

Roundtable on Sustainable Palm Oil Certification R S P O

[✓] Initial Certification

Name of Management : Eagle High Plantation Palm Oil Mill - PT Eagle High Plantations, Tbk
 Organisation
 Plantation Name : PT Bumilanggeng Perdanatrada, consist of Arjuna Estate, Bromo Estate and Semeru Estate.
 Location : Village of Bedaun, Sub District of Kumai, District of Kotawaringin Barat, Province of Kalimantan Tengah, Indonesia.
 Certificate Code : **MUTU-RSPO/127**
 Date of Certificate Issue : 10 May 2019 Date of License Issue : 10 May 2019
 Date of Certificate Expiry : 09 May 2024 Date of License Expiry : 09 May 2020

| Assessment | Assessment Date | PT. Mutuagung Lestari Auditor | Reviewed by | Approved by |
|------------|-----------------------------|--|-----------------------|------------------------|
| IC | 25 February to 1 March 2019 | Trismadi Nurbayuto (Lead Auditor), Moh Amarullah, Brigitta Prita & Haikal Ramadhan Kharismansyah | Ganapathy Ramasamy | Octo HPN Nainggolan |

| Assessment | Approved by MUTUAGUNG LESTARI on: |
|------------|-----------------------------------|
| IC | 10 May 2019 |

PT Mutuagung Lestari • Raya Bogor Km 33,5 Number 19 • Cimanggis • Depok 16953 • Indonesia
 Telephone (+62) (21) 8740202 • Fax (+62) (21) 87740745/6 • Email: agri@mutucertification.com • www.mutucertification.com
 MUTU Certification • Accredited by Accreditation Services International
 On March 12th, 2014 with registration number **ASI-ACC-055**

TABLE OF CONTENT
FIGURE

| | |
|--|---|
| Figure 1. Location Map of PT Eagle High Plantations, Tbk | 2 |
| Figure 2. Operational Map of PT Bumilanggeng Perdana Trada | 3 |

| | |
|--------------------|---|
| Abbreviations Used | 4 |
|--------------------|---|

1.0 SCOPE of the CERTIFICATION ASSESSMENT

| | | |
|------|---------------------------------------|---|
| 1.1 | Assessment Standard Used | 5 |
| 1.2 | Organisation Information | 5 |
| 1.3 | Type of Assessment | 5 |
| 1.4 | Location of Mill and Plantations | 5 |
| 1.5 | Description of Area Statement | 6 |
| 1.6 | Planting Year and Cycles | 6 |
| 1.7 | Description of Mill and Supply Base | 7 |
| 1.8 | Estimate Tonnage of Certified Product | 8 |
| 1.9 | Other Certifications | 8 |
| 1.10 | Time-Bound Plan | 9 |

2.0 ASSESSMENT PROCESS

| | | |
|-----|--|----|
| 2.1 | Assessment Team | 12 |
| 2.2 | Assessment Methodology, Assessment Process and Locations of Assessment | 12 |
| 2.3 | Stakeholder Consultation and Stakeholders Contacted | 15 |
| 2.4 | Determining Next Assessment | 15 |

3.0 ASSESSMENT FINDINGS

| | | |
|-----|--|----|
| 3.1 | Summary of Assessment Report of the RSPO Certification | 16 |
| 3.2 | Summary of Assessment Report of Supply Chain Requirement | 53 |
| 3.3 | Conformity Checklist of Certificate and Logo Use | 62 |
| 3.4 | Summary of RSPO Partial Certification | 63 |
| 3.5 | Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components | 76 |
| 3.6 | Summary of Arising Issues from Public, Management and Auditor Responses | 83 |

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

| | | |
|-----|---------------------------------------|----|
| 4.1 | Formal Signing of Assessment Findings | 88 |
|-----|---------------------------------------|----|

APPENDICES

| | | |
|----|--|----|
| 1. | List of Stakeholders Contacted in the RSPO Certification Process | 89 |
| 2. | Assessment Program | 91 |

Figure 1. Location Map of PT Eagle High Plantations, Tbk

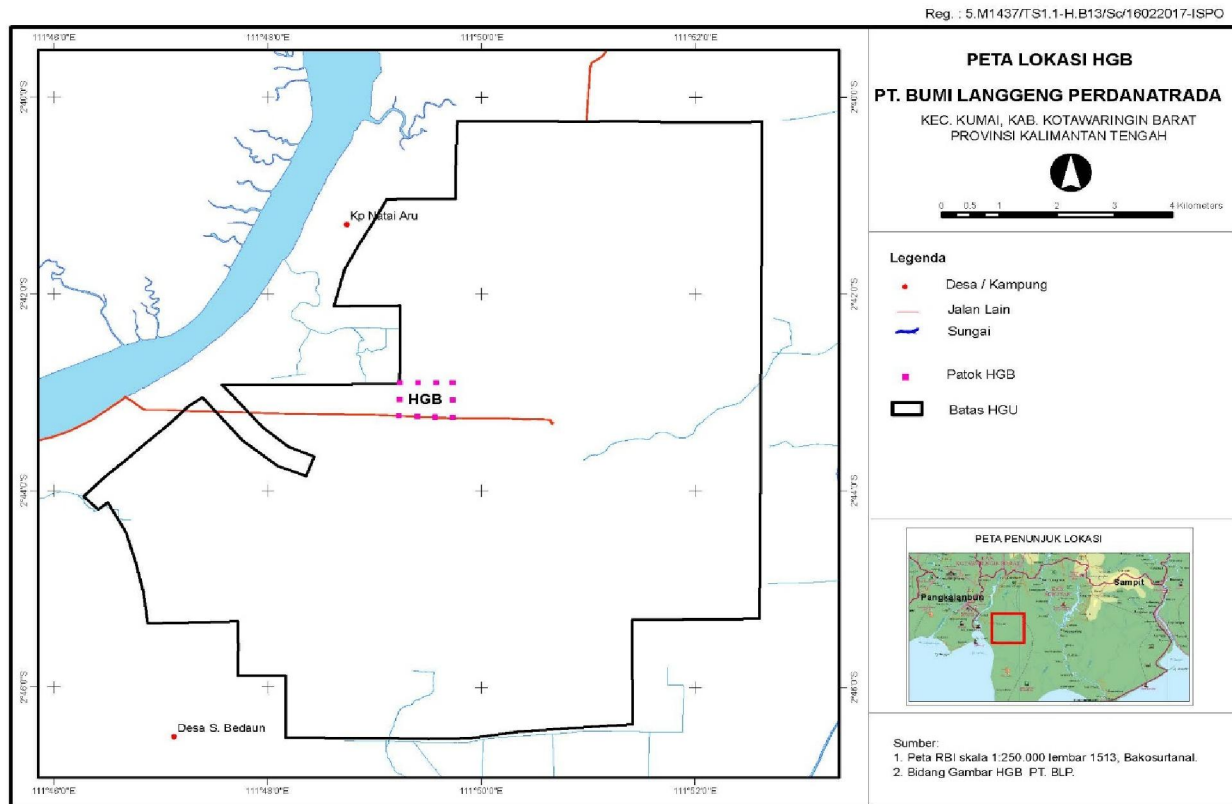
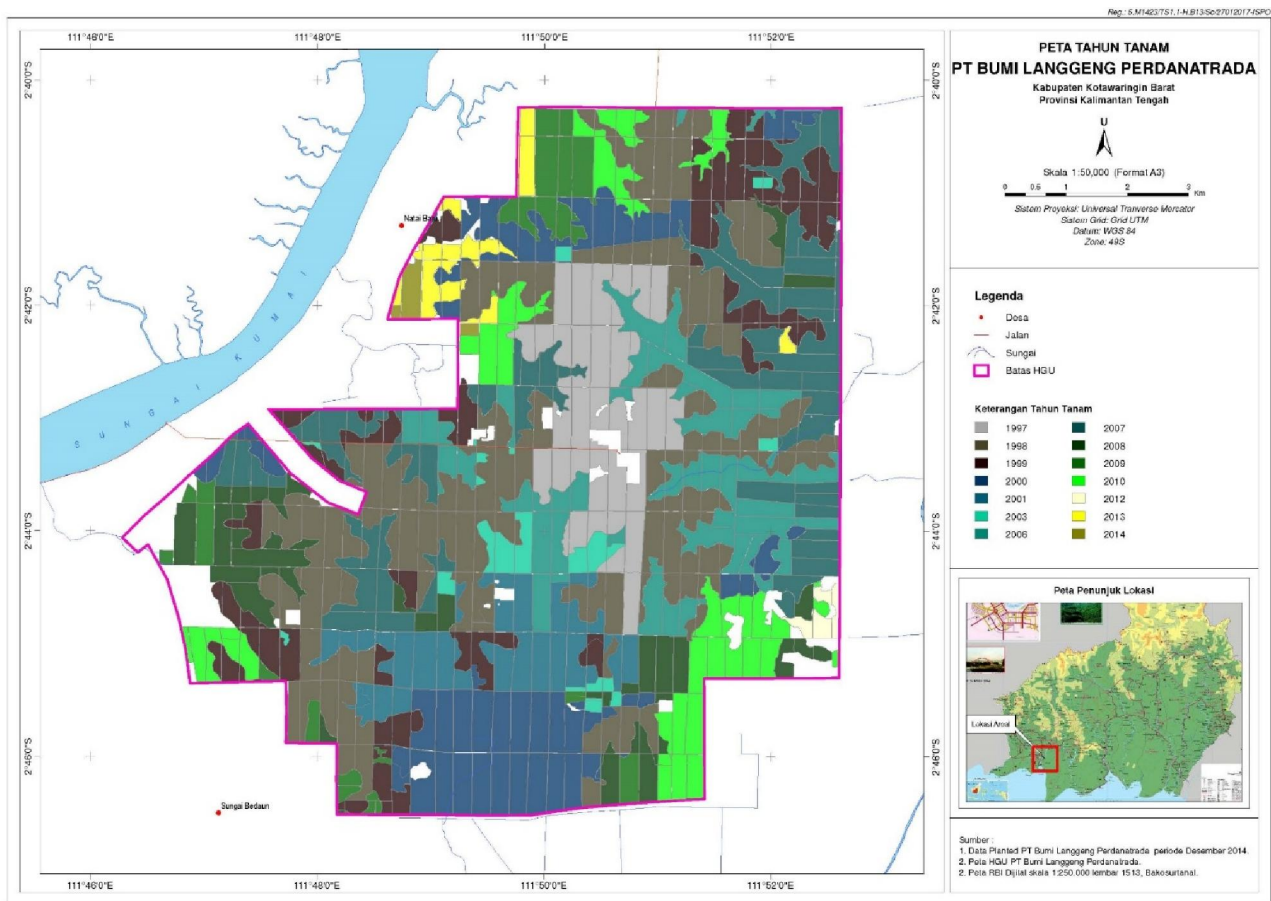


Figure 2. Operational Map of PT Bumilanggeng Perdana Trada.



Abbreviations Used

| | | |
|----------|---|--|
| BMP | : | Best Management Practices |
| BOD | : | Biological Oxygen Demand |
| BPJS | : | <i>Badan Penyelenggara Jasa Sosial</i> |
| BRME | : | <i>Bromo Estate</i> |
| CEO | : | <i>Chief Executive Officer</i> |
| COO | : | <i>Chief Operating Officer</i> |
| CITES | : | Convention, International, Threatened, Endangered Species |
| CPO | : | Crude Palm Oil |
| CSR | : | Corporate Social Responsibility |
| EHP | : | Eagle High Plantation |
| EHS | : | Environmental, Health and Safety |
| EIA | : | Environmental Impact Assessment |
| FFB | : | Fresh Fruit Bunch |
| FPIC | : | Free, Prior and Informed Consent |
| GHG | : | Green House Gases |
| HCV | : | High Conservation Value |
| HGU | : | Hak Guna Usaha (Land Use Title/Right) |
| HIRAC | : | Hazard Identification Risk Assessment and Control |
| HSE | : | Health Safety and Environment |
| IPM | : | Integrated Pest Management |
| IUCN | : | International Union for Conservation of Nature |
| KER | : | Kernel Extraction Rate |
| LCC | : | Legume cover crop |
| LSU | : | Leaf Sampling Unit |
| LUCA | : | Land Use Change Analysis |
| MSDS | : | Material Safety Data Sheet |
| OER | : | Oil Extraction Rate |
| OHS | : | Occupational Health and Safety |
| OHSAS | : | Occupational Health and Safety Assessment Series |
| P&C | : | Principle and Criteria |
| PIC | : | Person in charge |
| PK | : | Palm Kernel |
| POM | : | Palm Oil Mill |
| POME | : | Palm Oil Mill Effluent |
| PPE | : | Personal Protective Equipment |
| P2K3 | : | <i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> OHS Committee |
| R & D | : | Research & Development |
| RKL- RPL | : | Environmental Management and Monitoring Report |
| RSPO | : | Roundtable on Sustainable Palm Oil |
| RTE | : | Rare, threatened or endangered |
| SCCS | : | Supply Chain Certification System |
| SEIA | : | Social Environmental Impact Assessment |
| SIA | : | Social Impact Assessment |
| SMRE | : | Semeru Estate |
| SPO | : | Sustainability Palm Oil |
| SOP | : | Standard Operating Procedure |
| SSU | : | Soil Sampling Unit |
| WHO | : | World Health Organization |
| WTP | : | Water Treatment Plant |

| 1.0 | SCOPE of the CERTIFICATION ASSESSMENT | | | | | | | | |
|---------------|---|--|---|------------|--|----------|-----------|---------------|----------------|
| 1.1 | Assessment Standard Used | | <ul style="list-style-type: none"> Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF (Indonesian National Interpretation Task Force) July 2016, endorsed by the RSPO Board of Governors 30th September 2016. RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module D / E for CPO Mill) RSPO Certification System for Principles and Criteria, 14 June 2017 | | | | | | |
| 1.2 | Organisation Information | | | | | | | | |
| 1.2.1 | Organisation name listed in the certificate | | PT Eagle High Plantations, Tbk. | | | | | | |
| 1.2.2 | Contact person | | IB Gede Astawa | | | | | | |
| 1.2.3 | Organisation address and site address | | <ul style="list-style-type: none"> RSPO registered company: Noble House, 12th floor Jl. DR. Ide Anak Agung Gede Agung Kav. E 4.2 No. 2 (Sub-Block 6.7) No. 2 Kawasan Mega Kuningan, Jakarta 12950 – Indonesia. | | | | | | |
| 1.2.4 | Telephone | | (+62) 21-29783093 | | | | | | |
| 1.2.5 | Fax | | (+62) 21-29783082 – 83 | | | | | | |
| 1.2.6 | E-mail | | gede.astawa@eaglehighplantations.com | | | | | | |
| 1.2.7 | Web page address | | http://www.eaglehighplantations.com/ | | | | | | |
| 1.2.8 | Management Representative who completed the application for certification | | IB Gede Astawa | | | | | | |
| 1.2.9 | Registered as RSPO member | | 1-0048-08-000-00 21 March 2008 | | | | | | |
| 1.3 | Type of Assessment | | | | | | | | |
| 1.3.1 | Scope of Assessment and Number of Management Unit | | Palm Oil Mill and supply base <ul style="list-style-type: none"> EHP Mill – PT Eagle High Plantations Arjuna Estate, Semeru Estate, Bromo Estate – PT Bumilanggeng Perdanatrada | | | | | | |
| 1.3.2 | Type of certificate | | Single | | | | | | |
| 1.4 | Locations of Mill and Plantation | | | | | | | | |
| 1.4.1 | Location of Mill | | | | | | | | |
| | Name of Mill | Location | <table border="1"> <thead> <tr> <th colspan="2">Coordinate</th> </tr> <tr> <th>Latitude</th> <th>Longitude</th> </tr> </thead> <tbody> <tr> <td>S 02° 43' 10"</td> <td>E 111° 49' 22"</td> </tr> </tbody> </table> | Coordinate | | Latitude | Longitude | S 02° 43' 10" | E 111° 49' 22" |
| Coordinate | | | | | | | | | |
| Latitude | Longitude | | | | | | | | |
| S 02° 43' 10" | E 111° 49' 22" | | | | | | | | |
| | EHP Mill | Sungai Bedaun Village, Sub District of Kumai, Kotawaringin Barat District, Kalimantan Tengah Province, Indonesia | | | | | | | |

| | | | | | |
|---|--|--|---------------|----------------|----------|
| 1.4.2 | Location of Certification Scope of Supply Base | | | | |
| | Name of Supply Base | Location | Coordinate | | |
| | | | Latitude | Longitude | |
| | Arjuna | Sungai Bedaun Village, Sub District of Kumai, Kotawaringin Barat District, Kalimantan Tengah Province, Indonesia | S 02° 43' 20" | E 111° 50' 48" | |
| | Semeru | Sungai Bedaun Village, Sub District of Kumai, Kotawaringin Barat District, Kalimantan Tengah Province, Indonesia | S 02° 44' 31" | E 111° 49' 34" | |
| | Bromo | Sungai Bedaun Village, Sub District of Kumai, Kotawaringin Barat District, Kalimantan Tengah Province, Indonesia | S 02° 44' 49" | E 111° 47' 49" | |
| | | | | | |
| 1.5 | Description of Area Statement | | | | |
| 1.5.1 | Tenure | | | | |
| | • State (HGU:8,876.60 Ha & HGB: 64.52 Ha)* | | 8,941.12 Ha | | |
| | • Community | | - Ha | | |
| *Certification scope is 8,711.54 Ha, it cause there are enclave: 41.58 Ha & Forest Release Permit Process: 188 Ha | | | | | |
| 1.5.2 | Area Statement | | | | |
| | • Total area | | 8,711.54 | Ha | |
| | • Mature area | | 8,262.48 | Ha | |
| | • Immature area | | - | Ha | |
| | • Mill | | 64.52 | Ha | |
| | • Emplacement & Infrastructure | | 226.97 | Ha | |
| | • Others area (Quary) | | 11.00 | Ha | |
| | • HCV ** | | 146.57 | Ha | |
| **The total HCV area is 4,829.94 (based on identification HCV in 2013). HCV area consist of secondary forest: 146.57 Ha; and other areas included in planted area (riparian 208.58 Ha; sacred place 0.005 Ha; and deep peat 4,474.78 Ha) | | | | | |
| 1.6 | Planting Year and Cycles | | | | |
| 1.6.1 | Age profile of planting year | | | | |
| | Planting Year | Hectarage (Ha) | | | |
| | | Arjuna | Semeru | Bromo | Total |
| | 1997 | 473.44 | 240.15 | - | 713.59 |
| | 1998 | 648.87 | 974.42 | 287.73 | 1,911.02 |
| | 1999 | 439.01 | 84.20 | 242.23 | 765.44 |
| | 2000 | 274.41 | 78.60 | 595.13 | 948.14 |
| | 2001 | - | 110.46 | 367.79 | 478.25 |
| | 2003 | 17.19 | 104.43 | 22.30 | 143.92 |
| | 2006 | 271.12 | 497.21 | - | 768.33 |
| | 2007 | 658.55 | 422.59 | - | 1,081.14 |
| | 2008 | 34.99 | 275.46 | 189.17 | 499.62 |
| | 2009 | 96.50 | 48.51 | 78.28 | 223.29 |
| | 2010 | 165.86 | 83.00 | 288.64 | 537.50 |
| | 2012 | - | 36.46 | - | 36.46 |
| | 2013 | 117.50 | - | - | 117.50 |

| | | | | | | | |
|-------|--|-------------------------------------|--------------------------------|-------------------------|-------------------------------|----------------------|-------------------|
| | 2014 | 38.28 | - | - | 38.28 | | |
| | TOTAL | 3,235.72 | 2,955.49 | 2,071.27 | 8,262.48 | | |
| 1.6.2 | New Planting area after January 2010 (without NPP Verification) | | 729.74 Ha | | | | |
| 1.6.3 | Planting Cycle | | 1 st Cycle | | | | |
| | | | | | | | |
| 1.7 | Description of Mill and Supply Base | | | | | | |
| 1.7.1 | Description of Mill | | | | | | |
| | Name of Mill | Capacity (tonnes/ hour) | FFB Processed (tonnes/year) | CPO | | Palm Kernel | |
| | | | | Out put (tonnes) | Extraction (%) | Out put (tonnes) | Extraction (%) |
| | EHP | 60 | 237,790 | 52,394 | 22.03 | 9,678 | 4.07 |
| | *Production data source from 12 months before assessment (February 2018 to January 2019) | | | | | | |
| 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) | % |
| | Arjuna | 3,510.20 | 3,235.72 | 63,186 | 20.94 | 63,186 | 100 |
| | Semeru | 3,058.02 | 2,955.49 | 56,085 | 19.77 | 56,085 | 100 |
| | Bromo | 2,143.32 | 2,071.27 | 39,423 | 23.97 | 39,423 | 100 |
| | TOTAL | 8,711.54 | 8,262.48 | 158,694 | 21.16 | 158,694 | 100 |
| | *Production data source from 12 months before assessment (February 2018 to January 2019) | | | | | | |
| 1.7.3 | FFB description from other source | | | | | | |
| | Name of sources/Organisation (RSPO certified / non-certified) | Type of Organisation | number of smallholders | Production Area (Ha) | Supplied to Mill | | |
| | | | | | FFB (tonnes/year) | | |
| | Arjuna Cadastral/PT BLP (non-certified) | PT Bumilanggeng Perdanatrada | - | 216 | 3,306 | | |
| | Semeru Cadastral/PT BLP (non-certified) | PT Bumilanggeng Perdanatrada | - | 68 | 1,015 | | |
| | Bromo Cadastral/PT BLP (non-certified) | PT Bumilanggeng Perdanatrada | - | 300 | 2,307 | | |
| | Arjuna (sanction)/PT BLP (RSPO certified) | PT Bumilanggeng Perdanatrada | - | 321.64 | 5,109 | | |
| | Semeru (sanction)/PT BLP (RSPO certified) | PT Bumilanggeng Perdanatrada | - | 119.46 | 1,346 | | |
| | Bromo (sanction)/PT BLP (RSPO certified) | PT Bumilanggeng Perdanatrada | - | 288.64 | 8,505 | | |
| | Bromo Plasma/PT BLP (non-certified) | Associate Smallholder (Full Manage) | 1,434 | 1,850.68 | 28,717 | | |
| | Arjuna Plasma/PT BLP (non-certified) | Associate Smallholder (Full Manage) | 399 | 384.41 | 1,562 | | |
| | H. Salman/Kumai Raya Cooperative (non-certified) | Independent Supplier | - | - | 4,293 | | |
| | Ponadin (non-certified) | Independent Supplier | - | - | 6,627 | | |
| | Edi Efendi (non-certified) | Independent Supplier | - | - | 3,684 | | |
| | CV Hosana (non-certified) | Independent Supplier | - | - | 9,838 | | |
| | Johanes (non-certified) | Independent Supplier | - | - | 88 | | |
| | BSSL (non-certified) | Independent Supplier | - | - | 1,250 | | |

| | | | | | |
|-------|--|--|--|---|--|
| | CV Baja (non-certified) | Independent Supplier | - | - | 1,449 |
| | TOTAL | | | | 79,096 |
| | *Source Production Data on 12 months before assessment (February 2018 to January 2019) | | | | |
| 1.7.4 | Product categories | | | FFB, CPO, PK | |
| | | | | | |
| 1.8 | Tonnage of Product | | | | |
| 1.8.1 | Past Annual Claim Certified Product | | Last Year Projected Certified Volume (MT) | Last Year Actual Certified Volume (mm yy to mm yy) (MT) | |
| | FFB Processed | | - | - | |
| | CPO Production | | - | - | |
| | Palm Kernel (PK) Production | | - | - | |
| 1.8.2 | Product selling | | | | |
| | Type of selling product | Actual selling product for for last year (mm yy to mm yy) (MT) | | | |
| | CSPO sold as RSPO certified product | - | | | |
| | CSPK sold as RSPO certified product | - | | | |
| | CSPO sold under other scheme | - | | | |
| | CSPK sold under other scheme | - | | | |
| | CSPO sold as conventional | - | | | |
| | CSPK sold as conventional | - | | | |
| 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) |
| | Arjuna | 3,510.20 | 3,235.72 | 65,082 | 21.57 |
| | Semeru | 3,058.02 | 2,955.49 | 57,767 | 20.36 |
| | Bromo | 2,143.32 | 2,071.27 | 40,605 | 24.69 |
| | TOTAL | 8,711.54 | 8,262.48 | 163,454 | 21.80 |
| | *Projected FFB production for 12 months of certificate There are sanction (new planting without NPP verification) with area 729.74 Ha | | | | |
| 1.8.4 | Estimate of Certified Palm Product Claim | | | | |
| | Name of Mill | Capacity (tonnes/ hour) | FFB Processed (tonnes/year) | CPO Out put (tonnes) Extraction (%) | Palm Kernel Out put (tonnes) Extraction (%) Supply Chain Module |
| | EHP | 60 | 163,454 | 38,444 23.52 | 7,094 4.34 MB |
| | *Projected CSPO and CSPK production for 12 months of certificate | | | | |
| | | | | | |
| 1.9 | Other Certifications | | | | |
| | ISO 9001:2008 | | - | | |
| | ISO 14001: 2004 | | - | | |
| | OHSAS 18001:2007 | | - | | |
| | ISCC | | - | | |
| | Others | | ISPO: MUTU-ISPO/118 (27 July 2018 till 26 July 2023) | | |

| | | | | | | |
|---------------|---|------------------------|-----------------------------|------------------------|--|--------------------|
| 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 |
| | Mill | Time Bound Plan | | | | |
| | EHP Mill (PT Eagle High Plantations) | 2019 | Arjuna Estate (BLP) | 2019 | Kotawaringin Barat, Kalimantan Tengah | Initial Assessment |
| | | | Semeru (BLP) | 2019 | | |
| | | | Bromo (BLP) | 2019 | | |
| | | | BLP cadastral | 2021 | | |
| | | | Arjuna Plasma | 2021 | | |
| | | | Bromo Plasma | 2021 | | |
| | Bangkirai Mill (PT Jaya Mandiri Sukses) | 2020 | Bangkirai Estate (JMS) | 2020 | Kutai Kartanegara, Kalimantan Timur | |
| | | | Gaharu Estate (JMS) | 2020 | | |
| | | | Kulim Estate (JMS) | 2020 | | |
| | | | Angsana Estate (JMS) | 2020 | | |
| | | | Trembesi Estate (JMS) | 2020 | | |
| | | | Jatimas Estate (JMS) | 2020 | | |
| | | | Sungai Estate (MAJ) | 2020 | | |
| | | | Damar Estate (MAJ) | 2020 | | |
| | | | Cendana Estate (STP) | 2020 | | |
| | BHL Mill (PT Bumihutani Lestari) | 2020 | Sibayak (BHL) | 2020 | Kotawaringin Timur and Katingan, Kalimantan Tengah | |
| | | | Rinjani (BHL) | 2020 | | |
| | | | Kerinci (BHL) | 2020 | | |
| | | | Bukit Raya (BHL) | 2020 | | |
| | | | Papandayan (BHL) | 2020 | | |
| | | | Rinjani Plasma (BHL) | 2020 | | |
| | | | Kerinci Plasma (BHL) | 2020 | | |
| | ADS Mill (PT Adhyaksa Dhamasatya) | 2020 | Pangrango (ADS) | 2020 | Kotawaringin Timur, Kalimantan Tengah | |
| | | | Merbabu (ADS) | 2020 | | |
| | Merbau Mill (PT Sawit Sukses Sejahtera) | 2021 | Malapari (PCS) | 2021 | Kutai Timur, Kalimantan Timur | |
| | | | Kenanga (PCS) | 2021 | | |
| | | | Merbau (SSS) | 2021 | | |
| | | | Cempaka (SSS) | 2021 | | |
| | | | Mahoni (SSS) | 2021 | | |
| | | | Medang (SSS) | 2021 | | |
| | | | Keruing (SSS) | 2021 | | |
| | | | Kenari (SSS) | 2021 | | |
| | | | Meranti (SSS) | 2021 | | |
| | | | Ulin (SSS) | 2021 | | |
| | Kelampai Mill (PT Arrtu Plantation) | 2021 | Kelampai (APN) | 2021 | Ketapang, Kalimantan Barat | |
| | | | Kemuning (APN) | 2021 | | |
| | | | Padang Bunga (APN) | 2021 | | |

| | | | | | | |
|--|---|------------------------|----------------------|---------------------------------|--|--|
| | | | Energie Pawan (AER) | 2021 | | |
| | | | Siantau (ABP) | 2021 | | |
| | | | Pelanjau (AAN) | 2021 | | |
| | | | Nusantara Jaya (AAN) | 2021 | | |
| | | | Agro Jaya (AAN) | 2021 | | |
| | | | Mahota (MKJ) | 2021 | | |
| | | | Bidara (MKJ) | 2021 | | |
| Batu Bulan Mill (PT Surya Bumitunggal Perkasa) | 2023 | Intan (STP) | 2023 | Kotabaru, Kalimantan Selatan | | |
| | | Merah Delima (STP) | 2023 | | | |
| | | Berlian (JMS) | 2023 | | | |
| | | Kualam (JMS) | 2023 | Tanah Bumbu, Kalimantan Selatan | | |
| | | Batu Bulan (SGA) | 2023 | | | |
| | | Topas (SGA) | 2023 | | | |
| | | Emerald (SGA) | 2023 | | | |
| Safir Mill (PT Pesona Lintas Surasejati) | 2022 | Safir Estate (PLS) | 2022 | Kotabaru, Kalimantan Selatan | | |
| | | Mutiara (SKS) | 2022 | | | |
| | | Kalimaya (KAPAG) | 2022 | | | |
| | | Permata (MAJ) | 2022 | | | |
| Tulip Mill (PT Tandan Sawita Papua) | 2022 | Anggrek (TSP) | 2022 | Keerom, Papua | | |
| | | Dahlia (TSP) | 2022 | | | |
| | | Rafflesia (TSP) | 2022 | | | |
| | | Tulip (TSP) | 2022 | | | |
| | | Aggrek Plasma (TSP) | 2022 | | | |
| No Mill | - | Seulawah (WCJU) | 2023 | Kapuas, Kalimantan Tengah | | |
| | | Seulawah Plasma (WCJU) | 2023 | | | |
| | | VMA | 2023 | Sorong Selatan, Papua Barat | | |
| | | Kencana 1 (AKM) | 2023 | Melawi, Kalimantan Barat | | |
| | | Kencana 2 (AKM) | 2023 | | | |
| | | Kencana 3 (AKM) | 2023 | | | |
| | | Kencana 4 (AKM) | 2023 | | | |
| | | Sokan 1 (BSU) | 2023 | | | |
| | | Sokan 2 (BSU) | 2023 | | | |
| | | Pinoh 1 (SMS) | 2023 | | | |
| | | Pinoh 2 (SMS) | 2023 | | | |
| | | Pinoh 3 (SMS) | 2023 | | | |
| | | Pinoh 4 (SMS) | 2023 | | | |
| | | SGSS | 2023 | | | |
| | | Batanghari (MSP) | 2023 | Solok Selatan, Sumatera Barat | | |
| TBP is approve on December 2018. | | | | | | |
| 1.10.2 | Progress of Associated Smallholders and Outgrowers for Certifiable Standard | | | | | |

There are Associated Smallholders with Full Manage Scheme Bromo Plasma and Arjuna Plasma, it will be certifiable standard 3 years after Mill earning the RSPO Certificate.

There are HGU area which overlap with Conversion Forest Area, the historical permit application as follows:

- a. Kotawaringin Barat Regent Decree number 590/24/Agraria dated 10 March 2016 concerning recommendation of Conversion Forest Area Release Permit for PT BLP.
- b. Kalimantan Tengah Governor number 570/8/HUT/PKH/XI/DPMPSTP dated 21 October 2017 concerning Consideration of recommendation of Conversion Forest Area Release Permit for PT BLP.
- c. PT BLP Director Letter number 005/DIR/BLP/EKSTERN/XII/2017 dated 5 December 2017 to the *Direktorat Jenderal Planologi Kehutanan dan Tata Lingkungan* (Environment & Forestry Minister) concerning request guidance for the continued of release of forest area permit.
- d. Head of Public Work and Spatial Planning Agency of Kalimantan Tengah Province number 113/TR/V/2018 dated 5 April 2018 concerning information on the observation of the Forest Area Release permit of PT BLP on the Transmigration Management Right Area in accordance to Regional Regulation number 5 of 2015 concerning the Kalimantan Tengah Province Spatial Planning.
- e. Head of Manpower and Transmigration Agency of Kalimantan Tengah Province number B.787/Disnakertrans/2018 dated 17 May 2018, concerning scrutiny of the forest area release of PT BLP on the Transmigration management area. It was explained that there were no overlap with the Land Management Permit and Transmigration Zone Management Rights.
- f. PT BLP Director Letter number 003/DIR/BLP/EKSTERN/XI/2018 dated 15 November 2018 to the *Direktorat Jenderal Planologi Kehutanan dan Tata Lingkungan* (Environment & Forestry Minister) concerning Request letter regarding the forest area release status in PT BLP.

| | |
|--------------|--|
| 2.0 | ASSESSMENT PROCESS |
| 2.1 | Assessment Team |
| IC | <p>1. Trismadi Nurbayuto (Lead Auditor). Indonesian Citizen. Diploma of Forest Management from Forestry Faculty; Associate Degree of Economic from Economic and Management. He has experienced as field assistant on oil palm plantation year of 2008. Therefore he has experienced as HCV and SEIA Assessor on 2010-2013. He has been followed HCV identification and management training; ISO training (9001;14001; 22000); ISPO Lead Auditor's training; Safety Expert; RSPO Lead Auditor's; OHS Auditors by Government Regulation No 50 year of 2012; SA 8000 and RSPO Next. He has been conducted audit on ISPO and RSPO scheme since year of 2013 as an Auditor on several aspect as environment, OHS, Legality, Best Management Practices, Social, Worker Welfare, Conflict Resolutions, Long term Business Plan and Supply Chain on Palm Oil Mill. During this assesment verified Legal,Social, Partial Certification,and.</p> <p>2. Mohamad Amarullah. Indonesian Citizen. Master of Wood Science and Technology and Bachelor of Forestry, majoring in Forest Product Technology. Has experiences as an Agronomist and Research Assistant in Indonesia and Malaysia from 2008 to 2014. Has been attended several trainings such as Lead Auditor of ISPO, RSPO, ISO 17021, ISO 17065, ISO 9001, ISO 19001, ISO 14001, HCV, SA 8000 etc. Has been conducted several ISPO audit scheme as an Auditor since 2014 in BMP, environment, conservation and OHS aspect. Fluent in Bahasa, Malay and English. During this assesment verified OHS & Worker Welfare aspect.</p> <p>3. Brigitta Prita. Citizen of Indonesia. Bachelor of Forestry, Department of Forest Resources Conservation and Ecotourism. She had attended Training ISPO by Commission ISPO on June 2013, Training ISO 9001:2008 Quality Management System on January 2014, In House Training 17021 and 17065 management system and Product Quality, Training High Conservation Value by IPB on September 2015, In House Training HCV on August 2016, In House Training Roundtable Sustainable Palm Oil on January 2014; In House Training ISO 14000:2004 Environmental Management System; & SCCS Training from BM Trada. She has been audit experience ISPO & RSPO since April 2013 in the environmental, conservation, waste management and worker welfare aspects. During this assment verified SCCS aspect, environment, HCV, & GHG aspect.</p> <p>4. Haikal Ramadhan Kharismansyah (Auditor Trainee). Indonesian citizen, Bachelor of Agriculture department of plant and pest disease (Agrotechnology). He has 3 years experience as an Agronomy Staff in private oil palm plantation in Indonesia. Training which had attended including Basic Management Development Program Agronomy, Integrated Urban Pest Management, Integrated Pest Management, ISO 9001 : 2015, Auditor ISPO, RSPO awareness, ISO 22000 awareness. Did some audit ISPO scheme with aspects Best management practices. During this assesment verified Transparencies, Long Term Business Plan & BMP under supervision by Lead Auditor.</p> |
| 2.2 | Assessment Methodology, Assessment Process and Locations of Assessment |
| 2.2.1 | Figure of person days to implement assessment |
| IC | <p>Number of auditors : 3 auditor</p> <p>Number of days for IA at site : 5 days</p> <p>Number of working days for IA at site: 15 Working days.</p> |
| 2.2.2 | Assessment Process |
| IC | <p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Eagle High Plantation Tbk. 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 in June 14th 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</p> |

information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **Initial Assessment**.

The assessment program please find Appendix 2.

| | |
|--------------|--|
| 2.2.3 | Locations of Assessment |
| IC | <p>PT BLP – Arjuna Estate (ARJE) Date of visit: 26 February 2019</p> <ul style="list-style-type: none"> • Division 3 Block F19. Overview of harvesting activities and Observation to BPN Pole No. 76 which situated in adjacent with area planted outside the HGU and Village of Kumai Hulu Seberang. Coordinate: M0587541; 9699427. • Division 3 Block F22. Observation to BPN Pole No. 85 which situated in adjacent with area planted outside the HGU and Village of Kumai Hulu Seberang. Coordinate: M0588604; 9699841. • Division 3 Block F30. Overview of harvesting activities and observation to Land Application area and BPN Pole No. 90 which situated in adjacent with Village of Kumai Hulu Seberang. Coordinate: M0591218; 9699873. • Division 4 Block F47. Observation to HCV 4.1 management, Riparian of Seluang River, in adjacent with Semeru Estate (SMRE). • Division 33 Block F23. Overview of harvesting activities. • Housing area. Field observation and interview related infrastructure in housing area, management of domestic waste, emergency area, education, medical and others. • Daycare. Field observation and interview related management of infrastructure in daycare. • Perdana Kindergarten. Observation and interview related condition and activities in kindergarten. • Policlinic. Field observation and interview with doctor related management of medical waste; activities in first aid post and others. • Chemical store. Field observation and interview related management of chemical. • Fertilizer store. Field observation and interview related management of fertilizer. • Lubricants store. Field observation and interview related management of lubricants. • Landfill Block F42/43. Observation related management of domestic waste. • Rinse house for chemical. Field observation and interview related management of chemical • Workshop. Field observation and interview related activities in workshop area. • Firefighters. Field observation related firefighters. • Fuel tank. Field observation related management of fuel. • Hazardous waste storage. Field observation related management of schedule waste. • Block D48 Division 1. Harvesting. Observation and interview related harvesting score, harvesting interval, and worker welfare. • Block F41 Division 3. Nest Box and Beneficial Plant. Observation and interview related pest biological control. • Block F46 Division 4. Woody Growth Control. Observation and interviews with workers regarding handling chemicals, pesticides used, PPE and Medical Checkup. • Block FD. Peat Management. Observations and interviews about peat management, especially observations of water levels and piezometers • Block C6 Division 2. Subsidence Pole. Observation and interview on how to measure the peat subsidence <p>Bromo Estate</p> <ul style="list-style-type: none"> • Water Springs, Block J40, Division I. There are buffer zone with radius 50 meter, white pole were install as chemical application warning sign. • Water Springs, Block K42, Division I. There are buffer zone with radius 50 meter, white pole were install as chemical application warning sign. • Wildlife enclave, Block J49, Division I. Observation of conservation area and it management. • HGU Pole No 38, Block J48A, Division I. Pole on good condition, well demarcated adjacent with Cadastral area. • HGU Pole No 7, Block L29, Division III. Pole on good condition, well demarcated adjacent with Cadastral area. |

- **Riparian of Bakung River.** Observation of conservation area and it management.
- **Lubricants store.** Field observation and interview related management of lubricants.
- **Rinse house for chemical.** Field observation and interview related management of chemical.
- **Chemical store.** Field observation and interview related management of chemical.
- **Fertilizer store.** Field observation and interview related management of fertilizer.
- **Landfill Block L26 Division 3.** Observation related management of domestic waste.
- **Block K40A Division 3. Harvesting.** Observation and interview related harvesting score, harvesting interval, and worker welfare.
- **Blok J46. Division 3.** Peat Management. Observations and interviews about peat management, especially observations of water levels and piezometers.

Semeru Estate

- **HGU Pole No 74, Block G17C, Division IV.** Pole on good condition, well demarcated adjacent with Cadastral area.
- **HGU Pole No 75, Block G17C, Division IV.** Pole on good condition, well demarcated adjacent with Cadastral area.
- **Riparian of Bedaun River.** Observation of conservation area and it management.
- **Water Springs, Block I22, Division IV.** There are buffer zone with radius 50 meter, white pole were install as chemical application warning sign.
- **Wildlife enclave.** Observation of conservation area and it management.
- **Division 1 Block GD1.** Observation to **water gate** and **water level** management.
- **Division 1 Block GC1.** Observation to **Subsidence Pole** which installed since 2014/2015. Measurement shows that subsidency rate on the visited area were ranged between 2.80 to 3.50 cm per year.
- **Division 1 Block HE2.** Observation to **Piezometer** and **water table** measurement.
- **Division 1 Block HG1.** Observation and interview with Foreman and 2 **Harvesters**, on their understanding towards technical, safety, health, manpower, environment and conservation aspects.
- **Division 2 Block G39.** Observation to **Barn Owl Sanctuary Breeding** and **Barn Owl Box**. Every box is estimated to covers area for about 30 ha.
- **Division 2 Block H39B.** observation and interview with Foreman and 5 **Pesticide Applicators** (wiping), on their understanding towards technical, safety, health, manpower, environment and conservation aspects.
- **Water Intake, Roko River Block E31.** Field observation related management of water for process and domestic.
- **Well monitoring No.4 Block H31 (Block LA).** Field observation and interview with management of ground water.
- **Rinse house for chemical.** Field observation and interview related management of chemical.
- **Housing area.** Field observation and interview related infrastructure in housing area, management of domestic waste, emergency area, education, medical and others.
- **Fertilizer store.** Field observation and interview related management of fertilizer.
- **Daycare.** Field observation and interview related management of infrastructure in daycare.
- **Landfill Block I28/29 Division 3.** Observation related management of domestic waste.

PT EHP – EHP Mill

Date of visit: 26 February 2019

- **EFB Stacking Area.** Observation of stacking condition and leachate collection system.
- **Hazardous Store.** Observation and interview with 1 **Store Keeper** about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT EHP.
- **Lubricant Store.** Observation and interview with 1 **Store Keeper** about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT EHP.
- **Chemical Store.** Observation and interview with 1 **Store Keeper** about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT EHP.
- **Calcium Store.** Observation and interview with 1 **Store Keeper** about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT EHP.

| | |
|--------------|---|
| | <ul style="list-style-type: none"> • Workshop. Observation and interview with 1 Welder (certified) about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT EHP. • Water Treatment Plant. Observation of flowmeter condition (for Inlet, Office, Engine Room and Boiler, Housing and Cleaning Tap), as well as interview with 1 Operator about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT EHP. • Hydrant Simulation. Observation on devices readiness and emergency team. • POME. Field observation and interview with operator related management of liquid waste. • Sortation and Grading. Observation and interviews regarding grading systems, FFB criteria, and work accident records. • Sterilizer. Observation and interviews with workers regarding their duties and responsibilities as well as training related to emergency response. • Kernel. Observation and interview with workers regarding their duties and responsibilities, labor union, and PPE. • Boiler. Observation and interview with workers regarding their duties and responsibilities, awareness on emergency response, labor union, and operator permit. • Engine Room. Observation and interview with workers regarding their duties and responsibilities. <p>Stakeholders Consultation:</p> <ul style="list-style-type: none"> • Government: National Land Agency or BPN, Agriculture Agency, Manpower Agency, Environment Agency • Previous Land Owners from Kumai Hulu Village & Sungai Bedaun Village. |
| 2.3 | Stakeholder Consultation and Stakeholders Contacted |
| 2.3.1 | Summary of stakeholder consultation process. |
| IC | <p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for <i>PT Eagle High Plantation tbk</i> was held by:</p> <ol style="list-style-type: none"> 1. Public Notification website MUTU & RSPO (www.mutucertification.com & https://rspo.org) on January 22nd, 2019. 2. Consultation with NGO (Walhi, Sawit Watch, AMAN & IARI) via email on February 21st, 2019. 3. Public consultation with government institutions of Kotawaringin Barat Regency (National Land Agency or BPN, Agriculture Agency, Manpower Agency, Environment Agency) February 25th, 2019. 4. Public consultation meeting with locals of the nearby Village (Kumai Hulu & Sungai Bedaun Village) February 26th 2019. 5. Consultation meeting and interview with internal stakeholder such as labor union, gender committee & local contractor on February 27th, 2019. <p>Numbers of input from stakeholders were clarified by PT Eagle High Plantation tbk.</p> |
| 2.3.2 | Stakeholder contacted |
| | Please find appendix 1 |
| 2.4 | Determining Next Assessment |
| | The next visit ASA-1 will be determined eight month until one year after certificate issued. |

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Eagle High Plantation POM – PT Eagle High Plantations Tbk operation consisting of one (1) mill and three (3) oil palm estates.

During the assessment, there were three (3) Nonconformities were assigned against Major Compliance Indicators two (2) nonconformities were assigned against Minor Compliance Indicators and eight (8) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditor's in form of documentation evidence's e.g. (document record/photographic/etc). Those corrective actions taken that consist of three (3) Major non-conformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Eagle High Plantation POM – PT Eagle High Plantation Tbk complied with the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF (Indonesian National Interpretation Task Force) July 2016, endorsed by the RSPO Board of Governors 30th September 2016 & RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module E for CPO Mill).

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is issued.

| Ref Std. | VERIFICATION RESULT of MUTU-Certification | |
|--|--|--|
| PRINCIPLE #1 COMMITMENT TO TRANSPARENCY | | |
| 1.1 | Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making. | |
| 1.1.1. | <p>The company has a list of stakeholders in 2019 which informs the names of stakeholders; address; contact number, relevance (high, medium & low), scoring, issues / concern and dialogue.</p> <p>The Company shows procedure for information giving and requesting information version 4.0 dated January 10th, 2019 which was approved by the CEO, Director Sustainability, Chief Operating Officer, Head-Estate, & Head-Mill. This procedure discusses requests & information. Every request for information or documents from the applicant must be responded to by the company according to the work time, which is 7 working days to reply the letter after the request for information is received. All requests for information or documents from the applicant must be recorded in the original logbook and request / copy and stored for 3 years.</p> | |
| 1.1.2. | <p>The company shows incoming and response letters in 2019 periods such as:</p> <ul style="list-style-type: none"> The application letter for Field Work Practices (PKL) from Malang Islamic University Faculty of Agriculture with letter number 066 / B41 / U.30 / D / A.34 / I / 2019 dated January 21st, 2019 was responded on January 26th, 2019 by approving the PKL activities. <p>Based on that, the company has responded to the information request in accordance with the applicable procedures.</p> | |
| | Status: Comply | |

1.2

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

1.2.1.

Documents can be accessed for public such as: EIA documents, annual report of the company, company policies, Land Use permits and other related permits, monthly reports and factory farm production; operational acreage plant estates along with a map, maps of the river, the organizational structure of the company, reports HCV & Management Plan; SIA report; magazine, stands or bulletin company, *LKPM*, *LKUP*, Statistical Monitoring plantation company workers, foreign labor data and the SOP all departments.

Documents that can be accessed with approval include: establishment deed and company change deed, the profit / loss of the company, the company balance sheet, non-staff salary, identity operational leadership, staff and employees; list of company assets; list of plantation land; community development plan (CD); data on land acquisition payments; complaints & grievance; map of distribution of endangered species in conservation areas; the plasma funds; 3rd party donation; CPO sales data; implementation of corporate CSR; plasma production data and SHP file maps.

Public documents will be confidential if the disclosure will have a negative impact on the company and its surroundings, for example:

- HCV documents, if it is identified that the surrounding community has hunting livelihoods with the disclosure of protected fauna habitat it can damage / eliminate these habitats, this document must be kept confidential.
- The CSR program document, if disclosed, will make one village feel jealous of another village and can have an impact on riots.
- And others.

Status: Comply

1.3

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

1.3.1.

The company shows the standard code of ethics in 2018 which was endorsed by the Chief Executive Officer (dated October 23rd, 2017) and effective on December 6th, 2017. The aim of EHP is to implement a high ethical code standard for the Board of Commissioners, Directors & Management, Employees, Customers, Suppliers; Consumer; The Government & Society in the environment where the EHP Group operates and understand the important principles of conducting business that are used as guidelines in maintaining and building the reputation of the EHP Group as business partners, employers, suppliers and responsible and trustworthy parts of the corporation.

The company has socialized the code of ethics policy on January 10th, 2019 located in the Arjuna Estate Division 4 area. The attendees were 60 employees. Material presented such as business conduct ethics & reasonable relationships; conflict of interest; OHSE; property & company assets; company performance; Human Rights; Political activity & implementation of a code of ethics. As well as EHP sustainability policies such as social & economic responsibility; environmental stewardship and value chain. Socialization of the code of ethics policy on February 20th, 2019 for workers contractor at PT EHP & BLP.

Based on interview with contractor local, Pesticide applicators, Fertilizer applicators, harvester in Semeru, Bromo and Arjuna Estate, they have been know related code of ethics.

Status: Comply

PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS
2.1

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

2.1.1

List of regulations which used as reference for company operational activities is presented in document No. FRM-OTAHUN-F3-16-01 (Revision 01) dated 05 November 2018 with title “*Daftar Ketentuan Hukum Dan Peraturan Perundangan*” or List of Laws and Regulations. Detail of list is presented as follows:

- Environment aspect regulations has consist of 7 Act's (*Undang-undang* or UU), 10 Government Regulations (*Peraturan Pemerintah* or PP), 19 Minister Regulations (*Peraturan Menteri* or Permen), 21 Minister Decrees (*Keputusan Menteri* or Kepmen) dan 2 International Conventions.
- Occupational Safety and Health aspect regulations has consist of 6 UU, 3 PP, 2 President Decree (*Keputusan Presiden* or Kepres), 25 Kempen, 1 Decree of two Ministers (Minister of Manpower and Minister of Public Works) and 12 Kepmen.
- Land legality, permit, plantation and forestry aspect regulaiton has consist of 19 UU, 20 PP, 8 Kepres, 1 President Regulation (*Peraturan Presiden* or Perpres), 3 President Instruction (*Instruksi Presiden* or Inpres), 11 Permen and 1 Kepmen.
- Manpoer aspect has consist of 16 UU, 2 PP, 1 Perpres, 8 Permen, 14 kepmen and 1 Directorate General Decree (or *Keputusan Dirjen*).

Based on document review, it was known that there is 213 regulations listed, and already covers legal, social, safety, manpower, environment, conservation and best management practices aspects. Master of regulation document are monitored, updated, saved and distributed by Department of Sustainability from Head Office in Jakarta. For example, evidence of regulation pursuance is presented as follows:

- **Manpower:** Based on document review, information from Manpower Agency of Kotawaringin Barat Regency and workers of PT EHP and PT BLP, it was known that The company has implementing minimum wages for period 2019 as in accordance with Governor Decree about Minimum Wages of Plantation Sector. New wages has implemented since January 2019. Furthermore, the company has deliver compulsory report such as “*Wajib Lapor Tenaga Kerja*” or WLTk and P2K3.
- **Safety:** EHP Mill has monitor the machinary processing license, for example Boiler 1 License No. Kep.499.B.HIPK.06.2008 dated 12 April 2008 and Sterilizer No. 1 License No. Kep.499.C.HIPK.06.2008 dated 12 April 2008. Extension of these two devices will be conducted in the coming July 2019. Furthermore, PT EHP and PT BLP has OSH Committee (P2K3) endorsed by Manpower Agency. Secretary of P2K3 was OSH Expert. The company has deliver Quarter P2K3 report to Manpower Agency of Kotawaringin Barat Regency. Moreover, PT EHP and PT BLP has monitor Operator License as required by regulations and conducting extension when expired. Both unit management has provide PPE for all workers in accordance with HIRAC.
- **Legal Aspect**
 - Business permit for Mill number 525.26/242/Ek/2009 from Kotawaringin Barat Regent with capacity 45 Ton FFB/hours.
 - Approval letter from Kotawaringin Barat Regent number 525/002/Ek about additional Mill Capacity 60 Ton FFB/Hours.
 - Business permit for PT BLP number Ekbang/525.26/16/I/2004 from Kotawaringin Barat Regent with area ± 1,400 Ha.
 - Business Permit for PT BLP number 525/003/EK from Kotawaringin Barat Regent with area ± 7,500 Ha.
 - Land use title number 4/HGU/BPN/2002 from National Land Agency with area ± 7,576.48 Ha.
 - Land use title number 82/HGU/BPN/2004 from National Land Agency with area ± 1,300.12 Ha.
 - Land building title number 22/HGB/BPN/2002 from National Land Agency with area ± 64.52 Ha.
- **Best Management Practices**
 - Using registered pesticides whose distribution license period is still valid.
 - Conduct training in the use of paraquat for the applicator of the pesticide.
- **Environment.**

The company shows an addendum the environmental management and monitoring efforts document of PT Bumilanggeng Perdanatrada and PT Eagle High Plantations with an area of 9,501.12 ha, capacity of 60 tons of FFB / Hour. In accordance with the decision of the Regional AMDAL Assessment Commission of Kotawaringin Barat District 660/89 / BLH / III / II / 2016 dated February 22nd, 2016.

A letter from the Department of Agribusiness is available on July 28th, 1998 with number 392 / BA.5 / VII / 1998 regarding to plan activities of oil palm plantation and Processing Factory PT BLP. Application for recommendation for

approval of the ANDAL Session for PT BLP number 1/53 / VI-BKPA / Setdal / 98 dated August 31st, 1998 from the Central Analysis Commission on Environmental Impact of the Ministry of Forestry and Plantation.

2.1.2 and 2.1.4

Procedure on regulation compliance, monitoring and evaluation is presented in document No. SOP-OTH-F3-016 (Version 2.0) dated 10 January 2019, which has replace procedure No. SOP-OTH-F3-030 (Version 1.0) dated 13 February 2017. Procedure mentioned that update, evaluation, monitoring and distribution are conducted annually by Department of Sustainability in Head Office Jakarta, in coordination with Assistant Sustainability in Area 1 (PT EHP and PT BLP). Annual evaluation is conducted at least before February in the following year. Latest update on regulations could be checked on document of "Daftar Ketentuan Hukum Dan Peraturan Perundangan" or List of Laws and Regulations dated 05 November 2018. Based on review towards "Evaluasi Kepatuhan Terhadap Peraturan Perundangan yang Relevan Terhadap PT EHP dan PT BLP" or evaluation of law and regulation compliance which conducted by Internal Auditor on 01-02 February 2019, it was known that there were 2 (two) updated regulations, e.g. Minister of Agriculture Regulation No. 05 in 2018 about land clearing management through zero burning and Governor of Kalimantan Tengah Decree No. 51 in 2018 dated 21 November 2018 about Minimum Wages for Plantation Sector (UMSK) for period 2019. Appendix of decree mentioned that UMSK for Kotawaringin Barat Regency was IDR 2,965,514.00/month.

Annual update and evaluation of regulation compliance was distributed by Department of Sustainability in Head Office Jakarta. Document of evaluation were available to all levels of management. This is confirmed founded during field observation to the Office.

2.1.3

Audit of regulation compliance/pursuance has conducted annually by Internal Auditor from Department of Sustainability in Head Office Jakarta, as mentioned in Indicator 2.1.1 and 2.1.2. According to evaluation record, regulation pursuance for safety and health, plantation and legal, as well as manpower has reach 100 %, meanwhile for environment aspect was reach 99.25 %, with 1 point not applicable. Total point to be fulfilled on regulations is 703 points. Explanation and evaluation record of each point are available.

Status: Comply

2.2

The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.

2.2.1.

The company has been conducted land acquisition from surrounding communities since year of 1998 to 2015, all document were available on each estates office. While the land title process as below explanations:

- Business permit for Mill number 525.26/242/Ek/2009 from Kotawaringin Barat Regent with capacity 45 Ton FFB/hours.
- Approval letter from Kotawaringin Barat Regent number 525/002/Ek about additional Mill Capacity 60 Ton FFB/Hours.
- Business permit for PT BLP number Ekbang/525.26/16/I/2004 from Kotawaringin Barat Regent with area ± 1,400 Ha.
- Business Permit for PT BLP number 525/003/EK from Kotawaringin Barat Regent with area ± 7,500 Ha.
- Land use title number 4/HGU/BPN/2002 from National Land Agency with area ± 7,576.48 Ha.
- Land use title number 82/HGU/BPN/2004 from National Land Agency with area ± 1,300.12 Ha.
- Land building title number 22/HGB/BPN/2002 from National Land Agency with area ± 64.52 Ha.

Based on area statement verification known that RSPO certification scope is 8,711.54 Ha there are exclude certification scope with area 229.58 Ha consist of 41.58 Ha occupation and ± 188 Ha on HPK area.

2.2.2.

The company has procedure maintenance and monitoring of HGU poles number SOP-TS-001, the monitoring and maintenance was conducted every year by GIS Assistant. There are land title map with scale 1:80,000, the latest poles monitoring was conducted on December 2018. There are 41 HGU poles on Arjuna Estate, 15 HGU poles on Semeru Estate, 21 HGU poles on Bromo Estate. Based on field observation to Bromo Estate on Division 3, at Block L29 poles number 07 and field observation to Semeru Estate, on Division 4, at Block G18 poles number 75. It was sighted that each

poles well maintenance and demarcated, and also each poles in accordance to GPS coordinate.

2.2.3.

Based on interview with P&L Department staff, National Land Agency, surrounding communities (Sungai Bedaun Village & Kumai Hulu Village), it was obtained information that there are no significant land dispute during last year. However the company was acquisition lands from surrounding communities with FPIC process. The management has record of land compensation from 1998 to 2015, there are 165 land owners were compensated. Based on interview with 20 previous land owners from sighted that the compensation process is done transparently and without coercion.

2.2.4 & 2.2.5

The company has land conflict resolution procedure number SOP-EHP-SC-03 version 2.0, if the claim document was valid the company will be processed by P&L department by involving Area Manager & Head of Social Capital. First option are discussion/deliberation to reach consensus involving traditional leaders, community leaders and local governments (participatory mapping process). If there is no agreement, then proceed to next stage (mediation by related agency) or take legal action. Based on interview with P&L Department staff, National Land Agency, surrounding communities (Sungai Bedaun Village & Kumai Hulu Village), it was obtained information that there are no significant land dispute during last year.

2.2.6.

The company has Sustainability Policy Revision dated 11 June 2018, Chapter 7 about Social & Economic Responsibilities that Eagle High Plantations (EHP) have commitment to resolution the conflict and dispute with peacefully and without violence. The valid channels of settlement will be used as a means for peaceful and legal settlement agreed upon by both of parties. The EHP opposes the use of weapons and the military in resolving conflicts and disputes. Based on interview with 20 previous land owners, sighted that there are no paramilitary using on land acquisition process.

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

2.3

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

2.3.1.

The company has procedure number SOP-OTH-F3-021 about Free, Prior, Inform, Consent (FPIC) with process: identification of customary lands, involving community institutions, information giving, ensure that consent is given voluntarily, ensure that approval is given before operational activities, ensure that there is agreement, resolve conflicts, negotiation, finalized written agreement, get support from government and notaries, implement agreement and participatory monitoring. The company has register all land compensated, based on interview with 20 previous land owners from Sungai Bedaun Village and Kumai Hulu Village; sighted that operational of company through FPIC process.

2.3.2.

The company was acquisition lands from surrounding communities with FPIC process. The management has record of land compensation from 1998 to 2015, there are 165 land owners were compensated. The company were shown sample of land acquisition on year 2000 by land acquisition monitoring and control team from Sungai Bedaun Village with area 726.74 Ha.

2.3.3.

Based on document review of land compensation, it is known that all information related maps, witnesses and others is available in the copy of land compensation on each estates. Based on interview with 20 previous land owners from sighted that the compensation process is done transparently and without coercion

2.3.4.

Based on interview with 20 previous land owners known that's they represent the negotiation process by land acquisition monitoring and control team on each villages. While the company represent by P&L department and or CSR department. The landowners also know about the company representatives, for example the CSR assistants.

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

PRINCIPLE #3 Commitment to long-term economic and financial viability
3.1
There is an implemented management plan that aims to achieve long term economic and financial viability.
3.1.1.

The company's long-term plan for the period 2017-2021 is contained in the document "5 Years P & L Projection" which was approved by the Deputy CEO and COO on January 6, 2017. Plans have described production, FFB prices, gross income and net income. For example, in 2021 it is targeted to produce FFB of 271,082.11 tons with a net income of 27.20% of total revenue.

The Long Term Plan is evaluated annually through the annual budgeting program. The previous year's achievements were used as a reference in the preparation of the next year's budget. The PIC in preparing the budget is the Estate Head of each unit as the smallest part to the top management level.

3.1.2.

The distribution of planting years found in the company's operational area as stated in the statement area is between 1997 - 2014 (aged between 5 and 22 years). As stated in the EHP Group agronomic technical guide, it is known that the age of plants to be replanted is between 25-30 years taking into account plant height and if the productivity is less than 15 tons / ha / year. In accordance with the achievement of productivity and the actual distribution of planting years, the management unit stated that a new replanting program will be planned in 2024 for the 1997 planting year.

Status: Comply

PRINCIPLE #4 Use of appropriate best practices by growers and millers
4.1
Operating procedures are appropriately documented and consistently implemented and monitored.
4.1.1

The company has a work procedure list document that applies to all subsidiaries of Eagle High Plantation Group. SOP and Work Instruction both for estate and factory owned are as follows:

- SOP Agronomy:
 - SOP-EHP-AGR-01 Preparation of Seed and Nurseries to SOP-EHP-AGR-13 Water Management in Peat Areas
- SOP Mill:
 - SOP-EHP-Mill-01 Acceptance of Fruit until SOP-EHP-Mill-10 Control of Non-compliance.
 - IK-Mill-01 Scales up to IK-Mill-08 Kernel Plant
- SOP SCCS
 - SOP-OTH_F3-022: Supply Chain of Raw Material and Productions dated 10 January 2019. And also Work Instruction Number IKA/29/EHP-BLP/2019 about Certified product handling dated 27 February 2019

Work instructions have covered all estate and mill operations starting from land clearing, maintenance, IPM handling, harvesting, transportation of FFB, replanting, delivery to POM, processing of FFB and how to check quality and product traceability.

Based on field visits to the spraying team in block F46 Division 4 ARJE, it is known that workers have been able to explain well about the management of pesticides from storage, mixing, field applications and handling of waste and how to work safely both for themselves and the environment. Field observation to EHP Mill at the grading station officers have been able to explain well about the sampling method and the method of sorting and the criteria for FFB and loose fruit that are suitable to be processed.

4.1.2 & 4.1.3

The master list of all SOPs is in the list of EHP Group procedures. Each update will be monitored by the control document team to then be socialized to the unit. The SOP has been translated into a Work Instruction which discusses in more detail the work methods and standards.

Daily internal supervision is carried out by the level of supervision starting from the foreman, assistant division, assistant

head, to the Estate Head. In addition there are monthly and semester assessments carried out by the Operational Auditor team

Based on the Non Conformity form and Internal Audit Observation, it is known that the OA team provides a maximum repairs period of up to 3 months before the next internal audit period. While the response to the audit findings was responded to late in a period of 14 Working Days.

The company shows Nonconformity documents and Internal Audit Observations of PT Bumipalma Perdanatrada and PT Eagle High Plantations for the second semester of 2018 including the following results:

- **ARJE**
 - Observation: The condition of the block C6 is overgrown with ferns of the Stenoclena type; Loose fruit is not taken on the 49th row of oil palm number 28; ripe fruit is not harvested in line 15.
 - Status: Stenoclena control awaits rotation of circle and path spraying; loose fruit and ripefruits that have not been harvested are completed in the rotation of the next harvesting round on September 29, 2018.
- **EHP Mill**
 - Observation: A steam leak was found in the steam kernel silo No. 01 header pipe at the Nut and Kernel stations.
 - Status: Improved on 18 October 2018. Regular observations by PIC for all POM operational areas are carried out every 2 weeks.

4.1.4.

The company has procedure SOP-OTH-F3-022 about Supply Chain of Raw Material and Productions, it was informed about FFB's buying from third parties. The company has list of FFB's suppliers such as: H Salman (Kumai Raya Cooperative), Ponadin, CV Hosana, Edi Efendi, Johaness, BSSL, and CV Baja. Based on field observation at loading ramp and interview with grading officer, sighted that outside FFB's were graded tighter.

Status: Comply

4.2

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

4.2.1 & 4.2.2

Procedures for managing soil fertility are included in the following documents:

- SOP-EHP-AGR-03 Planting and Maintenance of LCC
- SOP-EHP-AGR-05 Soil and Water Conservation
- SOP-EHP-AGR-09 Anorganic Fertilization

One of the monitoring results of fertilization can be seen from the results of the Estate's monthly report. In the monthly report it is known the achievement of the fertilization program and the dosage of the application to be used. For example, in the 2018 period BRME has implemented MOP fertilizers totaling 472.80 tons and Urea totaling 305.40 tons. Whereas SMRE realized Dolomite in the amount of 114.73 tons. Based on the monthly report for the December 2018 period, the achievement of fertilization is 100%.

Based on interviews with the Bromo Estate fertilizer team revealed that workers could explain well about dosage applications, how to apply, and how to work safely both for themselves and the environment. To ensure that the dosage of the applied fertilizer is properly used, a form of a calibrated bowl is used

Records of fertilizing PT Bumilanggeng Perdanatrada can be seen from the report on the realization of fertilization as follows:

Bromo Estate (Period 2018)

| Fertilizer | Realization (Ton) | FFB production | Fertilizer/Ton FFB |
|-------------------|--------------------------|-----------------------|---------------------------|
| Rp | 175.55 | | 0.0038 |
| MOP | 472.80 | 45,485 | 0.0103 |
| HGFB | 23.59 | | 0.0005 |

| | | |
|-----------|--------|--------|
| Kieserite | 8.5 | 0.0001 |
| Urea | 305.40 | 0.0067 |
| Dolomite | 174.16 | 0.0038 |

Arjuna Estate (Period 2018)

| Fertilizer | Realization (Ton) | FFB Production | Fertilizer/Ton TBS |
|------------|-------------------|----------------|--------------------|
| Rp | 270.80 | | 0.0038 |
| MOP | 851.38 | | 0.0122 |
| HGFB | 178.71 | 69,719 | 0.0025 |
| Kieserite | 26.90 | | 0.0003 |
| Urea | 248.401 | | 0.0035 |
| Dolomite | 144.32 | | 0.0020 |

Semeru Estate (Period 2018)

| Fertilizer | Realization (Ton) | FFB Production | Fertilizer/Ton FFB |
|------------|-------------------|----------------|--------------------|
| Rp | 219.35 | | 0.0038 |
| MOP | 867.05 | | 0.0152 |
| HGFB | 22.30 | 56,775 | 0.0003 |
| Urea | 579.30 | | 0.0102 |
| Dolomite | 114.73 | | 0.0020 |

The summary report on the realization of fertilization states that in the whole period of 2018 fertilization achievement was > 95%. 5% of the area that has not been fertilized is a low area which is predominantly inundated during floods. Completion of these areas will be carried out during the next fertilization period. Fertilization in 2019 will begin in March taking into account dry conditions and rainy days.

4.2.3

The procedure for soil and leaf sampling is regulated in the SOP-EHP-R & D-02 dated March 3, 2013. The procedure for stating leaf samples is every year while soil samples are every three years.

The results of recording soil and leaf samples shown by the company are as follows:

- LSU

Report on Test Results Ref. No. 06 // LEAF / LAB. RISET-KALTENG1 / XI / 2018 from EHP Central Research laboratory on 23 June 2018. Parameters tested include Moist, N, P, K, Ca, Mg (Element Major) and B and Cu (minor elements).

- SSU

Ref.No.06 / LAND / LAB.RISET-KALTENG1 / XI / 2018 Test Results Report from the EHP Central Research laboratory on 21 November 2018. Parameters tested include N, P, pH, Moisture, Organic C, C / N, H, Al, and acidity level.

4.2.4

The strategy for recycling nutrients is to use EFB and POME as organic fertilizers. The company will not carry out replanting for the next five years. If in the future a replanting of the remaining palm oil that is hit by a replanting will be left as a recycling of nutrients.

Plans and Realization of the POME Application (January 2019)

| Estate | Block LA | Total Volume (m ³) | Realization m ³) |
|--------|----------|--------------------------------|------------------------------|
| ARJE | 62.19 | 46,643 | 2,783 |
| SMRE | 159.03 | 119,273 | 11,408 |

Plans and Realization of JJK Applications

- ARJE: Plans: 629 tons, realization: 1,790 tons

- SMRE: Plans: 1,359; Realization : 1,526 tons

Based on field visits to block F41 Division 3 ARJE and Block K40A Division 3 BRME known that EFB was applied to

interrow and between oil palm. In addition, EFB is also used as a mulch for planting the beneficial plant. The application dose is between 250 - 300 Kg / oil palm.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1

The company shows Land Survey Documents and Land Suitability Classes of PT Bumilanggeng Perdanatrada year 2014 which conducted by Research and Development Department Eagle High Plantation Group. In the document, it is stated that there is an area of peat with an area of 5488.45 ha or of 50.8% of the total area.

In addition there is also a map of peat depth which divides the depth into 3 types, namely shallow (196ha); Moderately Deep (4889 ha); and Deep (403 ha). Both documents have been completed with distribution maps and peatland scales on a scale of 1: 35,000 to 1: 250,000.

4.3.2

Based on the soil survey document of PT Bumilanggeng Perdanatrada, it is known that the slope class found in the management area is 0 - 8% (flat to undulating). Whereas in the topographic map it is stated that the land slope class is in the range of 0-15%. Thus it can be concluded that the company does not have a slope area that requires special handling.

4.3.3

Realization of road maintenance is included in the monthly estate report. Records of road maintenance shown for example:

- BRME: Making water ropes and potholes for block J46 Division 3 on 11 January 2019 with work performance of 20 ha
- ARJE: CR Block D48 Division 1 maintenance on December 23, 2018 with an achievement of 250 m

Road maintenance during the dominant rainy day is focused manually by loading water ropes and hoarding holes. While on dry days it is focused on using heavy equipment such as reshaping the road surface. The results of field visits to BRME (Block J46) and ARJE (Block F41) are known in general that the condition of the road is in good condition marked by the ease of the road being passed by FFB transport trucks.

4.3.4

The company shows SOP-EHP-AGR-013 about Peat Area Water Management and SOP for Land Management and Monitoring of Peat Subsidence with SOP-33 Version 2.0. Observation on subsidence pole carried out every 6 months while observations on water sticks are carried out every day. Observations on the piezometer are carried out every 2 weeks. The results of water level measurements and peat subsidence are as follows:

- Subsidence Pole
 - SMRE: Blok GC; Subsidence Pole No. 3; The total decrease per January 2019 is 15 cm. Block H17B; Subsidence Pole No. 6; The total decrease per January 2019 is 10 cm
 - ARJE: Block E32; Subsidence Pole No. 1; The total decline until January 2019 is 29 cm. Block CB; Subsidence Pole No. 02; The total decline up to January is 32.5 cm
 - BRME: Block J46; Subsidence Pole No. 04; Total decrease of 15 cm. Block 32 point 05; Total decrease of 11.5cm.
- **Water Level**
 - Water Gate 13: January average - 21 cm
 - Water Gate 15: January average - 38 cm
 - Water Gate C607: January average - 25 cm

Based on field observation to block J46 Division 3 BRME and Block FD ARJE known Watergate's water level is + 10cm (flood) and 10cm (high). The high level of water is affected by high rainfall. In an effort to maintain the water level, the water gate has been opened so that the water flows and is expected to drop to the level of 50 - 70 cm. Regular water level observations are carried out every day by a special officer. Based on the interview results, water management officers have been able to explain well about water management in peat areas such as when the water gate is closed and when the water gate is opened.

4.3.5

The distribution of planting years found in the company's operational area as stated in the statement area is between 1997 - 2014 (aged between 5 and 22 years). As stated in the EHP Group agronomic technical guide, it is known that the age of plants to be replanted is between 25-30 years taking into account plant height and if the productivity is less than 15 tons / ha / year. In accordance with the achievement of productivity and the actual distribution of planting years, the management unit stated that a new replanting program will be planned in 2024 for the 1997 planting year. Drainability assessment not planned until at least year 2023.

4.3.6

The results of the land survey and land suitability class of PT Bumilanggeng Perdana trade period 2016 - 2021 made by the research department stated that the marginal areas identified were peat. Peat management has been explained in 4.3.4.

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

4.4

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

4.4.1.

Planning and implementation of water management have been included in the report *UKL / UPL* second half of 2018, document management of HCV and water use for processing at Mill and domestic in a residential area and office.

4.4.2.

The company shows the procedure for managing and monitoring conservation area version 2.0 effective date January 10th, 2019. Based observation area in **Riparian of Seluang River**, Water Springs, Block J40, Division I; Water Springs, Block K42, Division I; Riparian of Bedaun River and Water Springs, Block I22, Division IV. There are buffer zone with radius 50 meter, white pole were install as chemical application warning sign. Based on testing result by PT Unilab Perdana accredited by KAN LP 195-IDN on July 19th 2018 until August 1st 2018, its known; Parameter TSS in upstream & downstream of Kumai river are 40 mg/l & 42 mg/l; upstream & downstream of Roko River are 5 mg/l & 26 mg/l and Upstream & downstream Sekonyer river are 26 mg/l & 32 mg/l. The threshold is 50 mg/l. Based on the explanation the testing result is exceed the threshold.

4.4.3.

The company shows the revision of permits for the utilization of liquid waste on the land of PT Bumi Langgeng Perdanatrada according to the decision of the Regent of West Kotawaringin Number 660/24 / BLH.IV / LA / IX / 2014 is valid for 5 years from September 1st, 2014 to September 1st, 2019 with the **240 ha** area is located in Block F30; F 31; F33; G30; G32; G33; H30; H31; H32; & H 33. Groundwater in monitoring wells on the F33 block application area; G32; G33; H31; monitoring wells on the non-application block I-31 area and the wells of residents of the Block F-36. The company has testing liquid waste by PT Unilab accredited by KAN LP 195-IDN, based on testing results from January until December 2018, its known the results (Ph & BOD) aren't exceed the threshold by Decision of Environment Minister Number 29 year 2003.

4.4.4.

The Company shows the extension of permit for taking and utilizing surface water with number 01 / MM-EKS / II / 2019 dated February 11th, 2019 to the Regent of West Kotawaringin (Regional Revenue Service) for old licenses 540 / 10.1 / EK / 2016. Payment of surface water fees for the period of January - December 2018 is IDR 6,568,636, - to the Receiving Treasurer / Assistant Acceptance Agency of Central Kalimantan Province on February 28th, 2019.

Based on water usage data for the January - December 2018 period, it is known that the efficiency of water use for processing is 0.373 m³ / ton FFB and the efficiency of water use for domestic (workers housing) is 0.142 m³ / ton FFB.

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

4.5

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

4.5.1

IPM is listed in the Annual Work Plan which will be detailed into a Monthly Work Plan and Daily Work Plan. The plan emphasizes the Early Warning System where pest control decisions will refer to the results of the census and pest control threshold.

Based on the monthly R & D Assistant report, it was found that potential pests identified were Palm Leaf Eating Caterpillar, Rats, Oryctes, and Termites. As part of biological control the company uses barn owls (as natural predators of rat) and plantings of beneficial plants of Turnera and Antigonon species (as host plants for Palm Leaf Eating Caterpillar predators and parasitoid).

With the implementation of IPM, it is expected that the use of chemicals in controlling pests will be minimal. For example the use of brodifacum to control mice. During the 2018 period there was no use of pesticides because the census results showed low rat infestations. In addition, high occupational levels of barn owl boxes, as written in the R & D assistant report, also influence suppression of the rat population.

There is no prophylactic use of pesticides. Pest control with chemicals refers to the results of the census and the threshold level of pest control. Plans for handling pests when replanting will be adjusted to predict pest outbreaks. In the next five years the company will not do a replanting, so that the pest control strategy on replanting has not been prepared.

The R & D report for December 2018 and January 2019 in the summary includes information as follows:

- **ARJE**
 - Palm Leaf Eating Caterpillar : Average 0.5 – 2 larvae / frond; status : under control threshold. Regular census is carried out according to schedule
 - Oryctes : Nil
 - Rat : Heavy Infestation : 0%; low infestation : 174.5 ha. Status : Census is carried out at intervals of 1 month. If the infestation > 5% is programmed baiting campaign
- **BRME**
 - Palm Leaf Eating Caterpillar : Average 1 larvae/frond; status : under control threshold. Regular census is carried out according to schedule
 - Oryctes : infestation < 5%/ha. there is no need to chemicals control
 - Rat : Nil

The realization of the IPM plan includes the following:

- Beneficial plant:

- Turnera

BRME: Plans: 13,596.96 m; Implementation: 278.19m

SMRE: Plan: 11,249.64; Implementation: 9,083.34m

ARJE: Plans: 21,771.30; Implementation: 2,521.69m

- Antigonon

SMRE: Implementation: 120.02 ha

ARJE: 66.09ha

- Tyto Alba

ARJE: Active 22 not active 1; eggs 191 poult 77

SMRE: Active 11 not active 0; eggs 52 poult 31

BRME: Active 4 inactive 15; 1 egg till 8

4.5.2

Controllers and pest observers are special people who have been provided with knowledge of handling pesticides, potential pests, frequency of observations and methods of observing pests in the field. Records of training provided by the company include:

- MSDS Dissemination and Hazardous and Toxic Material Handling Training on 16 May 2018 at the BRME chemical warehouse were attended by 10 participants.
- Nettle Caterpillar and Bagworm Census Training on February 17, 2018 were attended by 12 participants

- Training on Oryctes control on 12 July 2018 at the SMRE estate office which was attended by 15 representatives from each estate.

Based on the results of interviews with SMRE and BRME pest observer officers it was found that observers and pest control officers understood the IPM procedures starting from the EWS, detailed census, analysis of census results, and control with chemicals if indeed the attack rate had exceeded the control threshold.

Status: Comply

4.6

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

4.6.1

The company's policies regarding the use of chemicals are found in SOP-EHP-AGR sections 7 and 8 concerning Maintenance of Palm Oil Plants and Pest and Disease Control. for example Cypermethrin to control Palm Leaf Eating Caterpillar and Oryctes while Glyphosate is used to control both broadleaf weeds and narrow leaf weeds (referring to the recommendations of pesticides issued by R & D).

Strategies that are included to avoid the development of resistance include:

1. Using census and monitoring methods to determine the type of control to be carried out. The use of pesticides is the last alternative if the results of the study show that the intensity of the pest attack has exceeded the threshold and control threshold
2. Pesticides that are applied right on target, right dosage, and on time
3. Integrating control methods physically, chemically, biologically and mechanically (IPM)

Based on the report on the use of chemicals for the period of January 2019, it is known that the pesticides used by companies are:

| Trademark | Active Ingredients | Target |
|------------------|--------------------|------------------------------|
| Kleen Up 480 SL | Glyphosate | Broad and narrow leafy weeds |
| Gramoxone 276 SL | Paraquat | Ferns (Stenoclena) |
| Metafuron 20 WP | Methyl Metsulfuron | Broad and narrow leafy weeds |
| Starane 290 EC | Fluroxypyr | Broad and narrow leafy weeds |
| Garlon 670 EC | Triclopyr | Ferns and Woody Growth |

Based on the results of interviews with the spray team in the F46 Division 4 ARJE block when working on woody growth control, it is known that workers can explain the spraying techniques that are in accordance with the procedure. For example, using active ingredients glyphosate combined with methyl metsulfuron for circle and path spraying. Mixing pesticides is carried out at the mixing house. So that the pesticides brought to the field are not pure ingredients and are ready to use. For the woody growth control the material used is triclopyr and diesel fuel with a ratio of 1: 15 mixture.

4.6.2

The pesticide application program is contained in the annual work plan which is then detailed into a monthly work plan and daily work plan. Records of the use of pesticides are documented in monitoring the use and toxicity of pesticides at PT Bumilanggeng Perdanatrada. Records of the use of pesticides for the period of January 2019 are as follows:

• Semeru Estate

| Pesticide | Usage | Application | Liter/ha |
|-------------|--------|-------------|----------|
| Glyphosate | 59.37 | | 0.020 |
| Paraquat | 222.20 | | 0.075 |
| Methyl | 14.77 | | 0.004 |
| Metsulfuron | | 2,955 | |
| Fluroxypyr | 0.25 | | 8.46E-05 |
| Triclopyr | 22.16 | | 0.007 |

• Arjuna Estate

| Pesticide | Usage | Application | Liter/ha |
|--------------------|--------|-------------|----------|
| Glyphosate | 37.84 | | 0.011 |
| Paraquat | 237.98 | 3,413 | 0.069 |
| Methyl Metsulfuron | 13.50 | | 0.003 |
| Triclopyr | 19.44 | | 0.005 |

4.6.3

The Integrated Pest Control Plan is listed in the Annual Work Plan and PT BLP Monthly Work Plan (ARJE, SMRE, and BRME). The implementation of the plan includes the existence of an R & D Assistant who specifically makes routine reports every month regarding pest detection within the company's operational area. Potential pests identified according to those listed in the Pest and Disease Control SOP (SOP-EHP-AGR-008) include Palm Leaf Eating Caterpillar, Oryctes, and Rat.

Based on the pesticide use list for the period of 2018, it is known that the use of pesticides for pest control has been minimized, such as the absence of the use of rat bait and Palm Leaf Eating caterpillar controlling pesticides. This is because in the current year the results of pest detection show that the pest population is still below the control threshold. In addition, with the application of biological control using owls and the beneficial plant, it is also expected to be an alternative control that can suppress pest populations so that they do not always depend on chemical control.

Basically with the application of IPM the use of pesticides for pest control is only used if the attack is above the control threshold so that its use becomes minimal. For weed control it is still routinely used in rotation. However, a reduction in the use of pesticides can be seen from the decrease in the dose used such as for glyphosate in immature Plants using a dose of 375ml / Ha while in mature plants using 250ml / Ha. This is related to the development of land cover. Older plant age has a wider shade so that weed growth is inhibited and the dose of herbicide used is also reduced.

4.6.4

There is the Eagle High Plantation Group's Best Practice Policy signed by the COO on February 6, 2019 which includes the use of responsible chemicals and paraquat usage with a downward trend every year. During the period of 2018 (January - December) there was no use of pesticides for WHO groups 1A and 1B. However, there is the use of paraquat to control stenoclena ferns in the lower areas which are predominantly inundated.

In accordance with the best practice policy, the commitment to reduce the use of paraquat is stated in the COO circular which states that for 2019 the paraquat budget is 768 liters. This amount has been greatly reduced when compared to the realization of paraquat use in 2017 of 2,156 liters and in 2018 a number of 2,985.72 liters.

In line with the COO circular letter dated February 6, 2019, there was a letter from AM staff approved by AM regarding the use of paraquat in 2019 limited to only 768 liters. Based on the recapitulation of PT BLP's pesticide use, up to January 508.54 liters of Paraquat have been applied. Thus the company has the opportunity to ensure the use of paraquat at a minimum and with trends that are decreasing in accordance with established policies. **OFI**

4.6.5 & 4.6.6

There is a procedure for the Management of Hazardous Chemicals No. SOP-OTH-F3-007 effective date of January 10, 2019. The procedure has included:

- Transport and Mixing of Hazardous Chemicals: Equipped with MSDS, contact liquid chemicals must be mixed with 1: 1 water before being taken to the field.
- Hazardous chemical storage: Placement of chemicals based on material reactivity cards, each material is equipped with a clear material identity, hazard warning, as well as the name and address of the factory and its distributor, Regular hospitalization every month to ensure availability of materials and monitor expiration dates.
- Use of hazardous chemicals.
- Washing of Packaging and Equipment contaminated with hazardous waste.
- Emergencies Handling due to Chemicals: If there is excessive spillage or explosion, immediately report it to the emergency response team; the emergency response team will evaluate and ensure the situation is safe before the place is used again.

The realization of the training covers how to apply and handle pesticides including:

- August 21, 2018 was attended by 5 BRME spray workers.
- August 21, 2018 was attended by 10 ARJE spray workers
- August 20, 2018 was attended by SMRE 8 spray workers

In addition there were training in the use of paraquat which was attended by 80 participants starting from the foreman to all members of the spray team and representatives of other care teams. The training was carried out by PT Syngenta Indonesia and attended by representatives of the pesticide commission. The material provided includes how to handle pesticides, application dosages, storage and calibration of spray equipment, and introduction of weeds.

The PPE used by the spraying team is boots, glasses, rubber gloves, and carbon masks. Based on the results of field visits to block F46 Division 4 when woody growth control, the materials used were garlon and diesel. In accordance with the garlon MSDS, it is stated that the mask protection of the masks used is the NIOSH 95 specification. Thus the masks used by the spray team are not in accordance with those required by the MSDS. Nonconformities have been included in the indicator 4.7.3.

Based on interviews with the ARJE and BRME spraying team are known if the damaged PPE will be replaced immediately with the condition of bringing the damaged items to the leadership to be subsequently exchanged for new ones. Every morning when the muster morning completes the PPE, it is checked by the foreman.

Based on the field visit to the PT BLP Temporary Hazardous Waste Shelter, used pesticide jerry cans were stored at the site. The results of interview to the circle and path spraying team were known to have no jerry cans of pesticides brought to the field. The mixing process is carried out in the warehouse to then be included in the mixing jerry can. There is no use of used pesticide packaging for other purposes. The management of used pesticide packaging carried out by the company is in accordance with the procedures specified.

4.6.7

Work instructions for the application of pesticides are listed in the Weed Control Technical Guidelines Documents: MAN - UOM - 001. The procedure has explained the types of weeds, used herbicides, application dosages, and tool calibration.

Training on handling pesticides has been conducted regularly and becomes a routine agenda every year. In addition, an understanding of the risks and methods of handling pesticides is also always conveyed by the foreman and assistant assistant to the muster morning at least once a week.

The company also has a rinse house for washing and storing PPE. Workers say clothes and work equipment exposed to pesticides will be washed and cleaned at rinse house. It is not permissible to bring home exposed clothes and work tools. Pesticide transport vehicles are distinguished by vehicles for transporting workers so there is no risk of exposure to chemicals during the process of transportation both to workers and the provision of food brought. MSDS has been installed and available in the chemical warehouse as seen in the ARJE, BRME, SRME and EHP Mill warehouses

4.6.8

Based on interviews with management representatives and information from the Plantation Agency of Kotawaringin Barat Regency and information from spraying workers it is known that there has never been an application of pesticides by air. The results of field visits to the tool and pest control storage warehouse also found no facilities and infrastructure to apply airborne pesticides.

4.6.9

Estate management has provide training of pesticide handling for pesticide applicators, Store Keeper and Upkeep Foreman, which aims to maintain workers knowledge and skills towards pesticide safe application and management, for example, training on Limited Pesticide (Paraquat) which has carried out by Pesticide Producer namely Syngenta, in-collaboration with Pesticide Commission on 29 September 2016 and 15 February 2019 at ARJE Club House, attended by all Applicators, Upkeep Foreman and Store Keeper. Furthermore, safety training for upkeep worker in BRME has conducted in 17 December 2018, attended by 60 workers. Moreover, safe working practices on herbicide application

training at BRME has conducted in 16 March 2018, attended by 17 applicators; at ARJE in 12 March 2018, attended by 22 applicators and at SMRE in 07 March 2018, attended by 17 applicators. Apart for internal workers, estate management has also conducting herbicide application training for Plasma in Bromo Plasma (Smallholder – BRMA) which conducted in 19 March 2018, attended by 12 applicators. Based on interview with pesticide applicators in Division 4 Block F46 ARJE, Division 2 Block H39B SMRE, as well as pesticide Store Keeper in Central Store in ARJE Housing Complex area, it could be concluded that the workers were able to explain and demonstrate pesticide handling technique such as pesticide mixing, storage of used containers on the Hazardous Waste Store and can't be reused for domestical purposes, PPE to be used, emergency action of pesticide incidence and cholinesterse testing which conducted once a year. Furthermore, Pesticide Store has already equipped with hazardous symbols, MSDS, PPE and other emergency facilities such as first aid kit box, fire retardant, etc.

4.6.11.

Estate management shows list and number of pesticide applicators for period 2019, as presented in the following Table:

| Estate | Male | Female | Total |
|--------|------|--------|-------|
| ARJE | 3 | 18 | 21 |
| SMRE | 2 | 21 | 23 |
| BRME | 2 | 11 | 13 |
| Total | 7 | 50 | 57 |

Estate management shows latest medical record testing on cholinesterase and spirometry which conducted on 26-29 November 2018 in Club House PT BLP carried out by Laboratorium of Kumala from Tenggarong, Kalimantan Timur, with summary as follows:

- Testing results in BRME indicates that from 11 pesticide applicators tested were all fit to works which may expose to chemicals. However, spirometry test resulting 3 applicators has indicates mild restriction.
- Testing results in ARJE indicates that from 25 pesticide applicators tested were all fit to works which may expose to chemicals. However, spirometry test resulting 6 applicators has indicates mild restriction and 1 applicator with medium restriction.
- Testing results in SMRE indicates that from 7 pesticide applicators tested were all fit to works which may expose to chemicals. However, spirometry test resulting 4 applicators has indicates mild restriction.
- Testing results in Bromo Plasma (BRMA) indicates that from 19 pesticide applicators tested were all fit to works which may expose to chemicals. However, spirometry test resulting 5 applicators has indicates mild restriction.

According to information above, company doctor informed that those mild restriction result caused by non optimum respiratory method during testing. According to physical observation, the workers were indicates normal. Record of medical history has kepted by Department of Sustainability and also kepted by company doctor. The testing has also conducted for fertilizer applicators, Foreman and Chemical Store Keeper. Furthermore, based on interview with pesticide applicators in Division 4 Block F46 ARJE and in Division 2 Block H39B SMRE, as well as Chemical Store Keeper in BRME, it was known that cholinesterase has conducted annually which the results were informed to the respective workers. Moreover, there is no issues of allergic due to agrochemicals application activities.

4.6.10 & 4.6.12.

Training on the limited use of pesticides at PT Bumilanggeng Perdanatrada on February 12th, 2019 was attended by 65 workers located at the Arjuna Estate meeting room. Based on interview with pesticide applicator in Arjuna Estate, Semeru Estate and Bromo Estate they have been know related management of hazardous waste especially pesticide packaging. Based on interview with workers and Managers they have been known related 'management of waste. It's has been accordance with procedure of hazardous waste handling especially pesticide packaging. The company shows the official report on the minutes of hazardous Waste on January 9th, 2019 in collaboration with PT Semesta Langgeng Sentosa with vehicle KH 8470 GM Number with details: Manifest number AZG0000451 as much as 110 used packages of Pesticides.

Status: Comply

4.7

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

4.7.1

Company commitment towards occupational health and safety (OSH) is presented in document of Company Regulation Chapter V Section 29 and 30 and Sustainability Policy which issued by President Director on 06 June 2018. The policy mentioned all workers shall obey any regulations related with OSH, to keep cleanliness and sanitation of working environment, to use and maintain working devices and Personal Protective Equipments (PPE's) provided and reporting of any accident happens. The policy is available in Bahasa. Socialization of OSH policy has been conducted to all employees include contractor, for example in BRME has conducted in 17 December 2019, attended by 156 workers.

PT BLP and PT EHP has occupational safety and health (OSH) program for period 2019 dated 02 January 2019, issued by the Secretary and Head of OSH Committee (P2K3). Both company has the same program which consist of 8 main program, e.g. OSH socialization, worker capacity and skills improvement, providing of Personal Protective Equipment (PPE), Hazard Identification Risk Analysis Control (HIRAC) analysis, Audit and Inspection, Medical Services (first aid and medical check up), emergency towards work accident, as well as review and evaluation. Management review on OSH program 2018 for PT EHP and PT BLP has also attached on 2019 program.

Based on field observation to EHP Mill, ARJE, BRME and SMRE, it was found that safety policy has displayed on the Office, field and stations. Furthermore, workers in Mill and Estates informed that CH management has deliver socialization towards safe working practices through training, safety briefing and safety meeting. During daily morning muster. Thus, according to document review and field observation, it could be concluded that OSH program and implementation in company management has in line with Indonesian regulations.

4.7.2

Procedure of Hazard Identification Risk Assessment and Control (HIRAC) is presented in the following documents, as follows:

- Document of "*Identifikasi Bahaya dan Penilaian Resiko K3 PT EHP – Mill*" or HIRAC in PT EHP dated 07 January 2019 (Revision 1). This HIRAC has covers 26 activities on EHP Mill. Detail on PPE required is presented in document of "*Identifikasi Kebutuhan APD, Alat Kerja dan Perlengkapan Kerja di Kegiatan Operasional Pabrik Pengolahan Kelapa Sawit PT EHP*" or PPE and working devices identification in PT EHP dated 02 January 2019.
- Document of "*Identifikasi Bahaya dan Penilaian Resiko K3 PT BLP*" or HIRAC in PT BLP dated 07 January 2019 (Revision 1). This HIRAC has covers 32 activities on BLP Estates (ARJE, SMRE, BRME). Detail on PPE required is presented in document of "*Identifikasi Kebutuhan APD, Alat Kerja dan Perlengkapan Kerja di Kegiatan Operasional Perkebunan PT BLP*" or PPE and working devices identification in PT BLP dated 02 January 2019.
- Document of HIRAC for Pregnant and Breastfeeding Worker in PT BLP dated 07 January 2019 (Revision 1). This HIRAC has covers 5 activities for pregnant workers and 9 activities for breastfeeding workers. Most of activities were related to manual upkeep, census, daycare and beneficial plants cultivations.

Socialization of HIRAC has conducted by P2K3 Committee in EHP Mill, ARJE, BRME and SMRE on 06 December 2018, 14 December 2018, 19 December 2018 and 20 December 2018, respectively. Subject of socialization, attendance list and picture of socialization were available. Subject of socialization are safe working practices, PPE usage, example of risk assessment, high conservation value management and hazardous materials management. Based on observation and interview with workers in EHP Mill, ARJE, BRME and SMRE, it was known that the company has provide personal protective equipments (PPE) for workers, in accordance with risk analysis assessment. For example, PPE for chemicals applicators has refers to material safety data sheet (MSDS) of product. Furthermore, based on observation to chemical store in Pt EHP and PT BLP where located within ARJE housing complex area, it was known that estate management has provide a proper place (building room) for pesticide mixing and storage. MSDS of products and emergency facilities such as alarm, shower, eyewash, first aid kit, fire retardant and suitable hazardous symbols were available onsite.

Record of accident is presented in document of Work Accident Statistics of PT BLP and PT EHP dated 01 February 2019. Evaluation towards accident was carried out by OSH Committee Secretary through monthly meeting, describes in detail on quarter P2K3 report. Detail of example of accident is described in Indicator 4.7.7.

Estate management shows latest medical record testing on cholinesterase and spirometry which conducted on 26-29 November 2018 in Club House PT BLP carried out by Laboratorium of Kumala from Tenggarong, Kalimantan Timur, with summary as follows:

- Testing results in BRME indicates that from 11 pesticide applicators tested were all fit to works which may expose to chemicals. However, spirometry test resulting 3 applicators has indicates mild restriction.
- Testing results in ARJE indicates that from 25 pesticide applicators tested were all fit to works which may expose to chemicals. However, spirometry test resulting 6 applicators has indicates mild restriction and 1 applicator with medium restriction.
- Testing results in SMRE indicates that from 7 pesticide applicators tested were all fit to works which may expose to chemicals. However, spirometry test resulting 4 applicators has indicates mild restriction.
- Testing results in Bromo Plasma (BRMA) indicates that from 19 pesticide applicators tested were all fit to works which may expose to chemicals. However, spirometry test resulting 5 applicators has indicates mild restriction.
- Mill management shows latest medical record for operators in EHP Mill which conducted on 26-29 November 2018 in Club House PT BLP carried out by Laboratorium of Kumala from Tenggarong, Kalimantan Timur. The results informed that from 94 Operators, Audiometri test results indicates 8 Operators identified minor hearing loss. Thus, company doctor has conducting re-test on 15 January 2019, resulting those 8 operators indicates normal hearing. Based on field observation to EHP Mill on 26 February 2019, it was known that all operators weared earplug or earmuff.

4.7.3

The company shows several licenses of operators, as required by regulations, as well as its monitoring of license validity for example as follows:

EHP

EHP Mill has 1 licensed Sterilizer Operator, 2 licensed Class 1 Boiler Operators, 1 Certified Welder, 1 licensed electricity technician, 1 licensed Backhoe Operator, 1 licensed Genset Operator and 1 OSH Expert, for example as follows:

- SIO of Boiler Class 1 Operator No. 12.1448-OPK3-PUBT-B.I/X/2012 valid until 24 October 2017 and No. 12.1703-OPK3-PUBT-B.I/XI/2012, valid until 30 November 2017. Evidence of license extension shows through Information Letter from Manpower Agency of Kalimantan Tengah Regency (UPT Balai Pengawasan Ketenagakerjaan) No. Ket.566/269/PK.10/XI/2018 dated 09 November 2018. However, the process was still ongoing.
- SIO of Backhoe Operator (Lifting) No. 4375/PM/PTP/VII/2018, valid until 30 July 2023.

PT BLP

BLP has 2 licensed Motor Grader Operators, 2 licesed Backhoe Loader Operators, 1 licensed Vibro Compactor Operator, 1 certified welder, 1 certified Excavator Operator and 23 licensed Tractor Operators, for examapel as follows:

- SIO for Grader Operator No. 9806/OPK3/PAA/IX/2014, valid until 26 September 2019.
- SIO for Tractor Operator No. 9809/OPK3/PAA/IX/2014, valid until 26 September 2019.
- Certificate Welder No. 566/038/Disnakertrans/2017, valid until 09 June 2020.

Socialization of Safety has conducted by P2K3 Committee in EHP Mill, ARJE, BRME and SMRE on 06 December 2018, 14 December 2018, 19 December 2018 and 20 December 2018, respectively. Subject of socialization, attendance list and picture of socialization were available. Subject of socialization are safe working practices, PPE usage, example of risk assessment, high conservation value management and hazardous materials management. Furthermore, safety socialization to contractor workers has conducted in General Manager Office of ARJE on 20 February 2019, attended by 3 contractor representatives.

COO Internal Memorandum to all Regional Head No. 044/COO/Alat Pelindung Diri/VI-18 dated 25 June 2018 about Personal Protective Equipment (PPE) which mentioined that company management shall ensure and provide all PPE required in accordance with procedure No. SOP-OTH-F3-08 about HIRAC. All broken or unproper PPE shall be monitored and replaced. All unit management is able to shows PPE delivery record, for example, Safety shoes delivery for 104 workers in EHP mill on 24 December 2018 and earplug for 38 operators on 02 February 2019. Furthermore, Goggle and Boots delivery for 18 chemist workers, 2 Store Keepers and 4 staffs in BRME on 25 January 2019. Bon of PPE Request for those Goggle and Boots dated 24 January 2019 was available.

Based on observation to EHP Mill, ARJE, BRME and SMRE, it was known that operators of processing, harvester and fertilizer applicator has wear PPE in accordance with HIRAC and MSDS of chemical products. However, based on observation to wiping activity in Division 4 Block F46 ARJE and Division 2 Block H39B SMRE, as well as review on masker product used it was known that PPE of respiratory system for applicator is not in accordance with MSDS of pesticide

used. Raised **NCR No. 2019.01 with Major category.**

4.7.4

Company occupational safety and health monitoring and implementation is carried out by OSH Committee (P2K3), as follows:

- Endorsment of P2K3 by Manpower Agency for PT BLP through Head of Agency Decree of Kalimantan Tengah Province No. KEP.566/286/PK/10/I/Disnakertrans dated 21 January 2019. The Secretary of P2K3 was an OSH Expert as shows through Minister of Manpower Decree No. KEP.P.678/NAKER-BINWASK3/III/2017 dated 08 March 2017, valid for 3 years.
- Endorsment of P2K3 by Manpower Agency for PT EHP through Head of Agency Decree of Kalimantan Tengah Province No. KEP.566/285/PK/10/I/Disnakertrans dated 21 January 2019. The Secretary of P2K3 was an OSH Expert as shows through Minister of Manpower Decree No. KEP.102/M/DJPPK&K3/II/2016 dated 03 February 2016, valid for 3 years. As for extension, mill magement shows Letter from Ministry of Manpower dated 14 January 2019 which mentioned that extension of OSH License was still ongoing process.

Records of OSH monthly meeting was available, for example as follows:

- Last P2K3 meeting for PT BLP conducted in 24 January 2019, attended by 29 committee members from all estates. There is 2 main issues beeing discussed, e.g. review on P2K3 Meeting December 2018 towards PPE for Compactor Operator and Portable First Aid; and P2K3 program for 2019, included HIRAC socialization.
- Last P2K3 meeting for PT EHP conducted in 10 January 2019, attended by 32 committee members. There is 2 main issues beeing discussed, e.g. review on P2K3 Meeting December 2018 towards safety of dump truck and PPE leather gloves, and P2K3 program for 2019, included HIRAC socialization.

Based on interview with OSH committee representatives from PT PT BLP and PT EHP, it was known that P2K3 meeting has conducted regularly. Minutes of meeting and picture documentation during the meeting were available.

4.7.5

Procedure of emergency is presented in several documents, as follows:

- Document No. SOP-EHS-04 about OSH management.
- Document No. SOP-EHS-05 and No. SOP-OTH-F3-08 about HIRAC.
- Document No. SOP-EHS-06 about accident investigation.
- Document No. SOP-OTH-F3-09 about inspection of safety working environment.
- Document No. SOP-OTH-F3-11 about hazardous material management.
- Document No. SOP-OTH-F3-12 about safety on eletricity.
- Document No. SOP-OTH-F3-13 about working in closed area.
- Document No. SOP-OTH-F3-14 about working on high altitude.
- Document No. SOP-OTH-F3-16 about welding and cutting.
- Document No. SOP-OTH-F3-17 about environment management and safety in workshop.
- Document No. SOP-OTH-F3-18 about heavy machinaries operations.

All procedures above are provided in Bahasa Indonesia.

The Company has monitor and evaluate any accident on the unit. Record of accident is presented in Indicator 4.7.7. Evaluation of accident is presented in OSH Committee meeting and quarter P2K3 report. Furthermore, complement/supportive documents such as evaluation, investigation, evaluation, reporting, safety assessment, HIRAC evaluation, medical letter from paramedic (doctor) for leave are available. Any leave or manday lost cause by work accident were still paid by company management. This is confirmed during interview with Labour Union. Record on accident has reported to the Manpower Agency.

The company has five Hiperkes Certified Paramedic, e.g. No. 009/DTT/HIPK-K3/IV/2014; No. 17.396/PM-XIV/2014; No. 42.643/DBK3-DH/12/VII/2016; No. 25.271/DBK3-PM/09/I/2018 and No. 25.272/DBK3-PM/09/I/2018. The company has conducting first aid training which carried out by company paramedic team on 21 January 2019, attended by 25 Foremans from PT EHP and PT BLP. The company has distribute first aid kit which consist of 23 items as required by Minister of Manpower

Regulation No. 15 in 2008. In 2019 paramedic has deliver permanent and/or First Aid Kit Box to EHP Mill and BLP in 06-07 February 2019. According to the record in 2019, it was informed that every Estate Office, Central Store, Plasma Office, Chemical Store, Workshop, Hazardous Material Store, got 1 set of permanent first aid box, as 20 portable first aid kit box for Harvesting and Upkeep Foreman

4.7.6

Based on document review and interview with workers in BSF, BSE-1, BSE-2, TME and BAE it was known that all permanent workers were covered by BPJS Manpower (BPJS-TK) and Health (BPJS-Kes). For example, recapitulation of payment for period January 2019 is presented in the following Table:

BPJS – Manpower

| Unit | No. Of Employee | Payment Date | Total Payment | Tax Number (NPP) |
|--------------|-----------------|------------------|--------------------|------------------|
| BRME | 307 | 22 February 2019 | 89,647,800 | RR040071 |
| SMRE | 195 | 22 February 2019 | 54,673,732 | RR040018 |
| ARJE | 384 | 22 February 2019 | 108,338,588 | RR010187 |
| EHP Mill | 129 | 27 February 2019 | 38,119,154 | RR040006 |
| Total | 1,015 | | 290,779,274 | |

(Note: BPJS-Tk included JHT, JKM, JKK and JP. All payment is for permanent worker)

Evidence of BPJS-Tk payment for non-permanent worker (BHL) is presented in Receipt No. 190204327102 dated 22 February 2019 for payment bout IDR 149,461. However BPJS-Tk payment for BHL worker from Estate is not available. Thus, estate management shows program of BPJS-Tk registration for 100 workers every stage, with total stage was 10 stages, covers 1,004 workers from ARJE, BRME, SMRE, included from plasma (ARJA and BRMA). For the first stage of registration, company shows Form Jamsostek 1A "Pendaftaran Tenaga Kerja" dated 12 February 2019 for the first 100 workers registered, which in accordance with program Stage-1. Progress of registration will be continuously verified on every surveillance audit.

According to interview with local contractor for EFB transportation works, it was stated that they were been covered by BPJS-Tk without any deduction from their income. However, estate management has no mechanism to ensure that BPJS-Tk payment has truly implemented by Contractor. Estate management is not be able to shows that contractor workers has been covered by BPJS-Tk. Evaluation on contractor selection towards manpower rights fulfillment to their worker is not available. Raised **NCR No. 2019.02 with minor category**.

The company has also provide BPJS-Health, as shows in summary of payment as follows:

BPJS – Health

| Unit | Payment Date | Total Payment |
|--------------|-----------------|--------------------|
| PT EHP | 07 January 2019 | 92,969,052 |
| PT BLP | 07 January 2019 | 14,827,600 |
| Total | | 107,796,652 |

4.7.7

The CH shows recapitulation of lost time accident in EHP Mill, ARJE, SMRE and BRME. For example recapitulation for period January to December 2018 is presented as follows:

| Period | Unit | Total | | | FR | SR |
|-----------------|--------|---------------|-----------|---------------|------|-------|
| | | Non-LTA Cases | LTA Cases | Man days Lost | | |
| Jan to Dec 2018 | PT BLP | 2 | 8 | 39 | 1.87 | 9.10 |
| | PT EHP | 1 | - | 1 | 0.00 | 3.26 |
| January 2019 | PT BLP | 2 | 1 | 6 | 0.22 | 1.34 |
| | PT EHP | - | 1 | 24 | 3.23 | 77.52 |

Record and evaluation of matrix above is presented in OSH Committee meeting and quarter P2K3 report. For example, record of accident is presented as follows:

- **EHP Mill:** Accident record in Form FM-SST-05-00-02 dated 02 January 2019 informed that work accident injury of Sterilizer Operator due to steam in Sterilizer Station was happens in 02 January 2019 at 11.30 pm. The injury has affecting wound on face and caused 7 mandays lost. Immediate first aid treatment has carried out by company paramedic in Plantation Polyclinic or Polibun. Investigation report, HIRAC evaluation, medical certificate for leave from Polibun and Sultan Imanuddin Hospital in Pangkalan Bun were available. As checked to salary payroll on the respective worker, it was known that his leave days was fully paid by Mill management.
- **BLP:** Official Accident Report in Form FRM-OTH-F3-06-01 dated 22 January 2019 informed that work accident injury of Pesticide Applicator in BRME due to slipped on harvesting bridge was happens in 22 January 2019 at 08.30 am. The injury has affecting wound on feet and caused 4 mandays lost. Immediate first aid treatment has carried out by company paramedic in Plantation Polyclinic or Polibun. Investigation report, HIRAC evaluation, medical certificate for leave from Sultan Citra Husada Hospital in Pangkalan Bun were available. As checked to salary payroll on the respective worker, it was known that his leave days was fully paid by Mill management.

| | | |
|--------------------|--|-------------|
| 4.7.3 Major | Status: NCR No. 2019.01 with Major category | Open |
| 4.7.6 minor | Status: NCR No. 2019.02 with minor category | Open |

4.8

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

4.8.1

The company shows list of employee, for example as per January 2019 as follows:

| Unit | Permanent (SKU) | Temporary (PHL) | Total |
|----------|-----------------|-----------------|-------|
| EHP Mill | 117 | 12 | 129 |
| ARJE | 373 | 212 | 585 |
| BRME | 184 | 273 | 445 |
| SMRE | 196 | 249 | 445 |
| Total | 870 | 746 | 1,604 |

Based on interview with contractor, for example with personal contractor for EFB transportation which conducted in 27 February 2019, it was stated that the company has giving several training and socialization to contractor worker such as company policy, code of conduct, environment, technical matters and safe working practices during safety briefing. Monitoring of work is carried out by company Foreman and Assisstant. This information is presented in public consultation column.

In order to maintain and enhance worker skill and knowledge, company management has provide training program for period 2019 which presented in document of "Training Program and Socialization" dated 30 December 2018, prepared by Human Capital Corporate Service (HCCS) Senior Assistant, Estate/Mill Manager and Area Manager 1. According to program, PT EHP and PT BLP has 17 main training or socialization, which devided into five sections, e.g. related to process (technical), manpower, health and safety, environment and general socialization. Company management is able to shows training realization evidence for example as follows:

- Socialization of safety and HIRAC has conducted by P2K3 Committee in EHP Mill on 06 December 2018
- Training on Limited Pesticide (Paraquat) which has carried out by Pesticide Producer namely Syngenta, in-collaboration with Pesticide Commission on 29 September 2016 and 15 February 2019 at ARJE Club House, attended by all Applicators, Upkeep Foreman and Store Keeper.
- Safety training for upkeep worker in BRME has conducted in 17 December 2018, attended by 60 workers.
- Safe working working practices on herbicide application training at BRME has conducted in 16 March 2018, attended by 17 applicators; at ARJE in 12 March 2018, attended by 22 applicators and at SMRE in 07 March 2018, attended by 17 applicators.
- Herbicide application training in Bromo Plasma (Smallholder – BRMA) has conducted in 19 March 2018, attended by 12 applicators

However, monitoring of training realization against program is not complete as actual. Thus, company management is

encourage to monitor and update training realization against the program. **OFl.**

4.8.2

Identification of training needed for any position is presented in document of "Training and Socialization Analysis for Period 2018/2019 dated 30 December 2017 and 30 December 2018 for PT BLP and PT EHP, respectively. Record of training based on personnel competency were available. For example as follows:

- Harvester has follows OSH socialization on 14 December 2018, ISPO/RSPO socialization on 12 December 2018, company policy on 10 January 2019, HCV training on 14 December 2018, technical works on 08 February 2019 and Company Regulation on 10 January 2019.
- Foreman of Pesticide application has follows OSH socialization on 14 December 2018, ISPO/RSPO socialization on 12 December 2018, company policy on 10 January 2019, HCV training on 14 December 2018, technical works on 12 March 2018 and 12 February 2019, code of conduct on 10 January 2019.
- Sustainability Officer has follows safety training on 06 December 2018, company policy and procedure on 27 December 2018, gender committee on 29 January 2019, environmen and HCV on 06 December 2018, technical works on 11 January 2019 and Company Regulation on 27 December 2018.

Based on interview with workers in EHP Mill, ARJE, BRME and SMRE, it was known that the company has provide regular training to workers such as safety socialization, company policy and technical works.

Status: Comply

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

5.1

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

5.1.1.

The company shows an addendum the environmental management and monitoring efforts document of PT Bumilanggeng Perdanatrada and PT Eagle High Plantations with an area of 9,501.12 ha, capacity of 60 tons of FFB / Hour. In accordance with the decision of the Regional AMDAL Assessment Commission of Kotawaringin Barat District 660/89 / BLH / III / II / 2016 dated February 22nd, 2016.

A letter from the Department of Agribusiness is available on July 28th, 1998 with number 392 / BA.5 / VII / 1998 regarding to plan activities of oil palm plantation and Processing Factory PT BLP. Application for recommendation for approval of the ANDAL Session for PT BLP number 1/53 / VI-BKPA / Setdal / 98 dated August 31st, 1998 from the Central Analysis Commission on Environmental Impact of the Ministry of Forestry and Plantation.

5.1.2 & 5.1.3.

Environmental management and monitoring plans carried out include; recruitment, fertilization, IPM control, transportation of FFB, Factory Operations, CPO transportation to barges, operations and docks.

Report of UKL/UPL for July-December 2018 PT Bumilanggeng Perdana Trada & PT Eagle High Plantations to the Environmental Agency of West Kotawaringin Regency on February 7th, 2019.

Status: Comply

5.2

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

5.2.1.

The company shows the identification of the high conservation value of PT Bumilanggeng Perdanatrada area by Tropenbos International Indonesia Program in 2013. Team Leader Ir. Kresno Dwi Santosa, MSi is registered as RSPO Assessor in the socio-economic & cultural specialization discipline. The method used is Indonesian HCV Toolkit in 2008.

Data collection from July 5 to 11, 2012, the public closing meeting & consultation on July 10th, 2012 with 17 participants consisting of Kotawaringin Government, Kumai District, Bedaun Village, local community, and others.

There is invitations to public consultations in July 2012 include: Head of Kumai Sub-District; Head of environmental agency Kotawaringin Barat; Plantation Agency of Kotawaringin Barat; Forestry agency; Head of the Kotawaringin Barat National Land Agency; Head of Tanjung Puting National Park Agency; Head of the Regional Development Planning Agency of Kotawaringin Barat Regency; Leader of Borneo Lestari Foundation NGO Pangkalan Bun and University. The total HCV area in PT BLP is **4,829.94 ha**. The peer review was conducted in October 2012 by independent consultant experienced in the field of HCV assessment consulting in the area of Industrial Plantation Forest and Natural Forest production since 2005 and has experience in the HCV study field since 2000. Several times handled HCV in the area of palm oil.

Based on HCV management and monitoring report for 2018 period, it is known that the types of wildlife found include 17 species of birds where 3 species enter *PermenLHK No.92 of 2018* & Appendix II CITES such as *Ictinaetus malayensis*, *Pelargopsis capensis*, and *Gracula religiosa*. There are 8 Mammal species in the HCV area (forest area), especially *Pongo pygmaeus* (Orang Utan) in the Critical endangered category.

Based on field visit, the company has been legal requirements for protection wildlife according with constitution number 5 year 1990 Such as the prohibition on hunting protected wildlife, the prohibition on maintaining protected wildlife, forbidden to sell protected wildlife. During the audit there is no hunting activities and the workers has been know prohibition on hunting and killing wildlife.

5.2.2.

Management of the company in the forested areas of Block G38 include:

- Making the HCV area boundary in the form of trenches along the area boundary HCV.
- Making policies to prohibit hunting, pets, capturing wild species in the entire operational area.
- Installation of HCV identity signboard, prohibition on hunting / damaging forests / cutting down trees in HCV areas.
- Do patrol regularly (every month) to ensure the safety of this area.

Monitoring activities include:

- Periodic patrol every month to ensure the condition of the signboard that has been installed.
- Monitoring the existence of protected wildlife and plants that are carried out once every 1 month with a method of meeting on a random observation track.

Peat damage can cause the quantity and quality of water supply providers and can reduce hydrological functions. PT BLP has efforts manage Peat land area with using RSPO Manual on Best Management Practices for existing oil palm cultivation on peat and environment regulation Number 16 year 2017 and Government regulation number 57 tear 2016. Besides that, there is water management for protected peat land area. Patrol every once a month in HCV area, prohibited to using chemist activity, ban for hunting, socialization to workers and villagers to not disturb wildlife habitat and others.

5.2.3.

Circular No. 001 / BLP / IM-AM / Ist / 1/2019 is available signed by the Area Manager on January 15, 2019, concerning the prohibition on hunting protected wildlife, the prohibition on maintaining protected wildlife, forbidden to sell protected animals and poisonous substances / electrocute fish in the river. If you do not heed, administrative sanctions will be imposed in accordance with the PP and / or legislation in force in the Republic of Indonesia. The company shows animal monitoring training located in the G38 Block attended by employees of Arjuna Estate.

5.2.4.

- Based on HCV monitoring and management report of PT BLP for period 2018, it was known that estate management has installing signboard which informed HCV identity (status), prohibition on fish poisoning and electrizing, prohibition on chemicals application, as well as installation of riparian boundary pole which marked by red paint.
- Based on observation to HCV area in Block J49 Bromo Estate, Riparian of Bedaun River in Division 4 Block H16 Semeru Estate and Spring in Block I22 Semeru Estate, it was known that actual HCV or riparian boundary poles were painted by white colour and information in the signboard is not clear (difficult to be read).

The company is not be able to shows that all signboard in HCV area has properly maintained as stated on HCV monitoring and management report for period 2018. Its become **NCR No.2019.03 with minor Category.**

5.2.5.

Based on interviews with the village community (Kumai Hulu & Sungai Bedaun Village), it is known there are no community areas used as HCV areas.

| | |
|--------------------|--|
| Minor 5.2.4 | Status: NCR No.2019.03 with minor category. |
|--------------------|--|

5.3

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

5.3.1.

The company shows the waste management and monitoring procedure version 2.0 effective January 10th, 2019, approved by CEO, Director Sustainability, COO, Head-Estate, & Head-Mill. This procedure describes management and monitoring of waste for example: Used oil filter, Used packaging of pesticides, herbicides, cartridges, ink, other chemicals, used battery, rags, oil, EFB, POME, Fiber, shell, domestic waste, and etc.

The company showed resource inventory of GHG emissions in 2019 period with details; use of fuel, fertilizer use, pesticides use, regulation of water levels on peatlands, land clearing, transportation, WWTP, land applications and etc. The type of emissions produced consists of CO, CO₂, CH₄ and others.

Management carried out includes; reduce fuel use, look for alternative substitutes for fuels with renewable fuels, use of fertilizers & pesticides in accordance with recommendations from Applied research and agronomic guidance, the application of biological IPM, regulate the water level of peatlands by making water management and etc.

5.3.2.

The company shows the hazardous waste storage permit for PT Bumi Langgeng Perdanatrada (Estate) according to number 660/23 / BLH.IV / TPS / IX / 2014 from the Regent of West Kotawaringin. This decision is valid from September 5th, 2014 to September 5th, 2019.

Hazardous waste storage permit for PT Eagle High Plantation unit in accordance with West Kotawaringin Regent decision in accordance with West Kotawaringin Regent Decree No.660 / 6 / BLH.IV / TPS // IV / 2016. This decree is valid from April 2016, 12th until 5 years.

The company shows the official report on the minutes of hazardous Waste on January 9th, 2019 in collaboration with PT Semesta Langgeng Sentosa with vehicle KH 8470 GM Number with details:
EHP Mill.

- Manifest number AZG0000448 as much as 3.5 used lubricating oil drums.
- Manifest number AZG0000456 as much as 45 kg of used filters.
- Manifest number AZG0000452 as much as 150 kg of used batteries.
- Manifest number AZG0000450 as much as 115 kg of used rags.
- Manifest number AZG0000451 as much as 110 used packages of Pesticides.

Work Agreement between PT Eagle High Plantations and PT Semesta Langgeng Sentosa regarding the collection and transportation of hazardous waste with numbers 006 / EHP / P-PRO-HO / I / 19 dated January 3rd, 2019 until January 3rd, 2020.

PT BLP (Estate).

The company shows the official report on the minutes of hazardous Waste on January 9th, 2019 in collaboration with PT Semesta Langgeng Sentosa with vehicle KH 8470 GM Number with details:

- Manifest number AZG0000445 as much as 6.5 used lubricating oil drums.
- Manifest number AZG0000447 as much as 20.5 kg of medical waste.
- Manifest number AZG0000446 as much as 140 kg of used filters.

Letter of cooperation agreement between PT Bumilanggeng Perdanatrada & PT Semesta Langgeng Sentosa number 004 / BP / P-PRO-HO / I / 19 dated January 3rd, 2019 until January 3rd, 2020.

Permit to carry out special freight transportation to transport dangerous goods from PT SLS from the Ministry of Transportation, Directorate General of Land Transportation with letter number: SK.5 / AJ.309 / DJPD / 2017 and SK.6 / AJ.309 / DJPD / 2018 which are valid for January 10th, 2023.

Hazardous waste report.

The Company shows the hazardous waste report for the period October - December 2018 for PT Eagle High Plantations on January 21st, 2019 to the Environmental Agency of West Kotawaringin Regency.

The company is encourage to conduct socialization on uses and monitoring of hazardous materials, particularly to the housing occupants. **OFl**.

5.3.3.

- Fiber and shell waste are used for boiler fuel.
- Empty Fruit Bunch (EFB) can be used as boiler fuel but depends on the boiler brand whether it can process it directly or not.
- Liquid waste is applied in the land application.
- Fertilizer substitution: EFB without processing, directly applied to mulch; EFB is first processed into compost; liquid waste from drainage Effluent Pond to Block which has low nutrition.
- Domestic non-organic waste may be reused for other uses or sold to third parties as domestic waste collectors.
- Non-recommended wastes for reuse such as used oil, used filters, used batteries, used ink, used light bulbs, damaged used pesticides / herbicides, cloth and spill kits, its delivery to hazardous waste storage.

Based field visit and interview with workers, domestic organic is disposed to landfill every two times a week. For example in landfill Block I28/29 Division 3 Semeru Estate. The location is more than 1 kilometer for resident area.

The company has an opportunity to monitor sorting process of organic and anorganoic from household wastes on the landfill. **OFl**.

Status: Comply

5.4

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

5.4.1.

Based on data on solid waste utilization in the 2018 period it is known that the efficiency of using shells is 0.047 tons / ton FFB; fiber of 0.128 tons / ton FFB; the efficiency of using EFB is 0.975 tons / ton FFB and diesel fuel is 0.554 tons / ton FFB. In addition, the company demonstrated the efficiency of electricity use for turbines (1) by 0.019 kwh / ton FFB and turbine (2) by 0.014 kwh / ton FFB.

Based on that, the company has using EFB to reduce diesel fuel as much as 0.975 tons/ton FFB.

Status: Comply

5.5

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

5.5.1 & 5.5.2

Procedure for Land Clearing and Preparation of document number: MAN - UOM - 001 dated January 1, 2017 states that it must be emphasized in the process of land clearing that burning is not permitted. The company's policy is zero burning and this must be obeyed. Severe sanctions will be imposed on leaders and staff who violate this policy.

The Zero Burning policy applies to all subsidiaries under the Eagle High Plantation group. Based on the results of

interviews with representatives of the surrounding village communities, employees, and information from the Environment Agency of Kotawaringin Barat Regency, it was known that there had never been land clearing using fire.

There is no use of fire in land clearing and pest eradication in accordance with the zero burning procedures and policies owned by the company.

Status: Comply

5.6

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

5.6.1 & 5.6.2.

The company showed resource inventory of GHG emissions in 2019 period with details; use of fuel, fertilizer use, pesticides use, regulation of water levels on peatlands, land clearing, transportation, WWTP, land applications and etc. The type of emissions produced consists of CO, CO₂, CH₄ and others.

Management carried out includes; reduce fuel use, look for alternative substitutes for fuels with renewable fuels, use of fertilizers & pesticides in accordance with recommendations from Applied research and agronomic guidance, the application of biological IPM, regulate the water level of peatlands by making water management and etc. Based on field visit in mill area, there are signs high noise areas example at Engine room, boiler station, and others.

5.6.3.

The company shows 2018 period emission summary using Palm GHG 3.0.1 with details:

| Product | tCO ₂ e/t product |
|---------|------------------------------|
| CPO | 9.9 |
| PK | 9.9 |

| Extraction | % |
|------------|-------|
| OER | 29.17 |
| KER | 5.39 |

| Production | ton/year |
|---------------|-----------|
| FFB Processed | 174630.98 |
| CPO Produced | 50938.69 |

| Description | unit | Value |
|----------------------------|------|----------|
| Total Planted Area | ha | 8711.34 |
| Total Planted Area on peat | ha | 4658.658 |
| Conservation area | ha | 355.153 |
| OER | % | 29.17 |
| KER | % | 5.39 |

Mill emission and credit.

| Description | tCO ₂ | tCO ₂ e/t FFB |
|--|------------------|--------------------------|
| Emissions Sources | 374418.76 | 2.14 |
| POME | 511.01 | 0 |
| Fuel Consumption | 0 | 0 |
| Grid Electricity Utilisation | 0 | 0 |
| Credits | | |
| Export of Excess Electricity to Housing & Grid | 0 | 0 |
| Sale Of PKS | 0 | 0 |
| Sale Of EFB | 0 | 0 |
| Total | 374929.77 | 2.15 |

Plantation/ field emission and sink.

| Description | Own | | | Group | | |
|---|--------------------|-----------------------|--------------------------|--------------------|-----------------------|--------------------------|
| | tCO ₂ e | tCO ₂ e/ha | tCO ₂ e/t FFB | tCO ₂ e | tCO ₂ e/ha | tCO ₂ e/t FFB |
| Emission Source | | | | | | |
| Land Conversion | 53275.92 | 9.88 | 0.51 | 0 | 0 | 0 |
| CO ₂ Emissions from Fertiliser | 2159.04 | 0.4 | 0.02 | 0 | 0 | 0 |
| N ₂ O Emissions | 33501.51 | 6.21 | 0.32 | 0 | 0 | 0 |
| Fuel Consumption | 833.69 | 0.15 | 0.01 | 0 | 0 | 0 |
| Peat Oxidation | 183021.93 | 33.93 | 1.74 | 0 | 0 | 0 |
| Sinks | | | | | | |
| Crop Sequestration | -50498.5 | -9.36 | -0.48 | 0 | 0 | 0 |
| Sequestration in Conservation Area | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 222293.59 | 41.21 | 2.12 | 0 | 0 | 0 |

Emission Of PK.

| Emission Source | tCO ₂ e |
|-------------------------|--------------------|
| PK from own mill | 93082.18 |
| PK from other sources | 0 |
| Fuel consumption | 0 |
| Total crusher emissions | 0 |

Palm Oil Mill Effluent (POME) Treatment.

| | |
|-------------------------------|-------|
| Divert to compost | 0 % |
| Divert to anaerobic digestion | 100 % |

POME Diverted to Anaerobic Digestion:

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

The noise testing carried out by Unilab Jakarta for 2018 period is located in front of the Mill Office, the results is 60 dBA. Beside that, there is noise testing in operational EHP Mill was conducted in February 12th, 2019 by Mutuagung Lestari Laboratory accredited by KAN LP-001 such as:

1. Boiler station with results is 86.7 dBA.
2. Engine room with the results is 98 dBA.
3. Sterilizer station with the results is 87.3 dBA.
4. Nuts & Kernel station with the results is 96.9 dBA.

Based on that, there is known the noise testing in boiler station, engine room, Sterilizer station and nut & kernel station is exceed the threshold 70 dBA by Decision of environmental minister No.48 year 1996, appendix 1. The company has made efforts to deal with this by providing PPE, routine health checks and shifting operator so that they are not too long exposed to noise.

The company has efforts to reduce the noise example: do machine maintenance regularly, doing audiometry test to workers; if the test is not normal, the workers will get treatment and mutation. Besides that, there is mill machines checking from labour inspection agency of Province every once a year.

The company has been conducted testing analysis for period December 2018 by laboratory which is accredited by KAN

(LP 001).

Boiler emission

| Parameter | Unit | Results | | Thresholds |
|-----------------------------|-------------------|----------|----------|------------|
| | | Boiler 1 | Boiler 2 | |
| Particulate | mg/m ³ | 63.9 | 16.5 | 300 |
| Sulfur dioxide | mg/m ³ | 64.2 | 65.1 | 600 |
| Nitrogen dioxide | mg/m ³ | 84.6 | 85.3 | 800 |
| Hydrogen Chloride | mg/m ³ | 0.64 | 0.96 | 5 |
| Chlorine Gas | mg/m ³ | 0.23 | 0.12 | 5 |
| Ammoniac (NH ₃) | mg/m ³ | 0.28 | 0.3 | 1 |
| Hydrogen fluoride | mg/m ³ | 0.53 | 0.44 | 8 |
| Opacity | % | <20 | <20 | 30 |

Generator Emission.

| Parameter | Unit | Results | | | | | Thresholds |
|------------------|-------------------|---------|------|------|------|------|------------|
| | | 1 | 2 | 3 | 4 | 5 | |
| Particulate | mg/m ³ | 1.45 | 13.1 | 21.7 | 16 | 18.4 | 150 |
| Carbon monoxide | mg/m ³ | 325 | 265 | 305 | 495 | 424 | 600 |
| Nitrogen dioxide | mg/m ³ | 83.1 | 63.6 | 75.1 | 281 | 28.4 | 1000 |
| Sulfur dioxide | mg/m ³ | 37.4 | 31 | 37 | 37.1 | 4.05 | 800 |
| Opacity | % | <20 | <20 | <20 | <20 | <20 | 20 |

*Note: Generator 1 Mill 300 KVA; Generator 2 Mill 500 KVA; Generator Arjuna Estate 350 KVA; Generator Bromo Estate 160 KVA; and Generator Semeru Estate 250 KVA.

Based on the explanation above, the emission testing of boilers and generators does not exceed the quality standards set by the applicable regulations (Environment regulation No.7 year 2007 & 13 year 2009).

Calculation of LUC emissions has included in the plantation emissions such as Land conversion 53275.92 tCO₂e, 9.88 tCO₂e/ha and 0.51 tCO₂e/tonFFB (1 year period).

Status: Comply

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

6.1

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

6.1.1.

The company has EIA document that contains about social & economic condition management. There are also Social Impact Assessment (SIA) document has compiled on 2013. The SIA were involved all stakeholders such as: Sekonyer Village, Sungai Bedaun Village, Workers, and Smallholders. There are two impacts: external impacts (infrastructure development, smallholders, employment opportunity, increased revenue, environment and community health). While internal impacts (Industrial Relation, career path, salary & welfare benefits, workers facilities). Based on interview with several workers and community leaders from Sungai Bedaun Village, sighted that the company has conducted participatory assessment on 2013 and also social management plan participatory review every semester.

6.1.2.

The SIA were conducted using the method of in-depth interview, Focus Group Discussion (FGD) and Field observation by involving local community leaders, village officials, and other parties. It was considered their competency. The evidence

of SIA was documented in the 2013.

6.1.3.

The company has compiled a Social Impact Management Plan with a clear timeline and responsible person. For example, related to the guidance on financial management by smallholders toward more productive. The time frame of this activity is every month, the responsible officer is the CSR Manager, while the officer who is carrying out is the CSR Assistant.

6.1.4.

Review of the Social Impact Management Plan has been carried out every year by involving the surrounding communities. There are some management plans that have been realized in 2018, for example: road maintenance in Sungai Bedaun Village, CSR program involving the community of Jerumbun Sub-Village, Sekonyer Village. However the company to be consider to involve the contractor's worker and worker unions in the process of Reviewing the Social Impact Management and Monitoring Plan OFI.

6.1.5.

Efforts made by the company to increase the positive impact of plasma development through activities of Plasma Management, such as: Financial report preparation and establishment of cooperative business units. There are also training program, such as: office administration and finance training, financial & tax reporting, project management training, capacity building, training for non-plasma community oil palm plantation.

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

6.2

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

6.2.1

The company shows list of Stakeholder which updated on 10 January 2019 which consist of 4 province Agencies, 22 Regency Agencies, 1 Sub-regency Agency, 3 army and police office, 1 Village office, 6 community representatives, 2 Cooperatives, 5 education institutions (school), 3 hospitals, 4 vendors, 3 Contractors and 10 FFB Suppliers. Procedure of communication and consultation with internal and external stakeholder, included surrounding communities is presented in document No. SOP-OTH-F3-032 Version 1.0 dated 20 January 2016 and No. SOP-OTH-F3-020 Version 4.0. Dated 10 January 2019 about information request and release. Communication related to environment and safety is conducted by Head of Department and Manager Unit, in coordination with OSH Committee and Sustainability Staff. Communication could be conducted directly to employees super ordinate and/or other media such as email, telephone, fax, official letter, suggestion box, etc. confidential information has only could be accessed after approval fom Head Office in Jakarta. Based on interview with representative from Village of Bedaun and Kumai Hulu, as well as representative of Manpower Agency, Plantation Agency, Environment Agency and National Land Agency in Kotawaringin Barat Regency, it was known that those stakeholders had understood towards information and communication mechanism of PT EHP and PT BLP. Furthermore, the company has considered transparent and cooperative in providing information and/or data requested.

6.2.2

Communication related to environment and safety is conducted by Head of Department and Manager Unit, in coordination with OSH Committee and Sustainability Staff. Communication could be conducted directly to employees super ordinate and/or other media such as email, telephone, fax, official letter, suggestion box, etc. Confidential information has only could be accessed after approval fom Head Office in Jakarta, as mentioned in procedure No. SOP-OTH-F3-020 Version 4.0. Dated 10 January 2019 Point 3.1.5 (three persons appointed from Head of Corporate Affairs, Head of Permit and License Affairs and Head of Corporate Legal Affairs). Based on interview with representative from Village of Bedaun and Kumai Hulu, as well as representative of Manpower Agency, Plantation Agency, Environment Agency and National Land Agency in Kotawaringin Barat Regency, it was known that the stakeholder has familiar with company representative.

6.2.3

Communication record with stakeholder was recorded on "Register Surat Masuk" (or Letter-in), while the response has recorded on document of "Register Surat Keluar" (or Letter-out). For example, according to the list in PT BLP, it was known that there was six (6) coming-in 6 Letter during 2018, and all has been responded less than 30 days. However, treceability

of response is not informed on the Letter-In Register. Hence, company management is encourage to informed date of response on every information requested, to improve treceability of response. **OFI**.

Status: Comply

6.3

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

6.3.1.

The company has procedure SOP-OTH-F3-019 about Grievance Version 1.0, there are several complaint: complaints related to employee are relating to problems that arise in the process of employment relations and or deviations from work conditions. Non employment complaints related to facilities for the public interest, while community complaints are complaint related to community claims, or disruption of the surrounding community with the company operations. The company have 30 day to respond all complaint from stakeholders. Therefore the company has appoint the officer responding to the complaint was a CSR Assistant. In Procedure SOP-OTH-F3-019 related Grievance version 1 efective in January 10th, 2019 point 3.4 If agreement between the two parties or more is not reached, so it can be reported to RSPO Complaint System.

6.3.2.

Based on document verification there are several complaint from external, regarding land dispute. For example: land claim from heir of Noerjemah binti Abdul Gani dated 11 March 2018, 18 May 2018, and 15 October 2018. The company has respond it, that claimants was asked to submit to legal proceedings, this was consistent with the results of mediation by the National Land Agency of Kotawaringin Barat Regency on year of 2013.

Status: Comply

6.4

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

6.4.1.

The company has land conflict resolution procedure number SOP-EHP-SC-03 version 2.0, if the claim document was valid the company will be processed by P&L department by involving Area Manager & Head of Social Capital. First option are discussion/deliberation to reach consensus involving traditional leaders, community leaders and local governments (participatory mapping process). If there is no agreement, then proceed to next stage (mediation by related agency) or take legal action. Based on interview with P&L Department staff, National Land Agency, surrounding communities (Sungai Bedaun Village & Kumai Hulu Village), it was obtained information that there are no significant land dispute during last year.

6.4.2.

The company has procedure number SOP-OTH-F3-021 about Free, Prior, Inform, Consent (FPIC) with process: identification of customary lands, involving community institutions, information giving, ensure that consent is given voluntarily, ensure that approval is given before operational activities, ensure that there is agreement, resolve conflicts, negotiation, finalized written agreement, get support from government and notaries, implement agreement and participatory monitoring. The company has register all land compensated, based on interview with 20 previous land owners from Sungai Bedaun Village and Kumai Hulu Village; sighted that operational of company through FPIC process.

6.4.3.

The company were showing agreement with claimants for example: agreement number 016/SMRE-Konsum/TBS/5/2016 dated 17 May 2016 for area on Semeru Estate, block H16 (± 14 Ha) and agreement number 022/SMRE-Sudirman/TBS/8/2016 dated 5 August 2016 for area on Semeru Estate, block J49&J50 (± 30 Ha).

Status: Comply

6.5

Pay and conditions for employees and for employees of contractors always meet at least legal or industry

minimum standards and are sufficient to provide decent living wages.

6.5.1

The company has Company Regulation (*Peraturan Perusahaan* or PP) of PT EHP for Period 2017-2019 and PT BLP for Period 2018-2020, which approved by Ministry of Manpower No. KEP.9/PHIJSK-PK/PP/II/2018 dated 09 January 2018 and No. KEP. 1677/PHIJSK-PK/PP/XII/2018 dated 13 December 2018, respectively. Wages and overtime payment has mentioned in Chapter 2 in Article 8 and Article 9, respectively. For minimum wages in 2019, company management has refers to Governor of Kalimantan Tengah Decree No. 51 in 2018 dated 21 November 2018 about Minimum Wages for Plantation Sector (UMSK) for period 2019. Appendix of decree mentioned that UMSK for Kotawaringin Barat Regency was IDR 2,965,514.00/month. As response, Head of Human Capital and Corporate Services has issued Decree No. 017/017/HC-BLP/II/2019 and No. 018/018/HC-EHP/II/2019 dated 17 January 2019 which mentioned that UMSK PT BLP and PT EHP for Period 2019 was IDR 2,965,514.00/month or IDR 118,620.56/day or IDR 17,141.69/hour. Based on document review, it could be concluded that salary payment has in accordance with Government Regulations such as salary payment as mentioned in Minister of Manpower Regulation No. 7, 2013; overtime payment as mentioned in Decree of Minister of Manpower No. 102 year 2004. In addition, the certificate holder also explains the overtime work which briefly describes that the hourly wage calculation is 1/173 multiplied by the monthly wage and the calculation of overtime wages in accordance with government regulations, such as overtime work done on weekdays, for the first overtime paid equal to 1.5 multiplied wages 1 hour, the next paid wages equal to 2 multiplied wages 1 hour. Apart from salary, the company has provide Natura as Rice which given directly 1-3 days before salary payment day, about 15 kg per month for worker, 9 kg for wife ann 7.50 kg for children up to three childs. Natura has given proportionally and excluded from basic salary. Based on the results of document review and interviews with workers in PT EHP and PT BLP, it could be concluded that company has implementing payroll in accordance with applicable regulations, there is no breach of payment related to wages and force the work. Payment of harvested wages is adjusted to the results of work, the achievement of tonnage targets and the provision of over target premiums if passed the target.

According to interview with local contractor (under Krismiati, Asmad and Sudarmi) for EFB transportation works, it was stated that they were paid approximately for about IDR 3,000,000.- per month which delivered in cash. This value is higher that applicable UMSK of Kotawaringin Barat Regency, which was about IDR 2,965,514.00 per month. However, evidence on this matter is not available. Thus, estate management has no mechanism to ensure that applicable minimum wages payment had been implemented by contractor. Raised **NCR No. 2019.04 with Major category**.

6.5.2

The company has Company Regulation (*Peraturan Perusahaan* or PP) of PT EHP for Period 2017-2019 and PT BLP for Period 2018-2020, which approved by Ministry of Manpower No. KEP.9/PHIJSK-PK/PP/II/2018 dated 09 January 2018 and No. KEP. 1677/PHIJSK-PK/PP/XII/2018 dated 13 December 2018, respectively. Based on document review, it was known that there were third party or outsourced used by the company, mostly for upkeep works and there is no outsource works for harvesting activities. For permanent worker, employees right such as BPJS manpower and health insurance payment has fulfilled by the company. Evidence of payment shows on salary payroll and BPJS record. Furthermore, based on interview with workers from EHP Mill, ARJE, BRME and SMRE, it was known that all workers has work and paid in accordance with their work agreement.

Based on work agreement review for non-permanent worker (BHL) in Estates which valid for three months, it was known that after three month the worker still work, but without any extension of agreement. Furthermore, several workers has works with minimum 21 mandays in consecutive 3 months (or more). Regarding this matter, the company has program of promotions of BHL to become permanent worker, which divided into 5 phases in every estate. the progras was issued by KTU, Senior Assisstant HCCS, Estate Manager and Area Manager. Progress of promotion is presented as follow:

- Promotion Decree No. 002/EHP-MILL/XI/2018 dated 01 November 2018 about promotion of worker No. 70510612820206180026 from BHL to Class 1A/0.
- Promotion Decree No. 113/BLPP/SPKT/XII/2018 dated 01 December 2018 about promotion of Harvester as permanent worker.
- Promotion Decree No. 856/BLPP/SPKT/XII/2018 dated 01 December 2018 about promotion of Harvesting Foreman as permanent worker.
- Promotion Decree No. 12/BLPP/SPKT/XII/2018 dated 01 December 2018 about promotion of Harvesting Clark as permanent worker.

Regarding the promotion program above, Estate management is encourage to monitor progress of promotion as scheduled. **OFI**.

6.5.3

The company has provide a proper facilities to their employees which related of housing, healthcare, education, sport and religion activities. Based on interview with workers from EHP Mill, ARJE, SMRE and BRME, as well as with housing accoupants, it was known that electricity and water were free. Water quality from artesis wells was considered good. Company also provide reverse osmosis water for consumption for housing area. Other facilities such as house, water sanitation, clinic, mosque, cooperative, school, bus, etc. were given for free. Those facilities has considered satisfactory by the workers.

6.5.4

The company has Cooperative to provide household need and there is open market twice a month and during salary payment day. Furthermore, the company situated close to the nearest village namely Bedaun with approximately takes less than one hours. Several traditional minimarket in Bedaun Village was available.

| | |
|--------------------|--|
| 6.5.1 Major | Status: NCR No. 2019.04 with Major category |
|--------------------|--|

6.6

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

6.6.1.

The company has regulation clause 36 about right of association and complaint resolution. There are worker unions on mill and estate. EHP mill has 129 members of worker union with register number 03/DTT/HIJ-SYAKER/II/2018 from Man Power Agency. While BLP Estate has 30 members of worker union with register number 009/PT.BLP/AM/Ekstern/II/2019 from Man Power Agency.

6.6.2.

Worker Union at EHP Mill has conducted meeting on 5 January 2019 with 5 member from workers and 2 member from management, where there are complaints from employees related to the BPJS health cards using in Hospital. Because late of payments period October to December 2018. The employees cannot use this benefits. Finally an agreement was made that if there were fines when going to use in hospital, it would be reimbursed by the company. While the worker union at Estate doesn't conduct meeting, it cause just formed on 30 January 2019.

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

6.7

Children are not employed or exploited.

6.7.1

Company policy towards child labour is presented in document of Company Regulation in Chapter 2 Act. No. 5 Point 1.a; and Sustainability Policy dated 11 June 2018 Point 7.7 which mentioned that the company shall not use child labour, under 18 years old. Based on list of PT EHP and PT BLP employee workers review for period January 2019, as well as observation with workers in sampled unit, it was known that there is no workers under 18 years old. This is in accordance with information given by Head of Labour Union from PT EHP and PT BLP, as well as representative of Manpower Agency in Kotawaringin Barat Regency. Hence, the Company is comply with ILO Convention 138 and Act No. 13 in 2003.

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

6.8

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

6.8.1 and 6.8.2

Company policy of social and anti discrimination is presented in Sustainability Policy dated 11 June 2018 Point 7.6 which mentioned that there was equality for employees towards professionalism, recruitment and guarantee of non discriminative which based on race, skin colour, gender, sex orientation, religion, politic view, ethnic and social background. Based on list of employees as per January 2019 review and interview with workers in PT EHP and PT BLP it was known that composition of workers were various in term of gender, religion, education background and ethnics, though dominated by locals. Everybody has the same opportunity to work with the company as long as meet the requirement. Based on interview with representatives from Village Bedaun and Kumai Hulu, as well as representative of Manpower Agency in Kotawaringin Barat Regency, it was known that information on recruitment was transparent to the village community and delivered through Head of Village. There were never been issued of conflict associated with discrimination and those employees diversity parameter. Letter of Promotion of local workers were available.

6.8.3

Record of employees before and after promotion were available. Based on interview with workers from PT EHP and PT BLP; representatives from Village of Bedaun dan Kumai Hulu, as well as representative of Manpower Agency in Kotawaringin Barat Regency, it was known that all worker has a same opportunity in career, as long as meet company requirement. Furthermore, workers was dominated by locals. Moreover, in 2018/2019 estate management start a promotion program from non-permanent worker (BHL) to become permanent worker (SKU) as mentioned in Indicator 6.5.2 Major.

Status: Comply

6.9

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

6.9.1

Company policy towards sexual violence, harassment, abuse and reproductive right is presented in Sustainability Policy dated 11 June 2018 Point 7.8. To facilitate this matter, the employee has a Gender Committee in PT EHP and PT BLP. Apart from gender aspect, the committee has also covers reproductive rights, social, religious, health and daycare aspect. Socialization on gender policy has delivered to female worker. Based on interview with Gender Committee representatives from PT EHP and PT BLP, it was known that there is one issue related to sexual violence. However, it was settled up.

6.9.2

Company policy towards reproduction rights is presented in Company Regulation Chapter 4 Act. No. 27. The policy has covers 2 days H1 (haid period) and total 3 months H2 (pregnant) Leave. Company management and company doctor also mentioned that it was strictly prohibited for pregnant and breastfeeding workers to works associated with chemicals (pesticide and fertilizer). Based on interview with Gender Committee representatives from PT EHP and PT BLP, it was known that there is one case related to sexual violence which has settled up by company. Furthermore, based on interview with female pesticide applicators in ARJE and SMRE it was known that H1 and H2 Leave is given by estate management as recommended by company doctor or paramedic in Polibun.

6.9.3

No. SOP-EHP-SC-002 Version 1.0 dated 01 March 2015 about complaint and claim management and No. SOP-OTH-F3-019 Version 1.0 dated 10 January 2019 about grievance/complaint handling. Insurance of Whistle blower confidentiality is mentioned in Part 2 Point 7. Communication could be conducted directly to employees super ordinate and/or other media such as email, telephone, fax, official letter, suggestion box, etc. Any complaints are recorded in the logbook of employees grievances. Based on interview with representatives from Labour Union (SPSI) and Gender Committee, it was known that anonymous and whistle blower identity are highly respected and protected. Mechanism of complaints were well known by all workers. Furthermore, company management is considered has response any complaint less than 30 days.

Status: Comply

6.10

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

6.10.1; 6.10.2; 6.10.4.

FFB pricing refers to the Minutes of Results of Determination Team for the Purchase Price of FFB for smallholders in Kalimantan Tengah Province period of January 2019. For example: FFB Price with planted year 1998 to 2008 are 1,096.57/Kg. There are transaction number 2019002211136391780 to the Bedaun Maju Bersama Cooperative and transaction number 201902211133391659 to Kumai Hulu Seberang Cooperative period of November and December

2018. Based on interview with board and members of Bedaun Maju Bersama and Kumai Hulu Seberang Cooperative sighted that there are no complaint regard to FFB price and payment methods.

6.10.3.

There are agreement of associate smallholders with Bedaun Maju Bersama Cooperative number 61/KOP-BMB/XI/2015 and number 001/SPK-LGL/BLP/I/2017 with Kumai Hulu Seberang Cooperative. Bedaun Maju Bersama Cooperative has 1,434 members and area 1,850.68 Ha. While Kumai Hulu Seberang Cooperative has 399 members and realization of area is 183 Ha.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1 & 6.11.2.

The company has contributed to the local community development, such as cooperation with several local contractors and realizing the CSR in accordance to proposals from the surrounding communities and CSR Consortium of Kotawaringin Barat Regency. For example: road maintenance along 16 Km from Sungai Bedaun Village to the Sungai Palu Village. Whereas plasma system uses a full manage scheme, operations are equated with own estates. Based on interview with community leaders from Sungai Bedaun Village and Kumai Hulu Village, sighted that the company has contribution to the local development.

Status: Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1 and 6.12.2

Company policy towards human right is presented in Sustainability Policy dated 11 June 2018 Point 7.4 about human right towards ILO Core Conventions on protection of human rights, included force labour, equal opportunity to all workers, OSH, anti human trafficking, etc. Workers has work agreement which in accordance with actual position of workers, without any substitution. This is conformed during interview with Manpower Agency in Kotawaringin Barat Regency. Based on list of employee for period 2019 review, it could be concluded that there were no illegal and foreign workers. Most of the workers were Indonesians with majority locals from surrounding estate areas (Bedaun or Kumai Hulu Village). Furthermore, based on interview with workers in EHP Mill, ARJE, BRME and SMRE, it was known that the company has fulfill workers rights such as salary as in accordance with minimum payment regulation, insurance (BPJS) for manpower and health, as well as premium payment as mentioned in work agreement.

6.12.3

Based on list of employees in EHP Mill, ARJE, BRME and SMRE for January 2019, it was known that there were no migrant worker and/or expatriate in PT EHP and PT BLP operational areas. Mostly the workers were locals.

Status: Comply

6.13

Growers and millers respect human rights

6.13.1

Company policy towards Human Rights is presenting in Sustainability Policy dated 11 June 2018 Point 7.4-7.6 which mentioned that there was equality for employees towards profesionalism, recruitment and guarantee of non discriminative which based on race, skin colour, gender, sex orientation, religion, politic view, ethnic and social backgorund. Socialization or refreshment of human right policy has conducted to all workers on 12 December 2018. According to interview with government agencies of Kotawaringin Barat Regency, community representatives, as well as workers in factory and estates (included labor union and gender committee), it was known that there are no negative issues related to human rights in PT EHP and PT BLP operational areas.

Status: Comply

PRINCIPLE #7 Responsible development of new plantings

7.1

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

7.1.1; 7.1.2 & 7.1.3.

The company shows an addendum the environmental management and monitoring efforts document of PT Bumilanggeng Perdanatrada and PT Eagle High Plantations with an area of 9,501.12 ha, capacity of 60 tons of FFB / Hour. In accordance with the decision of the Regional AMDAL Assessment Commission of Kotawaringin Barat District 660/89 / BLH / III / II / 2016 dated February 22nd, 2016.

A letter from the Department of Agribusiness is available on July 28th, 1998 with number 392 / BA.5 / VII / 1998 regarding to plan activities of oil palm plantation and Processing Factory PT BLP. Application for recommendation for approval of the ANDAL Session for PT BLP number 1/53 / VI-BKPA / Setdal / 98 dated August 31st, 1998 from the Central Analysis Commission on Environmental Impact of the Ministry of Forestry and Plantation.

Environmental management and monitoring plans carried out include; recruitment, fertilization, IPM control, transportation of FFB, Factory Operations, CPO transportation to barges, operations and docks.

Status: Comply

7.2

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

7.2.1 & 7.2.2

The company has a Soil and Land Suitability Survey document carried out on July 3, 2014 (for land area) and June 13, 2014 (for peat depth surveys). Based on the survey results, information is obtained as follows:

| LMU | Soil Type | Slope | Area (Ha) | % |
|-------|------------|-------|-----------|------|
| SPT-1 | Ultisol | 0 – 8 | 1,172.45 | 10.8 |
| SPT-2 | Inceptisol | 0 – 8 | 4,089.64 | 37.8 |
| SPT-3 | Entisol | 0 – 8 | 33.01 | 0.3 |
| SPT-4 | Spodosol | 0 – 8 | 26.00 | 0.2 |
| SPT-5 | Histosol | 0 – 8 | 5,488.45 | 50.8 |

*LMU : Land Map Unit

- According to the depth of peat it is divided into 3 classes, namely: shallow covering an area of 196 ha; Moderately deep covering 4889 ha; and Deep covering an area of 403 ha
- According to the land suitability class is divided into 6 classes namely S2n covering an area of 1172.4 ha; S3n covering an area of 4089.64ha; N1nd covering an area of 4889 ha; N1tn covering 33.01 ha; N2s covering 403 ha; and N2rtn covering 26 ha

Based on this information it is known that 50.8% of the total operational area is peat. In the peat area water management and subsidence have been carried out. An explanation of peat management has been explained in 4.3.4. In the peat area, drainage is needed to regulate the water level maintained in the range of 50 - 70 cm according to what is regulated in the RSPO. Manual on Best Management Practices (BMP) for management and rehabilitation of natural vegetation on peat, July 2012 Information about topography and land suitability is listed in the PT BLP Land Survey and Land Suitability Documents document carried out by the research team on 13 June and 3 July 2014.

Status: Comply

7.3

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

7.3.1; 7.3.2; 7.3.3; 7.3.4 & 7.3.5.

- The company shows Land Use Change Analysis of PT BLP dated 25 July 2016 which informed that total area of unit, total area raw liability, and total area conservation of liability were about 9,128 ha; 3,865 ha; and 506 ha, respectively.

The analysis resulting **PASS** from RSPO.

- Based on RSPO Remediation and Compensation procedure in November 2015, it was informed that there was liability information of the company for land cleared from 1 January 2010 to 9 May 2009 and from 1 January 2010 to 9 May 2014 for about 182 ha and 308 ha, respectively. Calculation of the former is $(260 \text{ ha} \times 0.5) \times 0.7 = 182 \text{ ha}$; while for the latter is $(220 \text{ ha} \times 2) \times 0.7 = 308 \text{ ha}$.
- Concept note for remediation and compensation has been delivered through email to RSPO Compensation on 07 February 2019, which responded by khing.suli@rspo.org, and resulting that compensation note is acceptable but need further explanation on remediation part. The company has response regarding with remediation (revision) matters through email on 13 February 2019, but no response from RSPO. Thus, the company sent email to emir@rspo.org on 26 February 2019, asking for update of concept note, and this email has responded that process review on the shep files was still ongoing.
- There is email from RSPO dated 22 January 2019 which mentioned that if the company is not be able to complete RaCP requirement, thus, RSPO certificate could not be issued until the RaCP has been approved by RSPO. The company has giving period for one year to fulfill and comply RaCP Process, otherwise, the company is required to conduct public announcement and re-audit if failed to be approved by RSPO.

The company is not be able to shows evidence that concept note on remediation of PT BLP has been approved by RSPO Compensation. This become **NCR No.2019.05 with Major Category**.

| | |
|--------------------|--|
| Major 7.3.1 | Status: NCR No.2019.05 with Major Category. |
|--------------------|--|

7.4

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

7.4.1 & 7.4.2

The company has a Soil and Land Suitability Survey document carried out on July 3, 2014 (for land area) and June 13, 2014 (for peat depth surveys). Based on the survey results, information is obtained as follows:

- According to the depth of peat it is divided into 3 classes, namely: shallow covering an area of 196 ha; Moderately deep covering 4889 ha; and Deep covering an area of 403 ha
- According to the land suitability class is divided into 6 classes namely S2n covering an area of 1172.4 ha; S3n covering an area of 4089.64ha; N1nd covering an area of 4889 ha; N1tn covering 33.01 ha; N2s covering 403 ha; and N2rtn covering 26 ha

The company planted on the peat area. As explained in the land survey and land suitability class of PT BLP, it is known that the peat area is 50.8% or an area of 5,488.45 ha. Whereas the grade of slope identified is 0 - 8% with the criteria of flat to undulating.

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

7.5

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

Based on document review sighted that there are currently no new planting activities, the latest planting was carried out in 2014. In addition, the company has planted over January 2010 without the NPP verification process. So that the company is imposed sanctions for not being able to claim to be certified product for three years after certificate issued from these areas.

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

7.6

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

Based on document review sighted that there are currently no new planting activities, the latest planting was carried out in 2014. In addition, the company has planted over January 2010 without the NPP verification process. So that the company is imposed sanctions for not being able to claim to be certified product for three years after certificate issued

| | | |
|---|-----------------------|--|
| from these areas. | | |
| | Status: Comply | |
| 7.7 | | |
| Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice. | | |
| 7.7.1 & 7.7.2 | | |
| Based on the results of interviews with surrounding village representatives and consultations with the Environment and Agriculture Agency of Kotawaringin Barat Regency it was known that there was never an issue of land clearing using fire in the operational area of PT BLP. In addition, as stated in the Land Clearing and Land Preparation Procedure document number: MAN - UOM - 001 dated January 1, 2017 states that it must be emphasized in the process of land clearing that burning is not permitted. The company's policy is zero burning and this must be obeyed. Severe sanctions will be imposed on leaders and staff who violate this policy. | | |
| There is no use of fire in the land clearing process as information from representatives of the surrounding village community and the results of public consultations with the Agriculture the Environmental Agency of Kotawaringin Barat Regency. | | |
| | Status: Comply | |
| 7.8 | | |
| New plantation developments are designed to minimise net greenhouse gas emissions. | | |
| 7.8.1 & 7.8.2. | | |
| Based on area statement there is no land clearing over January 2015. | | |
| | Status: Comply | |
| PRINCIPLE #8 Commitment to continuous improvement in key areas of activity | | |
| 8.1 | | |
| Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations. | | |
| 8.1. | | |
| RSPO Internal Audit | | |
| Latest Internal audit RSPO P&C is conducted on 21-25 January 2019 by 8 internal auditor from Sustainability Department of Head Office Jakarta. The report informed that there were 26 Non-Conformity (NCR) identified from total 126 Indicator verified. Followup notes towards NCR identified were available on the report. Latest update on internal audit finding is presented in report of "Update of follow up NCR Compliance" dated 20 February 2019. The report informed that there was two indicators which still ongoing for compliance, e.g. Indicator 5.6.3 about GHG Calculation and Indicator 7.3.1 about RSPO approved on RaCP Concept Note. | | |
| Social Aspect | | |
| The company has program to addition and improvement of workers facilities (drainage channel cleaning, gradual repair of septic tanks by 40 units at mill and 180 at estates. There are also continuous training program to improve workers skill. | | |
| As stated by Government Intitution representatives in Kotawaringin Barat Regency and representative from Kumai Hulu and Bedaun Village, it was known that the company has implementing smallholder (plasma) program scheme for surrounding communities. | | |
| Environmental Aspect. | | |
| The company has obtain environment certification of PROPER BLUE for period 2017-2018. | | |
| | Status: Comply | |

3.2. Summary of Assessment Report of Supply Chain Requirement.

3.2.1 General Chain of custody requirements for the supply chain.

| Clause | Requirement | | | | | | | | | | | | | | | | |
|--------|--|----------|--|----------|---------|---|--------------------------|-----|--|---|--------------------|-----|--|---|---------|----|---|
| 5.1 | Applicability of the general chain of custody requirements for the supply chain | | | | | | | | | | | | | | | | |
| 5.1.1 | <p>The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.</p> <p>The Organizations has took legal ownership and physically handles RSPO Certified Sustainable oil palm products, there are several outsourced CPO and PK transport from EHP Mill to the Serimbang Jetty (± 5 Km). List of contractor in EHP Mill on below table:</p> <table><tr><td>No</td><td>Transporter</td><td>Products</td><td>Address</td></tr><tr><td>1</td><td>CV Berkah Era Surya Tama</td><td>CPO</td><td>Jl Masjid, Kumai Hilir, Kumai, Kotawaringin Barat Regent</td></tr><tr><td>2</td><td>CV Berkah Sekumpul</td><td>CPO</td><td>Jl Masjid, Kumai Hilir, Kumai, Kotawaringin Barat Regent</td></tr><tr><td>3</td><td>Rumiati</td><td>PK</td><td>Sungai Bedaun Village, Kumai, Kotawaringin Barat Regent</td></tr></table> | No | Transporter | Products | Address | 1 | CV Berkah Era Surya Tama | CPO | Jl Masjid, Kumai Hilir, Kumai, Kotawaringin Barat Regent | 2 | CV Berkah Sekumpul | CPO | Jl Masjid, Kumai Hilir, Kumai, Kotawaringin Barat Regent | 3 | Rumiati | PK | Sungai Bedaun Village, Kumai, Kotawaringin Barat Regent |
| No | Transporter | Products | Address | | | | | | | | | | | | | | |
| 1 | CV Berkah Era Surya Tama | CPO | Jl Masjid, Kumai Hilir, Kumai, Kotawaringin Barat Regent | | | | | | | | | | | | | | |
| 2 | CV Berkah Sekumpul | CPO | Jl Masjid, Kumai Hilir, Kumai, Kotawaringin Barat Regent | | | | | | | | | | | | | | |
| 3 | Rumiati | PK | Sungai Bedaun Village, Kumai, Kotawaringin Barat Regent | | | | | | | | | | | | | | |
| | Status: Comply | | | | | | | | | | | | | | | | |
| 5.1.2 | <p>Traders and distributors require a license obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.</p> <p>The organizations are not buy from any RSPO licensed traders and There is no selling RSPO certified product yet. This matter will be verify in ASA 1.</p> | | | | | | | | | | | | | | | | |
| | Status: Comply | | | | | | | | | | | | | | | | |
| 5.1.3 | <p>Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.</p> <p>The Organization are member of RSPO: 1-0048-08-000-00, RSPO IT Platform: PT Eagle High Plantations, Tbk is RSPO_PO1000004234.</p> | | | | | | | | | | | | | | | | |
| | Status: Comply | | | | | | | | | | | | | | | | |
| 5.1.4 | <p>Processing aids do not need to be included within an organization's scope of certification.</p> <p>There are no processing aids on this certification scope.</p> | | | | | | | | | | | | | | | | |
| | Status: Comply | | | | | | | | | | | | | | | | |
| 5.2 | Supply chain model | | | | | | | | | | | | | | | | |
| 5.2.1 | <p>The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.</p> <p>The organization will apply Mass Balance Supply Chain Model, the implementation will be verify at ASA 1.</p> | | | | | | | | | | | | | | | | |
| | Status: Comply | | | | | | | | | | | | | | | | |
| 5.2.2 | <p>The site can use one (1) or a combination of supply chain models as audited and certified by the CB.</p> <p>The organization only use one supply chain module (E) Mass Balance.</p> | | | | | | | | | | | | | | | | |
| | Status: Comply | | | | | | | | | | | | | | | | |

| | |
|--------------|--|
| 5.3 | Documented procedures |
| 5.3.1 | The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified. |
| | <p>The organization has procedure SOP-OTH_F3-022: Supply Chain of Raw Material and Productions dated 10 January 2019. And also Work Instruction Number IKA/29/EHP-BLP/2019 about Certified product handling dated 27 February 2019.</p> <p>3.1. Certified FFB's handling on Estate 3.2. Certified FFB's handling on Mill 3.3. CSPO & CSPK handling</p> <ul style="list-style-type: none"> a. CSPO & CSPK Monitoring stocks b. CSPO Delivery c. CSPK Delivery d. Recording e. Reporting f. CSPO & CSPK Non-conforming handling g. RSPO IT Platform/Palm Trace h. Traceability i. Market Communication & Claim <p>4. RSPO SCCS Internal Audit 5. Management Review 6. Training and Refreshment 7. Changes in RSPO SCCS Work Instructions</p> |
| | Status: Comply |
| 5.3.2 | The site shall have a written procedure to conduct annual internal audit |
| | <p>The organization has work instruction number IKA/29/EHP-BLP/2019 about Certified product handling dated 27 February 2019 point 4 about internal audit RSPO SCCS was explain that internal audit will be conducted every 6 months.</p> |
| | Status: Comply |
| 5.4 | Purchasing and goods in |
| 5.4.1 | The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier |
| | <p>Based on document verification, field observation and interview with weighbridge station operator, it was obtain information that EHP Mill only received FFB from own estates, smallholders and independent out growers. They doesn't purchase RSPO certified product yet. This matter will be verify at ASA-1.</p> |
| | Status: Comply |
| 5.4.2 | The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents |
| | <p>The organization has work instruction number IKA/29/EHP-BLP/2019 about Certified product handling dated 27 February 2019 point 3.3.6 about non-conforming oil palm products handling.</p> |
| | Status: Comply |
| 5.5 | Outsourcing activities |
| 5.5.1 | In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mill cannot outsource processing activities like refining or crushing. |

There are several outsourced CPO and PK transport from EHP Mill to the Serimbang Jetty (\pm 5 Km). List of contractor in EHP Mill on below table:

| No | Transporter | Products | Address |
|----|--------------------------|----------|--|
| 1 | CV Berkah Era Surya Tama | CPO | Mulya Jadi Village, Pangkalan Banteng Sub-Regent, Kotawaringin Barat Regent. |
| 2 | CV Berkah Sekumpul | CPO | Kumai Hilir Village, Kumai, Kotawaringin Barat Regent |
| 3 | Rumiati | PK | Sungai Bedaun Village, Kumai, Kotawaringin Barat Regent |

Status: Comply

5.5.2

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

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

The organization has legal ownership all of outsourced process, including agreement which covering outsourced process with each contractor. Such as:

- Agreement number 012/EHP/SPK-LKL/VIII/2018/ANGKUT CPO dated 20 August 2018 with CV Berkah Sekumpul for CPO transport from EHP Mill to Jetty Serimbang with period 20 August 2018 to 20 August 2019.
- Agreement number 013/EHP/SPK-LKL/VIII/2018/ANGKUT CPO dated 20 August 2018 with CV Berkah Era Surya Tama for CPO transport from EHP Mill to Jetty Serimbang with period 20 August 2018 to 20 August 2019.
- Agreement number 007/EHP/SPK-LKL/2018/Pengangkutan Kernel dated 21 May 2018 with Rusmiati for transport PK transport from EHP Mill to Jetty Serimbang with period 21 May 2018 to 31 December 2018.

The organization has work instruction number IKA/29/EHP-BLP/2019 about Certified product handling dated 27 February 2019 point 5.2. Outsourced handling evaluation. The area manager or Mill Controller will arrange outsources contract for RSPO Product Handling. Including to get information/data or conducted field inspections.

Status: Comply

5.5.3

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

There are several outsourced CPO and PK transport from EHP Mill to the Serimbang Jetty (\pm 5 Km). List of contractor in EHP Mill on below table:

| No | Transporter | Products | Address |
|----|--------------------------|----------|--|
| 1 | CV Berkah Era Surya Tama | CPO | Mulya Jadi Village, Pangkalan Banteng Sub-Regent, Kotawaringin Barat Regent. |
| 2 | CV Berkah Sekumpul | CPO | Kumai Hilir Village, Kumai, Kotawaringin Barat Regent |
| 3 | Rumiati | PK | Sungai Bedaun Village, Kumai, Kotawaringin Barat Regent |

Status: Comply

| | |
|-------|---|
| 5.5.4 | <p>The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products</p> |
| | <p>The organization has list of name and contact details of contractors, and it will be re-verify on ASA-1.</p> |
| | <p>Status: Comply</p> |
| 5.6 | <p>Sales and goods out</p> |
| 5.6.1 | <p>The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form: The name and address of the buyer</p> |
| | <p>The organizations has no RSPO certified product yet. This indicator will verify at ASA 1.</p> |
| | <p>Status: Comply</p> |
| 5.7 | <p>Registration of transactions</p> |
| 5.7.1 | <p>Supply chain actors who:</p> <ul style="list-style-type: none"> are mills, traders, crushers and refineries; and take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable |
| | <p>The organization has work instruction number IKA/29/EHP-BLP/2019 about Certified product handling dated 27 February 2019, the supply chain actors from each unit such as: Estate Manager, Mill Manager, Head of Administration and Commercial Department. The Mill Manager will be communication with Commercial Department (Head Office) for registration of transactions.</p> |
| | <p>Status: Comply</p> |
| 5.7.2 | <p>The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform:</p> <ul style="list-style-type: none"> Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures. Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually. Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed. Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements. |
| | <p>The organization has work instruction number IKA/29/EHP-BLP/2019 about Certified product handling dated 27 February 2019 point 3.3.7 about announcement and removal process. It will be re-verified on the ASA-1.</p> |
| | <p>Status: Comply</p> |
| 5.8 | <p>Training</p> |
| 5.8.1 | <p>The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff</p> |
| | <p>The organization has SCCS training program on January 2019.</p> |
| | <p>Status: Comply</p> |
| 5.8.2 | <p>Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective</p> |

| implementation of the supply chain certification standard requirements. Training shall be specific and relevant to the task(s) performed | | | | | | | | | |
|--|---------------------------|---------|-------------|-----|---------|-----|--------|----|-------|
| The Organization has conducted RSPO SCCS training dated 18 to 19 January 2019 with 28 members. Based on interview with security and weighbridge operator, they had aware about RSPO SCCS. | | | | | | | | | |
| | Status: Comply | | | | | | | | |
| 5.9 | Record keeping | | | | | | | | |
| 5.9.1 | | | | | | | | | |
| The organization shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements | | | | | | | | | |
| The Organization has no certified product yet. However they has develop record keeping (mass balance) format. All Records will be verified at ASA 1. | | | | | | | | | |
| | Status: Comply | | | | | | | | |
| 5.9.2 | | | | | | | | | |
| Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock | | | | | | | | | |
| The organization has work instruction number IKA/29/EHP-BLP/2019 about Certified product handling dated 27 February 2019 point 3.3.4 about retention times for all SCCS records is two years. | | | | | | | | | |
| | Status: Comply | | | | | | | | |
| 5.9.3 | | | | | | | | | |
| The organization shall be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months. | | | | | | | | | |
| The organization has estimate volume of RSPO Certified product for next 12 month on below table: | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>Product</th><th>Volume (MT)</th></tr> </thead> <tbody> <tr> <td>FFB</td><td>163,454</td></tr> <tr> <td>CPO</td><td>38,443</td></tr> <tr> <td>PK</td><td>7,101</td></tr> </tbody> </table> | | Product | Volume (MT) | FFB | 163,454 | CPO | 38,443 | PK | 7,101 |
| Product | Volume (MT) | | | | | | | | |
| FFB | 163,454 | | | | | | | | |
| CPO | 38,443 | | | | | | | | |
| PK | 7,101 | | | | | | | | |
| | Status: Comply | | | | | | | | |
| 5.10 | Conversion factors | | | | | | | | |
| 5.10.1 | | | | | | | | | |
| Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website (www.rspo.org); RSPO Rules for Physical Transition of Oleochemicals and its Derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries | | | | | | | | | |
| There is no conversion rate use. | | | | | | | | | |
| | Status: Comply | | | | | | | | |
| 5.10.2 | | | | | | | | | |
| Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate. | | | | | | | | | |
| There is no conversion rate use. | | | | | | | | | |
| | Status: Comply | | | | | | | | |
| 5.11 | Claims | | | | | | | | |
| 5.11.1 | | | | | | | | | |
| The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with | | | | | | | | | |

| | |
|---|--------------------------|
| the RSPO Rules on Market Communications and Claims. | |
| The organizations has no certified products claims yet. It will be verified at ASA-1 | |
| | Status: Comply |
| 5.12 | Complaints |
| 5.12.1 | |
| The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints. | |
| The organization has work instruction number IKA/29/EHP-BLP/2019 about Certified product handling dated 27 February 2019 point 3.3.6 the buyer will be inform to the Commercial Department Head Office if any complaints about product quality. | |
| | Status: Comply |
| 5.13 | Management review |
| 5.13.1 | |
| The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken | |
| The organization has work instruction number IKA/29/EHP-BLP/2019 about Certified product handling dated 27 February 2019 point 5 management review will be conducted every 6 month (after internal audit). | |
| | Status: Comply |
| 5.13.2 | |
| The input to management review shall include information on: | |
| <ul style="list-style-type: none"> • Results of internal audits covering RSPO Supply Chain Certification Standard. • Customer feedback. • Status of preventive and corrective actions. • Follow-up actions from management reviews. • Changes that could affect the management system. • Recommendations for improvement. | |
| The management review result will be verify on the ASA-1. | |
| | Status: Comply |
| 5.13.3 | |
| The output from the management review shall include any decisions and actions related to: | |
| <ul style="list-style-type: none"> • Improvement of the effectiveness of the management system and its processes. • Resource needs. | |
| The management review result will be verify on the ASA-1. | |
| | Status: Comply |

3.2.2 (Module E) CPO Mills - Mass Balance Requirements.

| Clause | Requirement | | | | | | | | |
|--------------|---|---------|-------------|-----|---------|-----|--------|----|-------|
| E.1 | Definition | | | | | | | | |
| E.1.1 | <p>Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and sales volume of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p> <p>The organization has verify the volumes of certified and uncertified FFB entering the mill, the certified FFB's are from Arjuna Estate, Bromo Estate, and Semeru Estate. While the non certified FFB's are from: Arjuna Estate (Cadastral), Bromo Estate (Cadastral), Semeru Estate (Cadastral), Arjuna Plasma, Bromo Plasma and out siders (there are seven FFB suppliers).</p> <p>Status: Comply</p> | | | | | | | | |
| E.2 | Explanation | | | | | | | | |
| E.2.1 | <p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. For an independent mill, the estimated tonnage of CPO and PK products must be recorded in the RSPO IT platform, supply chain certificate and public summary audit report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.</p> <p>The organization has estimate volume of RSPO Certified product for next 12 month on below table:</p> <table border="1"> <thead> <tr> <th>Product</th><th>Volume (MT)</th></tr> </thead> <tbody> <tr> <td>FFB</td><td>163,454</td></tr> <tr> <td>CPO</td><td>38,443</td></tr> <tr> <td>PK</td><td>7,101</td></tr> </tbody> </table> <p>Status: Comply</p> | Product | Volume (MT) | FFB | 163,454 | CPO | 38,443 | PK | 7,101 |
| Product | Volume (MT) | | | | | | | | |
| FFB | 163,454 | | | | | | | | |
| CPO | 38,443 | | | | | | | | |
| PK | 7,101 | | | | | | | | |
| E.2.2 | <p>The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform).</p> <p>The Organization are member of RSPO: 1-0048-08-000-00, RSPO IT Platform: PT Eagle High Plantations, Tbk is RSPO_PO1000004234.</p> <p>Status: Comply</p> | | | | | | | | |
| E.3 | Documented procedures | | | | | | | | |
| E.3.1 | <p>The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p> <ol style="list-style-type: none"> Complete and up to date procedures covering the implementation of all the elements in these requirements; The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard. <p>The organization has procedure SOP-OTH_F3-022: Supply Chain of Raw Material and Productions dated 10 January 2019. And also Work Instruction Number IKA/29/EHP-BLP/2019 about Certified product handling dated 27 February 2019.</p> <ol style="list-style-type: none"> Certified FFB's handling on Estate Certified FFB's handling on Mill CSPO & CSPK handling <ol style="list-style-type: none"> CSPO & CSPK Monitoring stocks CSPO Delivery | | | | | | | | |

- c. CSPK Delivery
 - d. Recording
 - e. Reporting
 - f. CSPO & CSPK Non-conforming handling
 - g. RSPO IT Platform/Palm Trace
 - h. Traceability
 - i. Market Communication & Claim
4. RSPO SCCS Internal Audit
5. Management Review
6. Training and Refreshment
7. Changes in RSPO SCCS Work Instructions
- The company to be consider to disseminating the work instructions number IKA/29/EHP-BLP/2019 concerning Handling of Certified products to the field supervision in the mill and estates. **OFI.**

Status: Comply

E.3.2

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

The company has Work Instruction Number IKA/29/EHP-BLP/2019 about Certified product handling dated 27 February 2019.

3.1. Certified FFB's handling on Estate

- Estate manager determines the sources blocks of certified FFB and separates between certified FFB and non-certified FFB on Estates.
- All blocks that adjacent between certified FFB and non-certified FFB are distinguished from the origin of FFB and FFB collection platform.
- Certified FFB boundaries in the form of yellow paint difference on the last line of oil palm which are claimed to be certified sources.
- The FFB transportation Clarke will be record the certified product which delivered to the mill separately with non-certified FFB. Code 'C' for certified FFB and 'NC' for non-certified FFB.
- FFB transport from estate to the mill generally refers to the FFB transportation procedure.
- Estate Manager will send certified FFB with specifically stamp on FFB consignment which inform RSPO certification models and numbers.
- Estate manager conducts monitoring the delivery of FFB certified. If the realization of the delivery of certified FFB has reached 80% of the quota, it should be informed to the Sustainability of Head Office through the Area Manager.

3.2. Certified FFB's handing on Mill

- The FFB received are generally refers to the SOP of the Weighbridge and loading ramp procedure.
- FFB received is identified based on its sources, namely certified and non-certified estates.
- Weighbridge officer will be verified the certified FFB through FFB consignment.
- FFB consignment stamped by "CSPO" after weighing, the receipt sheet weighs stamped CSPO.
- Mill manager will be monitors the Certified FFB receipt against the FFB quota and recorded in the certificate. If there is an excess quota not recorded as certified FFB and informed to the Estate Manager.

Status: Comply

E.4

Purchasing and goods in

E.4.1

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

The Organizations has not been certified, therefore document the volume of certified and non-certified FFB's not yet available. But, the Mill has a template to separate FFB's sources from Certified and Non-Certified.

Status: Comply

E.4.2

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

Work Instruction Number IKA/29/EHP-BLP/2019 about Certified product handling dated 27 February 2019. Point 3.3.5. Mill should reported to the CB's, if there is a projected overproduction of certified tonnage.

Status: Comply

E.5

Record keeping

E.5.1

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

The Organizations has not been certified, therefore document the volume of certified and non-certified FFB's not yet available. But, the Mill has a template to separate FFB's, CPO & PK sources from Certified and Non-Certified.

Status: Comply

3.3. Conformity Checklist of Certificate and Trademark Use *(Only apply for Surveillance Assessment Report)*

| | | |
|-----------|---|--------------|
| 1. | Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client | X or√ |
| IA | Not yet certified | |
| | Status: - | |
| 2. | Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of Logo Use | X or√ |
| IA | Not yet certified | |
| | Status:- | |
| 3. | Implementation of Certificate and Trademark is not used on product | X or√ |
| IA | Not yet certified | |
| | Status:- | |
| 4. | Controlling of Certificate and Trademark, including withdrawing inappropriate logo. | X or√ |
| IA | Not yet certified | |
| | Status:- | |

3.4. Summary of RSPO Partial Certification.

Compliance of the uncertified management units of PT Eagle High Plantation Tbk 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

PT Eagle High Plantation Tbk Time Bound Plan (TBP) is explained in table 1.5. PT Eagle High Plantation Tbk run nine (9) mills and seventy two (72) estates in Indonesia. PT Eagle High Plantation Tbk has informed the TBP, MUTU has considered that PT Eagle High Plantation Tbk is comply with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by PT Eagle High Plantation Tbk on December 2018 approved by COO.

MUTU has verified partial certification for un-certified unit's subsidiary of PT Eagle High Plantation Tbk based on their Time Bound Plan. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

- There is no significant land conflicts which have not been declared below.
- The company has follow RSPO requirement related to Remediation and Compensation Procedure, but not for New Planting Procedure. The company will follow the sanction from RSPO for area that has open after 1 January 2010 without NPP.
- There is no labour disputes that are not being resolved through an agreed process.
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above.

| 2.1 Un-Certified Units or Holdings | | |
|------------------------------------|---|--|
| Section | Requirement | Concerns to Discuss, if any |
| 2.2.1 | Did the company conduct an internal audit? If so, has a positive assurance statement been produced? | <p>Company Group/Holding Statement: PT Eagle High Plantations, Tbk. had conducting internal audit towards partial certification for its subsidiary companies.</p> <p>Auditor Verification: The has shown Internal Audit report for all uncertified management unit as follows:</p> <ol style="list-style-type: none"> 1. PT Bumilanggeng Perdanatrada (PT BLP) 2. PT Eagle High Plantation (PT EHP) 3. PT Bumi Hutani Lestari (PT BHL) 4. PT Adiyaksa Dharma Satya (PT ADS) 5. PT Jaya Mandiri Sukses (PT JMS – East Kalimantan) 6. PT Manunggal Adi Jaya (PT MAJ – East Kalimantan) 7. PT Suryabumi Tunggal Perkasa (PT STP – East Kalimantan) 8. PT Sawit Sukses Sejahtera (PT SSS) 9. PT Prima Cipta Selaras (PT PCS) 10. PT Arrtu Plantation (PT APN) 11. PT Arrtu Energie Resources (PT AER) 12. PT Arrtu Borneo Perkebunan (PT ABP) 13. PT Arrtu Agro Nusantara (PT AAN) 14. PT Mandiri Kapital Jaya (PT MKJ) 15. PT Multikarya Sawit Prima (PT MSP) 16. PT Seguri Serasau Sejahtera (PT SGSS) 17. PT Satria Manunggal Sejahtera (PT SMS) |

| | | |
|-------|--|---|
| | | 18. PT Bumi Sawit Utama (PT BSU) 19. PT Agrolestari Kencana Makmur (PT AKM) 20. PT Varia Mitra Andalan (PT VMA) 21. PT Wanacatur Jaya Utama (PT WCJU) 22. PT Tandan Sawita Papua (PT TSP) 23. PT Manunggal Adi Jaya (PT MAJ – South Kalimantan) 24. PT Karyapratama Agrisejahtera (PT KAPAG) 25. PT Saka Kencana Sejahtera (PT SKS) 26. PT Pesonalintas Surasejati 27. PT Singalan Asetama (PT SGA) 28. PT Suryabumi Tunggal Perkasa (PT STP – South Kalimantan) 29. PT Jaya Mandiri Sukses (PT JMS – South Kalimantan) The audit done by 3 internal auditor on November 2018. |
| 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. | <p>Company Group/Holding Statement: PT Eagle High Plantations, Tbk is not reporting disclosure of liability but has already deliver LUCA to RSPO through email.</p> <p>Auditor Verification:</p> <ul style="list-style-type: none"> - PT BLP – EHP Mill <ul style="list-style-type: none"> • HCV assessment has conducted by Tropenbos International Indonesia on September 2012. • LUCA has conducted by Aksenta on February 2015. The LUCA had been reviewed by RSPO on 25 July 2016 and passed the review, as informed through an email dated 9 September 2016. The RaCP Concept Note analysis has stated passed by RSPO Compensation, informed through email dated 09 September 2016. - PT EHP – EHP Mill. There is no disclosure of liability to RSPO. this is become Non-conformity. - PT BHL – BHL Mill. <ul style="list-style-type: none"> • HCV assessment has conducted by Tropenbos International Indonesia on July 12th 2012. • LUCA has conducted by Aksenta on July 2017. The LUCA had delivered to RSPO Compensation through email on Oct. 15th 2018 and has been reviewed from RSPO Reviewer on March 24th 2018 but still need clarification. • LUCA for location permit of PT BLP was completed in May 2016 by Aksenta. Submitted to RSPO on 31 Oct 2018 - PT ADS – ADS Mill. <ul style="list-style-type: none"> • HCV assessment has conducted by Tropenbos International Indonesia on July 12th 2012. • LUCA has conducted by Aksenta on July 2017. The LUCA has been submitted to RSPO Compensation through email on 29 Sep 2017 and has been reviewed by RSPO Reviewer on 20 Mar 2018. On 26 Sep 2018, further clarifications were required and on 15 Oct 2018, an update of the LUCA was submitted in response to the clarifications - PT JMS – Bangkirai Mill. |

| | | |
|--|--|---|
| | | <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling Akreditasi Nusantara on November 2011. • LUCA had conducted by Aksenta on December 2016. The LUCA had been reviewed by RSPO on April 6th 2018 and on March 14th 2018. The RaCP analysis has stated passed for 27.10 ha by RSPO Compensation, informed through email dated September 18th 2018. However, for 113.35 ha was still on going process by RSPO. <p>- PT MAJ – Bangkirai Mill.</p> <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling Akreditasi Nusantara on December 2011. • LUCA has conducted by Daemeter but not yet finish. There is no evidence that company has sent disclosure of liability to RSPO and this is become Non-conformity. <p>- PT STP – Bangkirai Mill.</p> <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling on December 2011. • LUCA has conducted by Aksenta on July 2017. The LUCA has been submitted to RSPO Compensation through email on 29 Sep 2017 and has been reviewed by RSPO Reviewer on 11 Mar 2018. On 26 Sep 2018, further clarifications were required and on 19 Oct 2018, an update of the LUCA was submitted in response to the clarifications. <p>- PT SSS – SSS Mill.</p> <ul style="list-style-type: none"> • HCV assessment has conducted by Tropenbos International Indonesia on November 2011. • LUCA has conducted by Daemeter but not yet finish. There is no evidence that company has sent disclosure of liability to RSPO and this is become Non-conformity. <p>- PT PCS – SSS Mill.</p> <ul style="list-style-type: none"> • HCV assessment has conducted by Tropenbos International Indonesia on December 2012. • LUCA has conducted by Daemeter but not yet finish. There is no evidence that company has sent disclosure of liability to RSPO and this is become Non-conformity. <p>- PT APN – Kelampai Mill</p> <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling on July 2012. • LUCA has conducted by Aksenta on July 2017. The LUCA has been submitted to RSPO Compensation through email on 29 Sep 2017. On 26 Sep 2018, further clarifications were required and on 11 Dec 2018, an update of the LUCA was submitted in response to the clarifications. <p>- PT AER – Kelampai Mill</p> <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling on July 2012. • LUCA has conducted by Aksenta on April 2018. The LUCA has delivered through email dated October 15th 2018 and still under review by RSPO Compensation. <p>- PT ABP – Kelampai Mill</p> <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling on July 2012. • LUCA has conducted by Aksenta on July 2017. The LUCA has been |
|--|--|---|

| | | |
|--|--|--|
| | | <p>submitted to RSPO Compensation through email on 29 Sep 2017. On 26 Sep 2018, further clarifications were required and on 19 Oct 2018, an update of the LUCA was submitted in response to the clarifications.</p> <ul style="list-style-type: none"> - PT AAN – Kelampai Mill <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling on July 2012. • LUCA has conducted by Aksenta on July 2017. The LUCA has been submitted to RSPO Compensation through email on 29 Sep 2017. On 26 Sep 2018, further clarifications were required and on 31 Oct 2018, an update of the LUCA was submitted in response to the clarifications. - PT MKJ – Kelampai Mill <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling on July 2012. • LUCA has conducted by Daemeter but not yet finish. There is no evidence that company has sent disclosure of liability to RSPO and this is become Non-conformity. - PT JMS – Batu Bulan Mill <ul style="list-style-type: none"> • HCV assessment and LUCA still on progress. • There is no evidence that company has sent disclosure of liability to RSPO and this is become Non-conformity. - PT STP – Batu Bulan Mill <ul style="list-style-type: none"> • HCV assessment and LUCA still on progress. • There is no evidence that company has sent disclosure of liability to RSPO and this is become Non-conformity. - PT SGA – Batu Bulan Mill <ul style="list-style-type: none"> • HCV assessment has conducted by Yayasan Sawit Berkelanjutan on June 2010. • LUCA has conducted by Daemeter but not yet finish. There is no evidence that company has sent disclosure of liability to RSPO and this is become Non-conformity. - PT PLS – Safir Mill <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling on June 2015. • LUCA has been conducted by Aksenta in July 2017. The LUCA has been submitted to RSPO Compensation through email on 29 Sep 2017. On 27 Sep 2018, RSPO sent a list of clarifications and LUCA's status without the status of PT PLS' LUCA. On 5 Oct 2018, the LUCA was resubmitted to RSPO. - PT SKS – Safir Mill <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling on July 2012. • There is no evidence that company has sent disclosure of liability to RSPO and this is become Non-conformity. - PT KAPAG – Safir Mill <ul style="list-style-type: none"> • HCV assessment and LUCA still on progress. • There is no evidence that company has sent disclosure of liability to RSPO and this is become Non-conformity. - PT MAJ – Safir Mill <ul style="list-style-type: none"> • HCV assessment and LUCA still on progress. • There is no evidence that company has sent disclosure of liability to RSPO |
|--|--|--|

| | | |
|-------|---|---|
| | | <p>and this is become Non-conformity.</p> <ul style="list-style-type: none"> - PT TSP – Tulip Mill <ul style="list-style-type: none"> • HCV assessment has conducted by Polito on September 2010. • LUCA has conducted by Aksenta on July 2017. The LUCA has been submitted to RSPO Compensation through email on 15 Oct 2018. - PT VMA <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling on September 2012. • LUCA was completed in Dec 2015 by Aksenta. Submitted to RSPO on 29 Sep 2017. The LUCA has been submitted to RSPO Compensation through email on 29 Sep 2017. On 27 Sep 2018, RSPO sent a list of clarifications and LUCA's status without the status of PT VMA LUCA. On 5 Oct 2018, the LUCA was resubmitted to RSPO. On 11 Nov 2018, RSPO required more data on PT VMA LUCA and on 11 Dec 2018, the revised LUCA for PT VMA was submitted to RSPO Compensation <p>Based on desk study found complaint from NGO (green peace) related to deforestation in PT Varia Mitra Andalan and Arrtu Energie Resources. Company has conduct clarification for VMA by conduct HCS and for AER company has made fire incident report and sent to GAR as buyer on 19 November 2018.</p> |
| 2.2.3 | Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure. | <p>Company Group/Holding Statement: All subsidiaries of EHP not conduct NPP for new planting since 1 January 2010, detail information consist of:</p> <ul style="list-style-type: none"> - PT MSP: planting year consist of 2009 – 2016 and not conduct NPP. - PT SGSS: planting year consist of 2008 – 2014 and not conduct NPP. - PT SMS: planting year consist of 2011 – 2014 and not conduct NPP. - PT SMS: planting year consist of 2013 – 2015 and not conduct NPP. - PT AKM: planting year consist of 2011 – 2015 and not conduct NPP. - PT VMA: planting year consist of 2015 and not conduct NPP. - PT WCJU: planting year consist of 2007 – 2014 and not conduct NPP. <p>Auditor Verification: Based on auditor verification 24 subsidiaries of EHP not conduct NPP and will be object as sanction, those unit consist of:</p> <ol style="list-style-type: none"> 1. Palms in PT BLP were planted in 1997 to 2014. 2. Palms in PT BHL were planted in 1998 to 2014. 3. Palms in PT ADS were planted in 2006 to 2014. 4. Palms in PT JMS (Bangkirai Mill) were planted in 2005 to 2015. 5. Palms in PT MAJ (Bangkirai Mill) were planted in 2006 to 2015. 6. Palms in PT STP (Bangkirai Mill) were planted in 2007 to 2014. 7. Palms in PT SSS (Bangkirai Mill) were planted in 2008 to 2014. 8. Palms in PT PCS (Bangkirai Mill) were planted in 2011 to 2014. 9. Palms in PT APN (Kelampai Mill) were planted in 2009 to 2017. 10. Palms in PT AER (Kelampai Mill) were planted in 2013 to 2016. 11. Palms in PT ABP (Kelampai Mill) were planted in 2011 to 2016. 12. Palms in PT AAN (Kelampai Mill) were planted in 2011 to 2017. 13. Palms in PT MKJ (Kelampai Mill) were planted in 2008 to 2015. 14. Palms in PT MSP were planted in 2009 to 2016. 15. Palms in PT SGSS were planted in 2015 to 2016. 16. Palms in PT SMS were planted in 2011 to 2014. 17. Palms in PT BSU were planted in 2013 to 2015. 18. Palms in PT AKM were planted in 2011 to 2015. |

| | | |
|-------|---|---|
| | | <p>19. Palms in PT VMA were planted in 2015.</p> <p>20. Palms in PT WCJU were planted in 2007 to 2014.</p> <p>21. Palms in PT TSP were planted in 2011 to 2014.</p> <p>22. Palms in PT PLS were planted in 2005 to 2014.</p> <p>23. Palms in PT SGA were planted in 1997 to 2013.</p> <p>24. Palms in PT JMS (South Kalimantan) were planted in 2005 to 2016.</p> <p>There are 5 subsidiaries of EHP that not conduct land clearing after 1 January 2010, i.e.:</p> <ol style="list-style-type: none"> 1. PT EHP is a palm oil processing mill without estates → not applicable. 2. Palms in PT MAJ (South Kalimantan) were planted in 2006 to 2008 3. Palms in PT KAPAG were planted in 1997 to 2007 4. Palms in PT SKS were planted in 2006 to 2008 5. Palms in PT STP (South Kalimantan) were planted in 2005 to 2008 |
| 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. | <p>Company Group/Holding Statement:</p> <ol style="list-style-type: none"> 1. PT MSP: There are no land conflicts 2. PT SGSS: There are no land conflicts 3. PT SMS: There are no land conflicts 4. PT BSU: There are no land conflicts 5. PT AKM: There are no land conflicts 6. PT VMA: There are no land conflicts 7. PT WCJU: There are no land conflicts <p>Auditor Verification:</p> <ol style="list-style-type: none"> 1. SIA for PT BLP has conducted by Sonokeling on 2013 and has also included on AMDAL report dated July 22nd 1998. Both report informed that there were no land conflict which negatively disturbed company operational activities. However, http://tanahkita.id/v2/data/konflik/detil/Wldkbw informed that there was land dispute with Kumai Hulu Village for about 337.00 ha. Regarding this matter, the company shows documents related to process of negotiation and mediation with BPN dated November 19th 2013. Last update was Letter from company dated October 17th 2018 as response towards claimnant letter dated March 11th 2018, which mentioned that it was clear that those dispute area legally owned by PT BLP as stated on BPN Letter dated November 19th 2013. However, it was recommended to claimnant to continue the process into Court. Company letter was also attached to Bupati Kotawaringin Barat, kapolres Kotawaringin Barat, Camat Kumai dan Kepala Desa Bedaun. There is no current respon from claimnant. 2. Land conflict in PT EHP has no exist. 3. SIA for PT BHL Mill has conducted by Sonokeling on September 2013 and also included on AMDAL report dated August 26th 2009. Both report informed that there were no land conflict which negatively disturbed company operational activities. However, it was informed on internal audit that there was land dispute for about ± 60 ha in Kerinci Estate. Unit management shows several related documents, such as Official Letter or dispute mapping field measurement which involving affected parties including Kepala Desa Mirah Kalanaman and Kepala Urusan Pemerintah Desa Mirah Kalanaman on November 20th 2008; as well as results of Pengadilan Negeri Kasongan in Katingan and Pengadilan Tinggi Palangkaraya. Todate, update on this matter was ongoing process of checking in Mahkamah Agung with case register No. 1634K/Pdt/2017. |

| | | |
|--|--|--|
| | | <p>4. SIA in PT ADS has conducted by Sonokeling on September 2013 and also included on AMDAL report dated August 26th 2009. Both report informed that there were no land conflict which negatively disturbed company operational activities.</p> <p>However, https://kalteng.antaranews.com/berita/242411/perusahaan-sawit-ads-garap-lahan-pertanian-warga informed that there was land dispute 116 ha with Village of Tanjung Jorong (15 person). Regarding this matter, the company shows minutes of mediation with affected parties in Police Resort of Kotim on December 22nd 2015 for dispute area about 600.00 ha, resulting the claimnant to continue the process into Court. However, there is no progress from claimnant since December 25th 2015.</p> <p>5. SIA in PT JMS (Bangkirai Mill) has conducted by Sonokeling on October 2011 and also included on AMDAL dated June 18th 2007. Both report informed that there were no land conflict which negatively disturbed company operational activities. However, there were about 4,033.20 ha situated within HGU were still occupied by local people. Regarding this matter, unit management shows reconsiliation process among two parties which informed that the locals has not willing for any compensation. These reconsiliation has lastly conducted on 2015 and no positive progress after that.</p> <p>6. SIA in PT MAJ (Bangkirai Mill) has conducted by Sonokeling on December 2011 and also included on AMDAL report dated June 18th 2007. Both report informed that there were no land conflict which negatively disturbed company operational activities.</p> <p>7. SIA in PT STP (Bangkirai Mill) has conducted by Sonokeling in December 2011 and also included in AMDAL report dated February 11th 2008. Both report informed that there were no land conflict which negatively disturbed company operational activities. However, it was informed on internal audit that there was land dispute for about ± 7,52 ha in Cendana Estate, noted in November 3rd 2017. Unit management shows several related documents, such as Police Resort Report from PT STP dated November 3rd 2017 and Information Progress Report Letter dated September 21st 2018 which informed that the case was still under investigation.</p> <p>8. SIA in PT SSS (SSS Mill) was still ongoing progress by Daemeter. Information towards social assessment has also conducted in AMDAL report which consist of two Stage, e.g.: on July 23rd 2008 and June 17th 2010, respectively. Both report informed that there were no land conflict which negatively disturbed company operational activities.</p> <p>9. SIA in PT PCS (SSS Mill) was still ongoing progress by Daemeter. Information towards social assessment has also conducted in AMDAL report dated March 4th 2015. Both report informed that there were no land conflict which negatively disturbed company operational activities.</p> <p>However, http://www.suarakutim.com/safni-kami-sebatas-mengklaim-makam-leluhur-kami-dirusak/ informed that there was an issues related to Ancestor Cemetery in Muara Ancalong. The company has conducting follow up on this matter, shows on Field Checking Official Letter report dated February 26th 2016, resulting there was no marks existing of cemetery (no bones). Official letter signed by stakeholder from Kelinjau Village, Muara Ancalong.</p> |
|--|--|--|

| | | |
|--|--|---|
| | | <p>10. SIA in PT APN (Kelampai Mill) has conducted by Sonokeling on July 2012 and also included in AMDAL report dated December 5th 2007. Both report informed that there were no land conflict which negatively disturbed company operational activities.</p> <p>However, https://www.pontianakpost.co.id/sengketa-lahan-pt-arrrtu-dan-pt-isl informed that there was land dispute for about 2,900 ha with PT Inti Sawit Lestari (PT ISL) in Village of Siantau Raya, Sub-Regency Nanga Tayap. Regarding this matter the company shows Letter from National Land Agency dated August 23rd 2017 which mentioned in Point No. 2 that there were no overlapping area of PT APN with any companies.</p> <p>11. SIA in PT AER (Kelampai Mill) has conducted by Sonokeling on July 2012 and also included in AMDAL report dated December 27th 2010. Both report informed that there were no land conflict which negatively disturbed company operational activities.</p> <p>However, according to web information, it was known as follows: http://www.mongabay.co.id/2014/11/11/orangutan-ini-terjebak-di-areal-konsesi-perkebunan-sawit-ketapang/ informed that there was presence of Orang Utan in PT AER. It has responded through Arrtu Mayak Orangutan Rescue (AMOUR) project. Future plan and progress of project can be accessed through company website in eaglehighplantation.com. https://www.greenpeace.org/seasia/Global/seasia/2016/IOI-Report-Indonesian-lowres.pdf informed that there were deforestation due to fire. This matter has followed up by the company shows document of fire incident report PT AER – Energi Pawan Estate Jan-Sep 2018 which describes chronology of fire incident at the reported areas, photo of incidents, cause of fires, rainfall record and statistics, fire prevention and management, images detected and PT AER map, ground observation sites, conservation project AMOUR and future steps. Future plan and progress of project can be accessed through company website in eaglehighplantation.com</p> <p>12. SIA in PT ABP (Kelampai Mill) has conducted by Sonokeling on July 2012 and also included in AMDAL report dated August 31st 2010. Both report informed that there were no land conflict which negatively disturbed company operational activities.</p> <p>However, according to http://ketapangnews.com/2017/01/sengketa-lahan-antara-isl-dan-abp-berlanjut-ke-hukum/ , it was informed that there was Land dispute with PT Inti Sawit Lestari (PT ISL) in Village of Siantau Raya, Sub-Regency Nanga Tayap. Regarding this matter the company shows Letter from National Land Agency dated November 14th 2016 which mentioned in Point No. 4 that there were no overlapping area of PT ABP with any companies.</p> <p>13. SIA in PT AAN (Kelampai Mill) has conducted by Sonokeling on July 2012 and also included in AMDAL report dated August 31st 2010. Both report informed that there were no land conflict which negatively disturbed company operational activities.</p> <p>14. SIA in PT MKJ (Kelampai Mill) has conducted by Sonokeling on July 2012 and also included in AMDAL report dated October 31st 2011. Both report informed that there were no land conflict which negatively disturbed company operational activities.</p> |
|--|--|---|

| | |
|--|--|
| | <p>15. PT MSP: There are no land conflicts</p> <p>16. PT SGSS: There are no land conflicts</p> <p>17. PT SMS: There are no land conflicts</p> <p>18. PT BSU: There are no land conflicts, but there is dispute related to development of smallholder (https://melawinews.com/2018/03/29/warga-tuntut-kebun-plasma-yang-dijanjikan-pt-akm-dan-pt-bsu/). Based on document review BSU has develop plasma for an area 101.82 Ha. Community on behalf Koperasi Bukit Ganai has had partnership agreement for develop oil palm plantation based on agreement No. 009/KOP-BG-VIII/2016; 019/EHP-BSU/VIII/2016 on 31 August 2016.</p> <p>19. PT AKM: There are no land conflicts, but there is dispute related to development of smallholder (https://melawinews.com/2018/03/29/warga-tuntut-kebun-plasma-yang-dijanjikan-pt-akm-dan-pt-bsu/). Based on document review AKM has develop plasma for an area 638.93 Ha. Community on behalf Koperasi Serba Usaha Berikak Cahaya Lestari also has approve "Perjanjian Pengakuan Hutang" for an area of 638.93 Ha on 23 October 2018. On 2 May 2017 company and Koperasi Serba Usaha Berikak Cahaya Lestari has had partnership agreement for develop oil palm plantation (SPK No. 01/KOP-BCLV/2017; 01/SPK-01/V/2017).</p> <p>20. PT VMA: There are no land conflicts</p> <p>21. PT WCJU: There are no land conflicts</p> <p>22. PT TSP: There is issue based on website (https://awasmiffee.potager.org/?p=853&lang=id) inform that PT TSP give compensation/ Tali Asih too small and company promises were not fulfilled. Company has conduct land compensation in 2010 for 8 tribe in 3 village for an area 18,337.90 Ha with compensation value IDR 10,000,000,000 (Ten Billion Rupiah).</p> <p>23. MAJ (South Kalimantan): land conflict with Basuang village (https://kalsel.antaranews.com/berita/5055/kotabaru-antisipasi-konflik-lahan) related to plasma. Based on verification, Desa Basuang not in MAJ operation area.</p> <p>24. KAPAG: No issue</p> <p>25. SKS: land conflict with PT Inhutani II based on website (https://putusan.mahkamahagung.go.id/putusan/e2429fb7e75126c33faee6deece65504/). Has been resolve in court on 2013.</p> <p>26. PT PLS: land conflict with community based on website (https://www.infosawit.com/news/3913/selesaikan-masalah-lahan--dprd-kalsel-bentuk-pansus-) and there issue related to development of smallholder (https://www.borneonews.co.id/berita/24233-takut-dibui-warga-tiga-desa-mengadu-ke-kapolres). Company has resolve by extent the plasma area.</p> <p>27. PT SGA: land conflict with community from Mentewe Village (https://tribratanevstanbu.kalsel.polri.go.id/?p=25000) and has been resolve (http://www.bidikkalsel.co/2015/10/sengketa-lahan-warga-dengan-pt.html).</p> <p>28. PT STP (South Kalimantan): compensation issue from customary people (http://www.aman.or.id/masyarakat-adat-dayak-meratus-gugat-perusahaan-sawit/).</p> <p>29. PT JMS (South Kalimantan): land conflict with Cantung Kiri Village (https://kalsel.antaranews.com/berita/5055/kotabaru-antisipasi-konflik-lahan) related to plasma. Land conflict with community (http://sawitwatch.or.id/2015/03/pengambilalihan-kembali-tanah-adat-yang-telah-digarap-oleh-pt-jaya-mandiri-sukses-jms/). Company has resolve by extent the plasma area.</p> |
|--|--|

| | | |
|-------|--|---|
| 2.2.5 | Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3. | <p>Company Group/Holding Statement: There is no issue of labour disputes in uncertified unit. The company also has procedures to deal with complaints workers before they become conflicts. The procedure is stated in Company Regulation article 36.</p> <p>Auditor Verification: Based in information from public source and RSPO website informed:</p> <ul style="list-style-type: none"> • Labour dispute in PT BLP has no exist. • Labour dispute in PT EHP has no exist. • Labour dispute in PT BHL has no exist. • Labour dispute in PT ADS has no exist. • https://www.korankaltim.com/kutai-kartanegara/read/1972/miris-buruh-sawit-hanya-digaji-rp100-ribu-per-bulan informed that there was labour dispute towards minimum wage in PT JMS. However, as informed on ISPO verification in December 2018, it was known that the company has paid wages in accordance with regulation. • Labour dispute in PT MAJ has no exist. • Labour dispute in PT STP has no exist. • Labour dispute in PT SSS has no exist • Labour dispute in PT PCS has no exist • Labour dispute in PT APN has no exist • Labour dispute in PT AER has no exist • Labour dispute in PT ABP has no exist • Labour dispute in PT AAN has no exist • Labour dispute in PT MKJ has no exist • Labour dispute in PT MSP has no exist. • Labour dispute in PT SGSS has no exist. • Labour dispute in PT SMS has no exist. • Labour dispute in PT BSU has no exist. • Labour dispute in PT AKM has no exist. • Labour dispute in PT VMA has no exist. • Labour dispute in PT WCJU has no exist. • PT TSP: there are dispute related to workers in website (http://ipom.global/2017/08/29/eagle-high-dan-rajawali-terkena-pelanggaran-hak-asasi-manusia-di-perkebunan/) related to workers right and in website (https://pusaka.or.id/2016/01/karyawan-sawit-ditembak-perusahaan-harus-bertanggungjawab/) related to Christmas allowance/ THR. Based on document verification known that there is worker who was shot because he attack the office by flush the gasoline. The actions of these workers are due to not being paid for Christmas allowance / THR. But based on company clarification, the Christmas allowance / THR will be give based on procedure and this worker not comply with the procedure. This case will be further verify when field visit. • Labour dispute in PT MAJ (South Kalimantan) has no exist. • Labour dispute in PT KAPAG has no exist. • Labour dispute in PT SKS has no exist. • Labour dispute in PT PLS has no exist. • Labour dispute in PT SGA has no exist. • Labour dispute in PT STP (South Kalimantan) has no exist. • Labour dispute in PT JMS (South Kalimantan) has no exist. |
| 2.2.6 | Any Legal non-compliance is being resolved in accordance with the legal requirements, | <p>Company Group/Holding Statement:</p> |

with reference to RSPO criteria 2.1 and 2.2.

The company has a mechanism to evaluate compliance with regulations. In SOP describes procedures for compliance, completeness and groove sections which explain in detail to evaluate compliance with the legislation.

Auditor Verification:

1. Legal requirement in PT BLP – EHP Mill
 - According to Decree of Land Title (SK HGU), PT BLP has total area for about 8,941.12 ha.
 - Business Permit which covers about $\pm 7,500$ ha; $\pm 1,400$ ha and 479.20 ha. However, there was additional ongoing process to obtain land title (HGU) from Location Permit which covers about 560.00 ha. The most updated on this matter is there was field Cadasteral mapping resulting Kadasteral Map dated September 4th 2017 for area covers 601.39 ha with scale 1:20,000.
2. PT EHP has Location Permit, Business Permit for oil palm processing with capacity about 60 ton FFB/hour and land title (HGB) for area covers 64.52 ha. Those legal documents were in accordance with actual company operations.
3. PT BHL has a match IUP and HGU, which totaling for about 12,846.00 ha.
4. PT ADS has location permit $\pm 11,500.00$ ha (2000) and $\pm 7,000.00$ ha (2004); IUP-2003 for about $\pm 11,500.00$ ha and HGU for about 5,465.80 ha.
5. PT JMS has IUP for about 21,000.00 ha and HGU for about 14,665.75 ha. However, there were totaling about 1,629.75 ha of PT JMS managed area without HGU, describes on the following Table

| Estate | Area (ha) |
|--------------|-----------------|
| Jatimas | 456.29 |
| Gaharu | 230.59 |
| Trembesi | 104.31 |
| Angsana | 259.45 |
| Bangkirai | 27.09 |
| Kulim | 552.02 |
| Total | 1,629.75 |

On the non-HGU area, the company has obtain Location Permit (2014, expired in July 2018) and IUP-2017 for area covers 2,296.17 ha. The most updated on this matter is the company was in process on extending Location Permit.

PT JMS has smallholders with total area about 2,847 ha, which associated in three Cooperatives, namely Leka Mandiri, Keham Lestari and Agung Baya. As per July 2018, the cooperatives has area about 773 ha, 791 ha and 1,283 ha, respectively.

6. PT MAJ has IUP-2006 for about 21,000 ha (Last Location Permit in 2014 was about 7,242.00 ha) and HGU for about 5,027.90 ha. However, there was additional ongoing process to obtain land title (HGU) from Location Permit (2014) which covers about 1,400.00 ha; and IUP (2013) for area covers 1,341.00 ha. Update on this matter are:
 - The company has sent request Letter for Kadasteral measurement mapping on July 10th 2014.
 - Extension on location permit.
 - Inventarisation on land compensation.
7. PT STP has Location permit (2006) and IUP (2007) for 17,500 ha; but only has HGU for about 5,005 ha.
8. PT SSS has a match IUP and HGU, which totaling about 20,220.92 ha.

9. PT PCS has IUP totaling for about \pm 11,203 ha. However, the company was still ongoing to obtain land title (HGU). As per update during partial assessment, it was informed that the progress is already on "Risalah Panitia B" or Kadasteral mapping.
10. PT APN has IUP 17,300 ha. There was discrepancies about 44.57 ha between HGU Decree (11,924.48 ha) and Certificate (11,879.91 ha) (Decree>Cert.). This is due differences between "*Peta Bidang*" as mentioned in HGU Decree and "*Surat Ukur*" as mentioned in Certificate. Detail on hectare statement is presented in the following Table:

| No. NIB | Peta Bidang (SK HGU – 2013) | Surat Ukur (Cert. HGU – 2013) |
|--------------|--------------------------------|----------------------------------|
| 098 | 271.04 | 190.40 |
| 099 | 5.28 | 5.17 |
| 100 | 4.12 | 3.95 |
| 101 | 33.07 | 32.57 |
| 102 | 110.44 | 109.88 |
| 103 | 4,243.09 | 4,239.19 |
| 104 | 1,235.90 | 1,235.91 |
| 105 | 2,426.30 | 2,570.09 |
| 106 | 3,075.43 | 3,077.25 |
| 107 | 519.92 | 415.50 |
| Total | 11.924.48 | 11,879.91 |

11. PT AER has Location permit for about 16,000 ha and IUP-2011 for about 15,690 ha. However, there is no land title (HGU). The most updated on this matter is there was field kadasteral mapping resulting Kadasteral Map dated December 16th 2011 for area covers 11,650.09 ha with scale 1:40,000.
12. PT ABP has Location permit for about 13,870 ha and IUP-2011 for about 6,947 ha. However, there is no land title (HGU). The most updated on this matter is there was field mapping resulting Kadasteral Map dated November 29th 2017 for area covers 4,295.47649 ha with scale 1:30,000.
13. PT AAN has Location permit for about 13,250 ha and IUP-2011 for about 11,950 ha. However, there is no land title (HGU). The most updated on this matter is there was field mapping resulting Kadasteral Map dated December 30th 2011 for area covers 11,944.61 ha with scale 1:30,000.
14. PT MKJ has Location Permit-2014 for about 7,300.00 ha; IUP-2012 for about 4,372.00 ha. However, there is no land title (HGU). the company shows request letter of Kadasteral measurement to BPN dated September 7th 2016.
15. PT MSP: has obtain HGU for 6,527 Ha and IUP for 13,950 Ha.
16. PT SGSS: has obtain IUP for 7,000 Ha. HGU not yet process because the company on going for land compensation, until 2015 has compensated for area 960 Ha.
17. PT SMS: has obtain HGU decree for an area of 4918.5508 Ha, but HGU certificate not yet issued.
18. PT BSU: has obtain IUP for 6,000 Ha. HGU not yet process, because the company on going for land compensation, until 2013 has compensated for area 1,380.58 Ha
19. PT AKM: has obtain approval for cadastral but not yet conduct measurement. The company will consultation with BPN related to this case.
20. PT VMA: has obtain decree to release forest area in 27 June 2013 for area 20,325.20 Ha. HGU not yet process because there is complaint from NGO (green peace). After that company conduct HCS and the result is only 3000 Ha with no HCS in separate area. Now the company is stop to develop in this area.

| | | |
|--|--|---|
| | | <p>21. PT WCJU: has obtain decree to release forest area in 29 August 2014 for area 3,803.79 Ha. The Company already submit for cadastral on 31 August 2018 for an area 3,760 Ha (3000 Ha own estate and 760 Ha plasma).</p> <p>22. PT TSP: has obtain HGU (13,143 Ha) and HGB (32.87 Ha).</p> <p>23. PT MAJ (South Kalimantan): cadastral on July 2007 (scale 1:27000) with total area 4,995.237 Ha (2,708.012 Ha available and the rest in not available). On 2009, there was spatial change and some area of company permit located in wildlife reserve.</p> <p>24. PT KAPAG: has obtain HGU (1806 Ha) with IUP 1806 Ha.</p> <p>25. PT SKS: Has obtain IUP (8,050 Ha), cadastral on 29 November 2007 with total area 5002 Ha (146 Ha available and the rest in forest production area). The company is process to release the forest production area but until now not yet finish.</p> <p>26. PT PLS: Has obtain HGU (1,752 Ha) and HGB (41.66 Ha) with IUP 4,407.62 Ha.</p> <p>27. PT SGA: has obtain HGU (6,788 Ha) on 1999 and IUP on 2000. On 2009, there was spatial change and indicate that 1,413 Ha located in forest production area. The company is process to release the forest production area but until now not yet finish.</p> <p>28. PT STP: has obtain HGB (14.56 Ha) on 2008 with IUP 7614.56 Ha on 2006. The company has process the HGU but not yet finish, because there is indication that company area located in forest production area. The company is process to release the forest production area but until now not yet finish.</p> <p>29. PT JMS: has obtain HGU (1614.39 Ha) and IUP 22,678 Ha. On 2009, there was spatial change and indicate that 1,152 Ha located in forest production area. The company is process to release the forest production area but until now not yet finish.</p> |
|--|--|---|

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

3.5.1 Identification of Findings, Corrective Actions and Observations at Initial Assessment.

| | | | | | |
|---|----------|--|------------------------|----------|--------------------------|
| NCR No. | : | 2019.01 | Issued by | : | Mohamad Amarullah |
| Date Issued | : | 1 March 2019 | Time Limit | : | 29 February 2020 |
| NC Grade | : | Major | Date of Closing | : | 18 March 2019 |
| Standard Ref. & Requirement | : | 4.7.3. Records of Occupational Health and Safety (OHS) program (see 4.8) and Personal Protective Equipment (PPE) training in accordance with the result of hazard identification and risk analysis shall be available to all workers. | | | |
| Evidence observed (filled by auditor): Based on observation to wiping activity in Division 4 Block F46 ARJE and Division 2 Block H39B SMRE, as well as review on masker product used it was known that personal protective equipment (PPE) of respiratory system for applicator is not in accordance with MSDS of pesticide used. | | | | | |
| Non-Conformance Description (filled by auditor): The company is not be able to shows that PPE of respiratory protection for pesticie applicators is in accordance with MSDS of pesticide used. | | | | | |
| Root Cause Analysis (filled by organization audited): Management of PT BLP has considering MSDS of pesticide products in Bahasa Version, but not concerning its original version that provided in English which mentioned that PPE for respiratory protection shall meet NIOSH specification. | | | | | |
| Correction (filled by organization audited): <ul style="list-style-type: none">PT BLP (unit management) has provide PPE of respirator of NIOSH 95 specification, which in accordance with MSDS of pesticide used.Unit management has take out (withdrawn) the non-NIOSH 95 respirator which have been used by pesticede applicators in all estates and send it to the Hazardous Waste Store.Unit management has distribute the proper PPE respirator NIOSH 95 to all pesticide applicators in all estates, as well as to the related workers such as Upkeep Foreman and Agrochemical Store Keeper.Unit management has ensure that type of PPE respirator used is in accordance with MSDS of pesticide used through inspection on the field. | | | | | |
| Corrective Action (filled by organization audited): The Secretary of OSH Committee (P2K3) has revised the HIRAC document especially on pesticide application part and personal protective equipment, which will be used as reference in particular to agrochemical works. | | | | | |
| Assessor Evaluation and Conclusion (filled by auditor): Verification in 18 March 2019 The company shows several evidence of correction as follows: <ul style="list-style-type: none">Purchase order No. 4600083069 dated 04 March 2019 for purchasing of 160 pcs of Respirators with R10 NIOSH 95 (N95) DBS 20x8 spesification.Official Letter of Arjuna Estate dated 04 March 2019 about 22 pcs of N95 respirators distribution, withdrawal of the former respirators and its delivery to the Hazardous Waste Store.Official Letter of Bromo Estate dated 04 March 2019 about 16 pcs of N95 respirators distribution, withdrawal of the former | | | | | |

respirators and its delivery to the Hazardous Waste Store.

- Official Letter of Semeru Estate dated 04 March 2019 about 20 pcs of N95 respirators distribution, withdrawal of the former respirators and its delivery to the Hazardous Waste Store.
- Logbook of Hazardous Waste dated 04 March which informed that there was received of 58 pcs of used respirators from Arjuna Estate, Bromo Estate and Semeru Estate.
- HIRAC Revision 2 version dated 02 March 2019 for pesticide application (included wiping) which mentioned that it was required to use PPE of respirator in accordance with MSDS specification.

Auditor Conclusion:

Based on root of cause analysis and corrective action description, as well as correction evidence given, it could be concluded that NCR No. 201901 is considered **closed**.

Verified by : Trismadi Nurbayuto and Mohamad Amarullah

| | | | | | |
|--|---|---|-----------------|---|-------------------|
| NCR No. | : | 2019.02 | Issued by | : | Mohamad Amarullah |
| Date Issued | : | 1 March 2019 | Time Limit | : | Next Surveillance |
| NC Grade | : | Minor | Date of Closing | : | |
| Standard Ref. & Requirement | : | 4.7.6. All workers shall be provided with medical care, and covered by accident insurance (see criterion 6.5.3). | | | |
| Evidence observed (filled by auditor): <ul style="list-style-type: none">Estate management is not be able to shows that all contractor workers has been covered by work accident insurance.According to work agreement with contractor, there is a clause which mentioned that the contractor is compulsory to covers their workers by accident insurance. | | | | | |
| Non-Conformance Description (filled by auditor): The company do not have mechanism which aims to ensure that all contractor workers has covered by work accident insurance. | | | | | |
| 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 | : | | | | |

| | | | |
|--|---|------------------------|---------------------|
| NCR No. | : 2019.03 | Issued by | : Brigitta Prita |
| Date Issued | : 1 March 2019 | Time Limit | : Next Surveillance |
| NC Grade | : Minor | Date of Closing | : |
| Standard Ref. & Requirement | : 5.2.4. Once the management plan is prepared, continuous monitoring documentation and | | |

| | |
|---|---|
| | report regarding the status of the RTE and HCVs are affected by the operations of the plantation and palm oil mill shall be available, and the results of monitoring are to be used to follow-up on the improvement of the management plan. |
| Evidence observed (filled by auditor): <ul style="list-style-type: none"> Based on HCV monitoring and management report of PT BLP for period 2018, it was known that estate management has installing signboard which informed HCV identity (status), prohibition on fish poisoning and electrizing, prohibition on chemicals application, as well as installation of riparian boundary pole which marked by red paint. Based on observation to HCV area in Block J49 Bromo Estate, Riparian of Bedaun River in Division 4 Block H16 Semeru Estate and Spring in Block I22 Semeru Estate, it was known that actual HCV or riparian boundary poles were painted by white colour and information in the signboard is not clear (difficult to be read). | |
| Non-Conformance Description (filled by auditor): The company is not be able to shows that all signboard in HCV area has properly maintained as stated on HCV monitoring and management report for period 2018. | |
| 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 | : |

| | | | | | |
|---|---|---|------------------------|---|--------------------------|
| NCR No. | : | 2019.04 | Issued by | : | Mohamad Amarullah |
| Date Issued | : | 1 March 2019 | Time Limit | : | 29 February 2020 |
| NC Grade | : | Major | Date of Closing | : | 18 March 2019 |
| Standard Ref. & Requirement | : | 6.5.1 Documentation of pay and conditions for employees based on the existing manpower regulations shall be available. | | | |
| Evidence observed (filled by auditor): The company is not be able to shows that wages of all contractor workers has been paid in accordance with minimum wages for plantation sector (UMSK) of Kotawaringin Barat Regency for period 2019, which is about IDR 2,965,514 per month, as mentioned by Decree of Kalimantan Tengah Governor No . 51 in 2018 dated 21 November 2018. | | | | | |
| Non-Conformance Description (filled by auditor): The company do not have mechanism which aims to ensure that all contractor workers has been paid in accordance with applicable regulation. | | | | | |
| Root Cause Analysis (filled by organization audited): The management of PT EHP and PT BHP are not carefully considering all clauses stipulated by RSPO Certification System (approved by RSPO Executive Board in 26 June 2017), especially concerning on the RSPO P&C implementation towards thrid parties and/or contractor workers. | | | | | |
| Correction (filled by organization audited): | | | | | |

The company has develop a contractor/outsourcing control mechanism as guidance for making a work agreement (SPK) with thrid parties, which mentioned that fulfillment of wages for contractor workers shall be comply with applicable minimum wages regulations.

Corrective Action (filled by organization audited):

Document of Contractor/Outsourcing Control Mechanism has contains several clauses required by RSPO Certification System (approved by RSPO Executive Board 26 June 2017), such as:

- Contractor is compulsory to fulfill workers rights towards manpower, safety and health, environment and other aspects which required by applicable Indonesian rugulations, included for minimum wages.
- To put additional clauses in work agreement which mentioned that PT EHP and PT BLP are permitted to access and obtain any data and/or information from contractor in concerned with regulation compliance towards manpower, OSH, environment, etc., through field inspection and audit second party (included minimum wages implementation).
- To conduct regular evalutaion to contractors on their abbility towards regulation pursuance, as consideration for work extention or termination.

Assessor Evaluation and Conclusion (filled by auditor):

Verification in 18 March 2019

The company shows several evidence of correction as follows:

- Internal Memorandum from Area Manager of PT BLP and Mill Controller of PT EHP to all contractors No. 003/BLP/IM-AM/Ist/III/2019 dated 02 March 2019 about contractor/outsourcing control mechanism which mentioned several pointa or aspects that required to be fulfilled by contractors such as pursuance towards applicable Indonesian Regulations and RSPO standars.
- Official Letter dated 04 March 2019 which informed that socialization of contractor control mechanism has been delivered to eight contractors of PT EHP and PT BLP, with subjects as follows:
 - Completeness of PPE must be provided by contractor and shall be comply with HIRAC.
 - All contractor workers shall be registered on/or covered by BPJS-Manpower and BPJS-Health.
 - Additional clause in contract agreement which mentioned that PT EHP and PT BLP are permitted to access and obtain any data and/or information from contractor in concerned with RSPO Standard compliance and Indonesia applicable regulations pursuance towards manpower, OSH, environment, etc., through field inspection and audit second party (included minimum wages implementation).
- Internal Memorandum from Area Manager of PT BLP and Mill Controller of PT EHP to all contractors No. 010/BLP/IM-AM/Ist/III/2019 dated 13 March 2019 about revision on contractor/outsource control mechanism, with concerned on several points as follows:
 - Assessment and evaluation of contractor will be conducted before work agreement approved by both parties, to ensure that contractor has fulfilled applicable Indonesian regulations and RSPO standards.
 - Head of OSH Committee (P2K3) and Sustainability Department will ensure that contractor has fulfilled all aspects which required by Indonesia applicable regulations and RSPO standards towards legal, permit, environment, OSH and manpower aspects. Among manpower aspect included are covers minimum wages, force labour, child labour, labour protection and insurance (BPJS Manpower and BPJS Health), etc.
 - Point 6 mentioned that Technical Department and/or Sustainabiltiy Department will conduct inspection to contractor on their pursuance towards OSH, manpower, environment and legal aspects. PT BLP and PT EHP has a rights to give any penalty and/or terminate the wotk agreement if contractor has found could not meet those requirements.

Auditor Conclusion:

Based on root of cause analysis and correctiove action description, as well as correction evidence given, it could be concluded that NCR No. 201901 is considered **closed**. Consistency of implementation will be further to be observed on the next

| | |
|---------------------|--|
| surveillance audit. | |
| Verified by | : Trismadi Nurbayuto and Mohamad Amarullah |

| | | | |
|---|---|-----------------|--------------------|
| NCR No. | : 2019.05 | Issued by | : Brigitta Prita |
| Date Issued | : 1 March 2019 | Time Limit | : 29 February 2020 |
| NC Grade | : Major | Date of Closing | : 10 May 2019 |
| Standard Ref. & Requirement | 7.3.1. There shall be evidence that no new plantings have replaced primary forest, or any area required to maintain or enhance one or more High Conservation Values (HCVs), since November 2005. New plantings shall be planned and managed to best ensure the HCVs identified are maintained and/or enhanced (see Criterion 5.2). | | |
| Evidence observed (filled by auditor): <ul style="list-style-type: none">The company shows Land Use Change Analysis of PT BLP dated 25 July 2016 which informed that total area of unit, total area raw liability, and total area conservation of liability were about 9,128 ha; 3,865 ha; and 506 ha, respectively. The analysis resulting PASS from RSPO.Based on RSPO Remediation and Compensation procedure in November 2015, it was informed that there was liability information of the company for land cleared from 1 January 2010 to 9 May 2009 and from 1 January 2010 to 9 May 2014 for about 182 ha and 308 ha, respectively. Calculation of the former is $(260 \text{ ha} \times 0.5) \times 0.7 = 182 \text{ ha}$; while for the latter is $(220 \text{ ha} \times 2) \times 0.7 = 308 \text{ ha}$.Concept note for remediation and compensation has been delivered through email to RSPO Compensation on 07 February 2019, which responded by khing.suli@rspo.org, and resulting that compensation note is acceptable but need further explanation on remediation part. The company has response regarding with remediation (revision) matters through email on 13 February 2019, but no response from RSPO. Thus, the company sent email to emir@respo.org on 26 February 2019, asking for update of concept note, and this email has responded that process review on the shep files was still ongoing.There is email from RSPO dated 22 January 2019 which mentioned that if the company is not be able to complete RaCP requirement, thus, RSPO certificate could not be issued until the RaCP has been approved by RSPO. The company has giving period for one year to fulfill and comply RaCP Process, otherwise, the company is required to conduct public announcement and re-audit if failed to be approved by RSPO. | | | |
| Non-Conformance Description (filled by auditor): <p>The company is not be able to shows evidence that concept note on remediation of PT BLP has been approved by RSPO Compensation.</p> | | | |
| Root Cause Analysis (filled by organization audited): <p>This is due to the delay in review and approval of the RSPO Compensation Panel.</p> | | | |
| Correction (filled by organization audited): <p>The company has sent e-mail from RSPO on April 25th, 2019, stating that PT EHP Concept Note has been approved by the Compensation Panel, the company can continue to prepare and submit a Compensation plan.</p> | | | |
| Corrective Action (filled by organization audited): | | | |

The company will communicate with RSPO to immediately prepare and submit a compensation plan in accordance with the RaCP procedure.

Assessor Evaluation and Conclusion (filled by auditor):

Verification, April 26th, 2019.

Based on an email from Khing.suli@rspo.org on April 25th, 2019, it is known that the concept note information has been approved by the RSPO compensation panel. In the e-mail explained, the Company can continue to prepare and submit a Compensation Plan. As discussed and as referred to in the RaCP procedure, there will be a fixed fee of USD 1,800 for evaluation of compensation plans.

Verification, May 10th 2019

Compensation plans has been endorsed by RSPO Compensation Panel and inform on 10 May 2019 the total final compensation liability are 506 Ha with total area requiring environmental remediation are 3,750 Ha.

Based on the explanation above, the discrepancy No.2019.05 is stated to have been Comply.

| | | |
|--------------------|---|-----------------------|
| Verified by | : | Brigitta Prita |
|--------------------|---|-----------------------|

3.5.2 Opportunity for Improvement

| No | Ref. Std. | Descriptions |
|----|---------------|--|
| 1. | 4.6.4 minor | Estate management is encourage to monitor the reduction of paraquat used as programed. |
| 2. | 4.8.1 Major | The company management is encourage to monitor and update record of training realization against the program. |
| 3. | 5.3.2 Major | The company is encourage to conduct socialization on uses and monitoring of hazardous materials, particularly to the housing occupants. |
| 4. | 5.3.3 minor | The company has an opportunity to monitor sorting process of organic and anorganoic from household wastes on the landfill. |
| 5. | 6.1.4 minor | The company to consider involving Labour Union and Contractor Wokers towards process review on social impact assessment plan and management. |
| 6. | 6.2.3 minor | The company is encourage to informed date of response on every information requested which recorded on logbook, to improve treceability of response. |
| 7. | 6.5.2 Major | The company is encourage to monitor progress of employees promotion from temporary worker (BHL) to become permanent worker (SKU). |
| 8. | SCCS E.3.1 | The company to consider conducting socialization to Field Supervison on the estate and mill towards work instruction No. IKA/29/EHP-BLP/2019 about product certified handling. |

3.5.3 Noteworthy Positive Components

| No | Descriptions |
|----|---|
| 1. | The company has committed in implementing principles of sustainable palm oil development. |
| 2. | Has a competent human resources whose conducting sustainable palm oil implementation. |
| 3. | Has conducting barn owl (<i>Tyto alba</i>) breeding that rules as predator of rat, which could control rats population through biological approach. |
| 4. | Has develop smallholder (Plasma) scheme. |
| 5. | Certified by ISPO as evidence of commitment to produce sustainable palm oil, in accordance with Indonesian Regulations. |
| 6. | Has obtain Environment Certification of PROPER-Blue for period 2017-2018. |

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

| Public Issues (Institution/ NGO/Community) | Auditor Responses |
|---|--|
| <p>National Land Agency, Regency of Kotawaringin Barat Date: 25 February 2019 Interviewee: Head of Agency and Land Structuring</p> <p><u>Notes:</u></p> <ul style="list-style-type: none"> • There is no issues related to land permit and legality. • There is no conflict issues due to land dispute with locals. Compensation has considered satisfactory conducted by estatet management. Furthermore, there is no overlap with forest area. • There is no indication of “non-productive” (<i>tanah terlantar</i>) within estate operational areas, as mentioned in hectare statement. • There is no customary right area within estate operational areas which has claimed by surrounding locals. • Semester Report of Land Use Statement has properly carried out by the company. | <p>In general, it could be concluded that estate management has a good relationship with Agency in term of transparency of related information and has deliver several compulsory report on schedule. There is no negative issues related land permit, legality and social dispute aspect. Detail description towards the mentioned aspects are presented in Criteria 1.1 & 2.2.</p> |
| <p>Environment Agency, Regency of Kotawaringin Barat Date: 25 February 2019 Interviewee: Head Division of Environment Management</p> <p><u>Notes:</u></p> <ul style="list-style-type: none"> • Adendum UKL/UPL in 2016 for area in PT EHP and PT BLP which covers 9,501.12 ha for oil palm plantation and oil palm mill with processing capacity 60 ton FFB/hour. Formerly, environment document of Bapedalda in 2005 informed that the area has covers about 7,500 ha with POM capacity for 30 ton FFB/hour. • Compulsory periodic report such as Semester UKL/UPL, quarter report on hazardous waste, land application are delivered to the Agency ontime. Reporting through online has ongoing for infrastructure development. • The is no issues related to environment permit. • The company do not have a Biogas Plant. • There is no negative issues and/or conflict related to environment aspect. • Agency representative mentioned that “<i>Izin pembuangan limbah domestik</i>” or Permit of Domestic Waste Discharge has only Recommendation Letter needed, not in form of Permit. | <p>In general, it could be concluded that company management has a good relationship with Agency in term of transparency of related information and has deliver several compulsory report on schedule. There is no negative issues related to environment aspects. Detail description towards the mentioned aspects are presented in Criteria 1.1 & 5.1.</p> |
| <p>Manpower and Transmigration Agency, Regency of Kotawaringin Barat Date: 25 February 2019 Interviewee: Head Division on Industrial Relationship and Jamsostek (Government Insurance Scheme)</p> <p><u>Notes:</u></p> <ul style="list-style-type: none"> • Regency Manpower Agency has facing difficulties in | |

| Public Issues (Institution/ NGO/Community) | Auditor Responses |
|--|---|
| <p>accessing report delivery progress which conducted through online.</p> <ul style="list-style-type: none"> The company (PT EHP and PT BLP) has considered cooperative in delivering periodic compulsory report the Agency such as P2K3 (OSH Committee Report), WLTK (Manpower Compulsory Report) to the Manpower Agency. The company has Labor Union which has registered to the Agency, but has no PKB. BPJS Manpower has no issues. Regency minimum wages for plantation sector was about IDR 2,965,000. Per month. There was no issues related to discrimination, gender, child labor, forced labor and illegal worker. The company is considered has provide an adequate and good facilities for workers such as proper safety equipment's, housing, worship building, sport fields, electricity, clean water, domestic waste management, school bus, school, etc. | <p>In general, it could be concluded that CH management has a good relationship with Agency in term of transparency of related information and has deliver several compulsory report on schedule. According to PKB, the company is currently use Government Regulation (PP) which still applicable until 2020. Labor Union in both PT EHP and PT BLP are still ongoing for approval from Agency. Overall, there is no negative issues related to manpower and safety aspects. Detail description towards the mentioned aspects are presented in Criteria 4.7 and 6.5.</p> |
| <p>Plantation Agency, Regency of Kotawaringin Barat Date: 25 February 2019 Interviewee: Head of Agency</p> <ul style="list-style-type: none"> Plantation Class has take over by Province Agency. LKUP report has periodically reported by the company to Plantation Agency on the Regency and Province. There is no additional operational area and/or capacity since 2016. There no issues related to fire incident in 2017 and 2018. The company has cooperative and helping surrounding areas in providing fire management and control. There is Plasma in Full manage and Swadaya Scheme, and all has been settled up. There is a process of new smallholder scheme. But still ongoing in land legality. CSR has follows mandate from Regency Agencies, for example from PUPR for infrastructure matters. Musrenbang with Agencies representative has also adopted on annual CSR program. Seeds recommendation from Plantation Agency is available. All pesticide used are registered in Plantation Agency. | <p>In general, it could be concluded that company management has a good relationship with Agency in term of transparency of related information and has deliver several compulsory report on schedule. There is no negative issues related to manpower and safety aspects. Detail description towards the mentioned aspects are presented in Criteria 1.1 & 4.7.</p> |
| <p>Gender Committee (Komite Wanita) Date: 27 February 2019 Interviewee:</p> <ul style="list-style-type: none"> Chief and Secretary of Gender Committee in PT BLP Chief of Gender Committee in PT EHP <p>Notes:</p> <ul style="list-style-type: none"> Committee has established since 2017. Among program carried out by committee are <i>Posyandu</i> | <p>In general, it could be concluded that CH management has support existence of gender committee of <i>Komisi</i></p> |

| Public Issues (Institution/ NGO/Community) | Auditor Responses |
|--|---|
| <p>(Maternal Clinic), sport, clean Friday, Quran recitation, health information towards Planning family (KB), AIDS, reproduction, etc.</p> <ul style="list-style-type: none"> Existence of gender committee has considered useful for women workers. During last four year there is no negative issues related to gender matters such as sexual harassment and discrimination. There was one case of woman insulting on BRME in 2018. However, the case has been settled up properly. Pregnant test has conducted every month in company clinic (Polibun). Those who works with chemical will be transferred to non-chemical works when positive detected. Leave of H1 and H2 were provided by the company, with man-days paid if recommended by paramedic. | <p><i>Perempuan</i> to facilitate women workers rights. There is no negative issues related to women abuse, sexual harassment and discrimination. Further detail on gender aspect is explained in Criteria 6.9.</p> |
| <p>Local Contractor Date: 27 February 2019 Interviewee:</p> <ul style="list-style-type: none"> Three contractor workers for EFB transportation under personal Contractor-Krismiati from Klaten. <p>Notes:</p> <ul style="list-style-type: none"> Contractor has a good relationship with company for years. Kind of contract were various from transportation FFB, EFB, etc. There was no issues related to time of payment and the contractor had been paid in accordance with agreement. Furthermore, value of work contract was considered transparent, fair and proportional, which based on distance and volume. Wages of workers is paid 25 % from total contract, approximately about IDR 3,000,000.- per moth. Payment of salary is delivered through cash. Workers stated that BPJS-Tk has covers by Contractor owner (Mrs. Krismiati), without any deduction from their salary. PPE such as helmet, safety shoes and gloves were provided by contractor. The company has giving several training and socialization to contractor worker such as company policy, code of conduct, environment, technical matters and safe working practices during safety briefing. Monitoring of work is carried out by company Foreman and Assisstant. Company has provide health service such as clinic to contractor workers. Furthermore, company facilities such as housing and school were also applicable for contractor workers. | <p>The Company has a good cooperation with the local Contractor and the payment of FFB has been made according to the contract price. This is in accordance with criterion 6.10.</p> |
| <p>Labor Union (SPSI) PT BLP Date: 27 February 2019 Interviewee:</p> <ul style="list-style-type: none"> Chief of Labor Union and Secretary of SPSI PT BLP. Chief of PUK SPSI EHP Mill (PT EHP). | |

| Public Issues (Institution/ NGO/Community) | Auditor Responses |
|---|---|
| <p>Notes:</p> <ul style="list-style-type: none"> • SPSI or labor Union of PT BLP start established on 30 January 2019 and process of registration to Manpower Agency has been carried out in 06 February 2019 and still ongoing. Worker contribution for PT BLP labor Union is planned for IDR 10,000 to 20,000 per month. • SPSI for PT EHP starts from 2018. Work Agreement between employer and employee was still ongoing since August 2018. Worker contribution for PT BLP labor Union is planned for IDR 100,000 per year and will be deducted in November. • Both company has implementing minimum wages for plantation sector, in accordance with Governor Decree, which was about IDR 118,620.56/day plus proportional rice. This has implemented since January 2019. Furthermore, calculation of premium and overtime has also in accordance with applicable regulation. • All workers has covers by BPJS Manpower and Health. • Both company has considered satisfactory provide PPE for all workers, in accordance with hazard, identification, risk analysis and control. • The company has officially response grievance and aspiration being proposed by union in accordance with company procedure, which was less than one month. Grievance has delivered to HRGA-HCCS, Suggestion Box, SMS, or directly communicate to superior or upper ordinate. • The company has considered properly and satisfactory handled accident incidences in accordance with regulation. Furthermore, worker right during leave period (due to accident) has fully implemented. • The company has provide certified first aider and Hyperkes paramedic. Training of firstaid has delivered to all Foreman on the estate and mill. | <p>The auditor has verified the indicators 5.4.2, 5.2.1, 5.3.1, 5.3.2, 2.1.4.</p> |
| <p>Public Figure and cooperative board of Kumai Hulu Village</p> <ul style="list-style-type: none"> - The company has CSR program, it has been realized on the last year such as: infrastructure, religious aspect, education and community development. - The company has giving job opportunities - The company has giving opportunity to the local contractor - There are no fire issues. - There are no environment pollution issues. - There are no land dispute issues. - The company has socialized about HCV area - The company has realized smallholders with Kumai Hulu Seberang Cooperative with member 399 person. | <p>It has been verified on criteria 6.11.</p> <p>It has been verified on criteria 5.5 It has been verified on criteria 5.1</p> <p>It has been verified on criteria 5.2 It has been verified on criteria 6.2</p> |
| <p>Public Figure and cooperative board of Sungai Bedaun Village</p> | <p>It has been verified on criteria 6.11.</p> |

| Public Issues (Institution/ NGO/Community) | Auditor Responses |
|---|---|
| <ul style="list-style-type: none"> - The company has CSR program, it has been realized on the last year such as: infrastructure, religious aspect, education and community development. - The company has giving job opportunities - The company has giving opportunity to the local contractor - There are no fire issues. - There are no environment pollution issues. - There are no land dispute issues. - The company has socialized about HCV area - The company has realized smallholders with Bedaun Maju Bersama Cooperative with member 1,434 person. | <p>It has been verified on criteria 5.5 It has been verified on criteria 5.1</p> <p>It has been verified on criteria 5.2 It has been verified on criteria 6.2</p> |
| <p>Nine person (Previous Land Owners) from Kumai Hulu Village</p> <ul style="list-style-type: none"> - The company has been conducted FPIC process on the land compensation. - Field mapping were conducted with involving community leaders, land owner and boundaries land owners as witnesses. - There are no paramilitary using on land compensation process. - The price of land compensation in accordance to negotiation process. | <p>It has been verified on criteria 2.2; 2.3 and 6.4.</p> |
| <p>Eleven Person (Previous Land Owners) from Sungai Bedaun Village</p> <ul style="list-style-type: none"> - The company has been conducted FPIC process on the land compensation. - Field mapping were conducted with involving community leaders, land owner and boundaries land owners as witnesses. - There are no paramilitary using on land compensation process. - The price of land compensation in accordance to negotiation process. | <p>It has been verified on criteria 2.2; 2.3 and 6.4.</p> |
| <p>Three persons of local Contractors/Transporters of EFB and transporter of FFB</p> <ul style="list-style-type: none"> - Agreement period were renewal every three month. - The contractor has provided PPE's for drivers - Payment system are 25 % from total contract values. - There are no problem regarding payment time. - All contractor workers are not registered on accident insurance. - There are no complaint to the company. | <p>It has been verified on criteria 4.7; 6.5; and 6.10.</p> |

| | |
|-----|--|
| 4.0 | CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY |
| 4.1 | Formal Sign-off of Assessment Findings |
| | <p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Eagle High Plantations, Tbk Head of Sustainability</p>  <p>IB Gede Astawa Friday, 10 May 2019</p> </div> <div style="text-align: center;">  </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p>Trismadi Nurbayuto Friday, 10 May 2019</p> </div> </div> |

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

| No | Institution/NGO/Community | Address | Phone/Email | Form of Communication | Date of Contact | Response | |
|-----|---|---|---|-----------------------|-----------------------------------|----------|----|
| | | | | | | Yes | No |
| 1. | National Land Agency | Kotawaringin Barat District, Central Borneo Province, Indonesia. | - | Direct interview | February 25 th , 2019. | √ | - |
| 2. | Plantation Agency | Kotawaringin Barat District, Central Borneo Province, Indonesia. | - | Direct interview | February 25 th , 2019. | √ | - |
| 3. | Manpower Agency | Kotawaringin Barat District, Central Borneo Province, Indonesia. | - | Direct interview | February 25 th , 2019. | √ | - |
| 4. | Environment Agency | Kotawaringin Barat District, Central Borneo Province, Indonesia. | - | Direct interview | February 25 th , 2019. | √ | - |
| 5. | WALHI | Indonesia | informasi@walhi.or.id | Questionnaire | February 21 st , 2019 | - | √ |
| 6. | Sawit Watch | Indonesia | info@sawitwatch.or.id | Questionnaire | February 21 st , 2019 | - | √ |
| 7. | AMAN | Indonesia | rumahaman@cbn.net.id | Questionnaire | February 21 st , 2019 | - | √ |
| 8. | IARI | Indonesia | informasi@internationalanimalrescue.org | Questionnaire | February 21 st , 2019 | - | √ |
| 9. | Kumai Hulu Village | Kotawaringin Barat District, Kalimantan Tengah Province, Indonesia. | - | Direct interview | February 26 th 2019. | √ | - |
| 10. | Sungai Bedaun Village | Kotawaringin Barat District, Kalimantan Tengah Province, Indonesia. | - | Direct interview | February 26 th 2019. | √ | - |
| 11. | Previous Land Owners (Kumai Hulu Village & Sungai Bedaun Village) | Kotawaringin Barat District, Kalimantan Tengah Province, Indonesia. | - | Direct interview | February 26 th 2019. | √ | - |
| 12. | Gender Committee | Kotawaringin Barat District, Kalimantan Tengah Province, Indonesia. | - | Direct interview | February 26 th 2019. | √ | - |
| 13. | Labor Union | Kotawaringin Barat District, Kalimantan Tengah Province, Indonesia. | - | Direct interview | February 26 th 2019. | √ | - |
| 14. | Labor union, committee gender and Local contractor | Kotawaringin Barat District, Central Borneo Province, Indonesia. | - | Direct interview | February 27 th , 2019. | √ | - |
| 15. | EHP Mill | Kotawaringin Barat | - | Direct interview | February | √ | - |

| | | | | | | | |
|-----|---|--|---|------------------|---------------------------------|---|---|
| | <ul style="list-style-type: none"> • 1 operator WTP • 1 operator POME • 1 Store keeper Hazardous store • 1 Store keeper Lubricant store • 1 Store keeper calcium store • 1 Welder | District, Central Borneo Province, Indonesia. | | | 26 th 2019. | | |
| 16. | Estates <ul style="list-style-type: none"> • 2 Harvesters & 1 foreman in Semeru Estate. • pesticide applicators & 1 foreman. | Kotawaringin Barat District, Central Borneo Province, Indonesia. | - | Direct interview | February 26 th 2019. | √ | - |

Appendix 2. Assessment Program

| DATE | | 25 February to 1 March 2019 | |
|------------------------------------|--------------------------------|--|--|
| PLANNED TIME | ACTUAL DURATION | PROCESSES / CLAUSES TO BE AUDITED | AUDITOR |
| Monday, 25 February 2019 | | | |
| 06.05 – 07.40 09.30 – 12.00 | 06.05 – 07.40 09.30 – 12.00 | <ul style="list-style-type: none"> • Jakarta – Pangkalan Bun (Nam Air IN 190) Stakeholders consultation to Related Government in Kotawaringin Barat Regency <ul style="list-style-type: none"> • Environment Agency • Man Power, Transmigration and Social Welfare Agency • Forestry and Plantation Agency • National Land Agency | <ul style="list-style-type: none"> • All Team • BRP • MAH • HRK/TNB • HRK/TNB |
| 12.00 – 14.00 | 12.00 – 14.00 | <ul style="list-style-type: none"> • Break, Lunch & Travelling to Mess PT Bumilanggeng Perdanatrada | <ul style="list-style-type: none"> • All Team |
| 15.00 – 16.00 16.00 – 17.00 | 15.00 – 16.00 16.00 – 17.00 | <ul style="list-style-type: none"> • Opening Meeting • Document Review & Coordination for Field visit | <ul style="list-style-type: none"> • All Team • All Team |
| Tuesday, 26 February 2019 | | | |
| 08.00 – 12.00 | 08.00 – 12.00 | <ul style="list-style-type: none"> • Stakeholders consultation to Nearest village, community leader, previous land owner, local contractor | <ul style="list-style-type: none"> • TNB |
| | | Field Observation to Arjuna Estate <ul style="list-style-type: none"> • Manuring, Spraying, Harvesting, EFB application, best agricultural practices, Worker Welfare (payments, complaint mechanism) • Hazardous Waste Material (B3) management; Worker facilities (housing, health clinic, clean water, etc), Land Fill, and Land Fire facilities, Storage, ect. • Legal operational and Conservation Area | <ul style="list-style-type: none"> • HRK/MAH • BRP • HRK/MAH |
| 12.00 – 14.00 | 12.00 – 14.00 | Break & Lunch | <ul style="list-style-type: none"> • All Team |
| 14.00 – 16.00 16.30 – 17.00 | 14.00 – 16.00 16.30 – 17.00 | Field observation to Eagle High POM <ul style="list-style-type: none"> • Security Post, FFB receiving, CPO & PK Sending/SCCS Aspect). • FFB grading, FFB processing, OHS Aspect, Worker Welfare (payments, complaint mechanism). • Water Treatment Plant, Schedule Waste, Workshop, Chemical Storage, WWTP, Leachate Water management. • Clarification of Field Visit result & Document Review | <ul style="list-style-type: none"> • TNB • HRK/MAH • BRP • All Team |
| Wednesday, 27 February 2019 | | | |
| 08.00 – 12.00 | 08.00 – 12.00 | <ul style="list-style-type: none"> • Stakeholders consultation with Internal Stakeholders (Workers Union, Gender Committee, Contractor Workers) | <ul style="list-style-type: none"> • MAH |
| | | Field Observation to Bromo Estate <ul style="list-style-type: none"> • Manuring, Spraying, Harvesting, EFB application, best agricultural practices, Worker Welfare (payments, complaint mechanism) • Hazardous Waste Material (B3) management; Worker facilities (housing, health clinic, clean water, etc), Land Fill, and Land Fire facilities, Storage, ect. | <ul style="list-style-type: none"> • HRK/TNB • BRP • HRK/TNB |

| DATE | | 25 February to 1 March 2019 | |
|-----------------------------------|-----------------|---|--|
| PLANNED TIME | ACTUAL DURATION | PROCESSES / CLAUSES TO BE AUDITED | AUDITOR |
| | | <ul style="list-style-type: none"> Legal operational and Conservation Area | |
| 12.00 – 14.00 | 12.00 – 14.00 | <ul style="list-style-type: none"> Break & Lunch | <ul style="list-style-type: none"> All Team |
| 14.00 – 17.00 | 14.00 – 17.00 | <ul style="list-style-type: none"> Clarification of Field Visit result & Document Review | <ul style="list-style-type: none"> All Team |
| Thursday, 28 February 2019 | | | |
| 08.00 – 12.00 | 08.00 – 12.00 | Field Observation to Semeru Estate <ul style="list-style-type: none"> Manuring, Spraying, Harvesting, EFB application, best agricultural practices, Worker Welfare (payments, complaint mechanism) Hazardous Waste Material (B3) management; Worker facilities (housing, health clinic, clean water, etc), Land Fill, and Land Fire facilities, Storage, etc. Legal operational and Conservation Area | <ul style="list-style-type: none"> HRK/MAH BRP TNB |
| 12.00 – 14.00 | 12.00 – 14.00 | <ul style="list-style-type: none"> Break & Lunch | <ul style="list-style-type: none"> All Team |
| 14.00 – 17.00 | 14.00 – 17.00 | <ul style="list-style-type: none"> Clarification of Field Visit result & Document Review | <ul style="list-style-type: none"> All Team |
| Friday, 1 March 2019 | | | |
| 08.00 – 10.00 | 08.00 – 10.00 | <ul style="list-style-type: none"> Closing Meeting | <ul style="list-style-type: none"> All Team |
| 10.00 – 13.00 | 10.00 – 13.00 | <ul style="list-style-type: none"> Mess → Pangkalan Bun | <ul style="list-style-type: none"> All Team |
| 15.15 – 16.45 | 15.15 – 16.45 | <ul style="list-style-type: none"> Pangkalan Bun → Jakarta (Nam Air IN 191 | <ul style="list-style-type: none"> All Team |