Langkat Nusantara Kepong do not use RSPO trademark and CB Logo. Kuala Lumpur Kepong Bhd Trademark License Number RSPO-1106058.	√
	Status: Comply	
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA-2	PT Langkat Nusantara Kepong do not use RSPO trademark and CB Logo. Kuala Lumpur Kepong Bhd Trademark License Number RSPO-1106058.	√
	Status: Comply	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA-2	PT Langkat Nusantara Kepong do not use RSPO trademark and CB Logo. Kuala Lumpur Kepong Bhd Trademark License Number RSPO-1106058.	√
	Status: Comply	

3.3. Summary of RSPO Partial Certification.

Compliance of the uncertified management units of Kuala Lumpur Kepong Bhd against the rules for partial certification was determined through Self-Assessment in accordance with RSPO Certification System clause 4.2.4. A summary of findings is as stated below.

Kuala Lumpur Kepong Bhd Time Bound Plan is explained in point 1.10. Kuala Lumpur Kepong Bhd has informed the Time Bound Plan progress, MUTU has considered that Kuala Lumpur Kepong Bhd is complied with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by Kuala Lumpur Kepong Bhd.

MUTU has verified partial certification for un-certified unit's subsidiary of Kuala Lumpur Kepong Bhd based on their Time Bound Plan. There are five (5) uncertified mills and twentyone (21) uncertified estates of Kuala Lumpur Kepong Bhd. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

- There are 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 are no labor disputes that are not being resolved through an agreed process.
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above.

2.2 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.2.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	Positive assurance statement provided, which does not include the new mill found in the revised time bound plan.
2.2.2	No replacement after dates defined in NIs Criterion 7.3 of: <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	The company has conducted HCV assessment in January – February 2012 for all subsidiaries where the assessment report confirms that there was no replacement of primary forest or containing HCV. The new mills and newly acquired land are still under consultant preliminary report.
2.2.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	No new planting reported for existing units. However, the newly acquired lands will adhere to the NPP procedures when it is ready.
2.2.4	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.	SIA conducted reported that there are land conflicts at some of the uncertified units and the company is handling through FPIC and grievance procedures.
2.2.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	None noted. No stakeholder comments or complaints received

2.2.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	None noted. No stakeholder comments or complaints received
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3.4 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

3.4.1 Identification of Findings, Corrective Actions and Observations at ASA-2 Assessment

NCR No.	: 2018.1	Issued by	: Afiffuddin
Date Issued	: 5 July 2019	Time Limit	: 4 October 2019
NC Grade	: Major	Date of Closing	: 5 August 2019
Standard Ref. & Requirement	<p>4.7.3 All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.</p>		
<p>Evidence observed :</p> <p>The certificate holder has Circular Letter number 073.A / Presdir / SE / II / 2017 concerning Management and Discipline of Personal Protective Equipment that is approved by the President Director. In the procedure explained, including :</p> <ul style="list-style-type: none"> • All employees must be given a complete and adequate PPE, including new employees who are on probation and / or contractor employees. • Managers assisted by the audit department must be able to ensure that PPE is distributed on target, is appropriate and controls the supply of PPE in the estate. <p>Based on the results of field observations, the following conditions were found:</p> <ul style="list-style-type: none"> • 1 worker was found at WTP Station and 1 worker at Press Station Stabat POM using PPE boots that he bought himself • 1 welder was found in the Tanjung Keliling Estate workshop who used leather gloves in a damaged condition. • 3 circle and path spray workers and 3 bag caterpillar spray workers at the Gohor Lama Estate who did not use goggles. 1 bag caterpillar spray workers showed that the PPE glasses were inadequate (blurred and cannot be used while working). • 1 worker out of 3 harvest workers found in Bekiun Estate who did not use personal protective equipment in the form glasses and 1 harvest worker showed that the PPE glasses were inadequate (blurred and could not be used while working). <p>Non-Conformance Description :</p> <p>Based on the explanation above, the certificate holder has not shown evidence that control of PPE stocks has been carried out in the warehouse and monitoring of PPE eligibility has been carried out effectively.</p>			
<p>Root Cause Analysis :</p> <ol style="list-style-type: none"> 1. Stabat POM: <ul style="list-style-type: none"> • There is no PPE stock monitoring in the warehouse so the stock was empty. The indent has been made but the item has not been received. 2. Estate (Bekiun, Tanjung Keliling, Gohor Lama) <ul style="list-style-type: none"> • Workers do not report to the foreman regarding PPE that is damaged both verbally and in writing • Monitoring the use of PPE has not been effective 			
<p>Correction :</p>			

1. Stabat POM:
 - Employees working at press stations and WTP stations are equipped with the appropriate PPE
2. Estate (Bekiun, Tanjung Keliling, Gohor Lama)
 - Provide PPE to workers (including welding workers) as well as attach photo evidence of granting PPE and records of PPE expenditure

Corrective Action :

- Check on morning briefing and check in the field periodically by Assiten / foreman
- Record PPE damage reports if damaged PPE is found
- Take notes in the PPE violation book for employees who do not use PPE when working
- (Refer to Appendix 6.)
- Disseminating workers to use PPE provided by the company
- Monitor PPE usage and eligibility periodically (using the PPE usage monitoring checklist format)
- Monitor PPE usage and eligibility periodically (using the PPE usage monitoring checklist format)
- Controlling PPE stock in warehouses to ensure that PPE stock is sufficient to replace damaged PPE (using the PPE stock monitoring checklist format)
- Indent before the PPE stock is empty (at least 1 month before)
- Continue to follow up to the purchasing party regarding the goods identified so that the requested goods can be received quickly
- Monitoring PPE warehouse stock in order to ensure the availability of goods
- Submission of PPE damage through oral and written is still valid. To anticipate the submission of complaints verbally, we have socialized to all employees so that complaints submitted later will be written in the complaint form (stakeholder form) which is already available in each division of the estate. This aims to facilitate management in making decisions and ensure whether or not the complaint is realized.

Assessor Evaluation and Conclusion :

Verification July 30, 2019

The certificate holder shows the following evidence of improvement:

1. POM Purchase Order document related to the demand for safety shoe requirements on May 20, 2019.
2. Indent Web Supplies document dated May 20, 2019, which explains that a total of 44 PPE safety shoes have been ordered for Tanjung Keliling POM employees.
3. Presentation of the List of PPE Presentation on 4 July 2019 at the Stabat POM, which was attended by 44 participants
4. Record of PPE expenditure for boots, 4 July 2019, for 3 Tanjung Keliling POM workers
5. Photo Dissemination and Submission of PPE To Tanjung Keliling Employees.
6. Photo documentation of replacing damaged PPE 9 harvesters Bekiun Estate
7. PPE request for Division 2 harvesters from the Assistant Division to the Estate Manager, May 16, 2019, which explains PPE requests for 13 pairs of gloves, 2 pieces of glasses, 13 pieces of safety cover and 1 piece of helmet and have been responded by managers to share.
8. Records of PPE reception in July at Bekiun Estate Division 2 for 13 harvesters.
9. Documents for Request for PPE Division 2 in May 2019, Photos of the documentation of the replacement of PPE glasses for 10 employees of Gohor Lama Estate sprayer, 3 July 2019 along with proof of receipt.
10. Presentation documents for Record of Socialization of PPE Replacement for Welder, dated July 4, 2019 at the Tanjung Keliling Estate Workshop attended by 1 welder.
11. Record of Expenditures of PPE for Leather Gloves, dated July 4, 2019, for 1 person of the Tanjung Keliling Estate welder along with photos of PPE gifts.

12. PPE Usage Monitoring Checklist document dated July 9, 2019 in the Division 2 of Bekiun Estate, which explains 7 harvesters using the complete PPE, namely helmets, boots, gloves, safety cover and glasses along with photos during monitoring.
13. PPE Monitoring Monitoring Checklist document dated July 9, 2019 in Division 4 of Bekiun Estate, which explains 5 sprayers using the complete PPE, namely boots, aprons, gloves and masks along with photos when monitoring.
14. PPE Usage Monitoring Checklist document dated July 8, 2019 in Division 2 of the Gohor Lama Estate, which explains 9 maintenance workers using complete PPE, namely helmets, boots, masks, aprons, gloves and glasses along with photos when monitoring.
15. Document Monitoring Checklist for PPE Usage on July 8, 2019 in Division 1 and Division 4 of Tanjung Keliling Estate, which explains 9 sprayers using complete PPE, namely helmets, boots, masks, aprons, gloves and glasses along with photos when monitoring.
16. PPE Stock Monitoring Documents at Bekiun Estate, Gohor Lama Estate, Tanjung Keliling Estate and Stabat POM which explain the availability of PPE from October 2018 until June 2019.
17. Proof of request for PPE Gohor Lama Estate request from the sustainability coordinator to the Manager, on 22 July 2019 for the 2019/2020 period inventory, supplemented by warehouse stock data and stock additions of more than 30% and have been responded by the manager.
18. Documentation (photo) checking the PPE of Bekiun, Gohor Lama, Tanjung Keliling Estate and Stabat POM.
19. Recording Documents of Subscription for the Use of the Bekiun Estate PPE that explains the procedure for filling out the monitoring form and the monitoring form.

Verification August 5, 2019

The certificate holder shows evidence of improvement in the form of documentation of SOP 01 re-information, communication and employee complaints that have been carried out at Bekiun, Gohor Lama, Tanjung Keliling Estate and Stabat POM to all employees, for example sprayers and fertilizers on May 27, 2019 at Bekiun Estate, which was attended by 34 participants and process employees on 1 July 2019 at Stabat POM, which was attended by 56 participants.

Based on the analysis of the root causes presented, the corrective actions that are shown as well as the preventive actions that will be carried out, then this non conformity is stated **closed with observation** in the next assessment.

Verified by : Afiffuddin

NCR No.	: 2019.2	Issued by	: Sandra Purba
Date Issued	: 5 July 2019	Time Limit	: ASA-3
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	: 5.1.2 Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons.		
Evidence observed :	The implementation of environmental monitoring and management has been carried out and has been reported to the relevant agencies, for example the report of semester 2 period 2018 was sent on January 8, 2018 to DLH Langkat. However, not entire parameters required in the matrix have been monitored and managed by the company, for example: <ul style="list-style-type: none"> • Mill: Disturbances in aquatic biota, potential workplace accidents, work opportunities, business opportunities, health problems, infrastructure damage, community perceptions. 		

- Estates: decrease in flora and fauna diversity, employment opportunities for local workers, employment opportunities / income, community service, community perceptions, public health.

Root Cause Analysis :

Correction :

Corrective Action :

Assessor Evaluation and Conclusion :

Verified by

:

3.4.2 Identification of Findings, Corrective Actions and Observations at Extension Scope Assessment

NCR No.	:		Issued by	:	
Date Issued	:		Time Limit	:	
NC Grade	:		Date of Closing	:	
Standard Ref. & Requirement	:				
Evidence observed (filled by auditor):					
Non-Conformance Description (filled by auditor):					
There's no non-conformities on Intial assessment.					
Root Cause Analysis (filled by organization audited):					
Correction (filled by organization audited):					
Corrective Action (filled by organization audited):					
Assessor Evaluation and Conclusion (filled by auditor):					
Verified by	:				

3.4.3 Opportunity for Improvement



No	Ref. Std.	Description
1	2.2.1	Company are encouraged to reassure the mechanism for compliance with regulations by third parties
2	3.4.2	Ensure the Environmental Impact Monitoring Plan
3	4.8.1	The process of completing land covering 7 hectares
4	6.2.6	Ensure the recalculation of prevailing wage
5	7.3.2	Follow-up to the hazardous waste storage permit issuance process to related agencies Ensure that all hazardous waste produced is stored in temporary warehouses before being sent to temporary storage with permission in Stabat POM within 7 days
6	7.11.3	Follow up on the implementation of the fire management training program together with the surrounding community which will be conducted in April 2020.
7		

3.4.4 Noteworthy Positive Components

No	Ref Std	Descriptions
1	-	Commitment to implementing sustainability standards for oil palm management
2	-	The company's modification of the FFB conveyance for harvester use on motorbikes has facilitated the process of transporting fruit to the collection site

3.5 Summary of Arising Issues from Public and Auditor Response

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>Head of Sumber Mulyo village and Perkebunan Tanjung Beringin village</p> <ul style="list-style-type: none"> - The relationship and communication between them are in good, the village head are understand the way to submit aspiration, grievance, complaint and as well as the proposal for assistance. - There is no land dispute, all the area managed by unit is in accordance with the HGU - There is no pollution issue, the company has been handled the waste generated - The CSR are provided in accordance with the community's aspiration. 	<p>The auditor has verify regarding to the land dispute, the settlement are on progress for arable area of 7 Ha.</p> <p>All managed area are within the HGU, there is no overplanted.</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Signing of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>PT Langkat Nusantara Kepong President Director</p>  <p>MD Nasrudin Ismail Thursday, 20 February 2020 PRESIDENT DIRECTOR</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p>Sandra Purba Thursday, 20 February 2020</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	Tj. Beringin Estate: - 4 Spraying Team - 8 Manuring Team - 3 Harvesting Team	PT Langkat Nusantara Kepong	-	Interview	February 18 th , 2020	✓	-
2	Head of Sumber Mulyo village and Perkebunan Tanjung Beringin village	Langkat District, North Sumatera Province	-	Interview	February 18 th , 2020	✓	-

Appendix 2. Assessment Program			
DATE / TANGGAL		17 – 20 February 2020	
PLANNED TIME RENCANA WAKTU	ACTUAL DURATION DURASI AKTUAL	PROCESSES / CLAUSES TO BE AUDITED PROSES / HAL YANG DIAUDIT	AUDITOR
Monday/ Senin, 17 February 2020			
05.35 – 08.00	05.35 – 08.00	JAKARTA → MEDAN	• All Auditors
08.00 – 12.00	08.00 – 12.00	Travelling to PT LANGKAT NUSANTARA KEPONG (STABAT POM)	• All Auditors
12.00 – 14.00	12.00 – 14.00	Break	• All Auditors
14.00 – 15.00	14.00 – 15.00	Opening Meeting	• All Auditors
15.00 – 17.00	15.00 – 17.00	Document Review and Clarification	• All Auditors
Tuesday/ Selasa, 18 February 2020			
08.00 – 12.00	08.00 – 12.00	Field Observation to Tanjung Beringin Estate <ul style="list-style-type: none"> • Manuring, Spraying, Harvesting, Best Agricultural Practices, Integrated Pest Management; Worker Welfare (payments, complaint mechanism) and Conservation (HCV) Area • Legal operational boundary and Stakeholders consultation with nearest village and community leader • Worker facilities (housing, health clinic, clean water, etc); Fire Fighting facilities, Chemical Storage; Schedule Waste management, Land fill. 	<ul style="list-style-type: none"> • BSH • SNP • RAH
12.00 – 14.00	12.00 – 14.00	Break	• All Auditors
14.00 – 15.00	14.00 – 15.00	Field Observation to Stabat POM	• All Auditors
15.00 – 17.00	15.00 – 17.00	Document Review and Clarification of Field Observation	• All Auditors
Wednesday / Rabu, 19 February 2020			
08.00 – 12.00	08.00 – 12.00	Public consultation: Interview with Gender Committee, Labor Union, Local Contractor Document review: <ul style="list-style-type: none"> • Completion of checklist and clarification/ follow-up on outstanding audit issues • Clarification of Field Observations & Document Verification 	<ul style="list-style-type: none"> • All Auditors • All Auditors
12.00 – 14.00	12.00 – 14.00	Break	• All Auditor
14.00 – 17.00	14.00 – 17.00	Document review: <ul style="list-style-type: none"> • Completion of checklist and clarification/ follow-up on outstanding audit issues • Clarification of Field Observations & Document Verification 	• All Auditors
17.00 – 18.00	17.00 – 18.00	PT LNK → MEDAN	• All Auditors
Thursday / Kamis, 20 February 2020			
08.00 – 10.00	08.00 – 10.00	Closing Meeting	• All Auditors
14.05 –	14.05 –	MEDAN → JAKARTA	• All Auditors