

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

**[√] Surveillance**

Name of Management : Eagle High Plantation Palm Oil Mill – PT Eagle High Plantation, Tbk  
Organisation : Subsidiary of Eagle High Plantation  
Plantation Name : PT Bumilanggeng Perdanatrada, consist of Arjuna Estate, Bromo Estate and Semeru Estate.  
Location : Sungai Bedaun Village, Sub District of Kumai, District of Kotawaringin Barat, Kalimantan Tengah Province, Indonesia.  
Certificate Code : **MUTU-RSPO/127**  
Date of Certificate Issue : 10 May 2019                      Date of License Issue : 10 August 2020  
Date of Certificate Expiry : 09 May 2024                      Date of License Expiry : 09 May 2021

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1	16 to 21 March 2020	Leonada (Lead Auditor Witnessing), Satria Adi Putra (Lead Auditor Witnessed), Arif Faisal Simatupang, Radityo Puspanjana, Yudhi Yuniarto Tallutondok	Ardiansyah	Octo HPN Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1	10 July 2020

**TABLE OF CONTENT**
**FIGURE**

Figure 1. Location Map of PT Eagle High Plantation	02
Figure 2. Operational Map of PT Eagle High Plantation	03
Figure 3. Operational Map of PT Bumilanggeng Perdana Trada	
Figure 4. Operational Map of Arjuna Estate	
Figure 5. Operational Map of Semeru Estate	

Abbreviations Used	04
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**1.0 SCOPE of the CERTIFICATION ASSESSMENT**

1.1 Assessment Standard Used	06
1.2 Organisation Information	06
1.3 Type of Assessment	06
1.4 Location of Mill and Plantations	06
1.5 Description of Area Statement	07
1.6 Planting Year and Cycles	07
1.7 Description of Mill and Supply Base	08
1.8 Estimate Tonnage of Certified Product	09
1.9 Other Certifications	10
1.10 Time-Bound Plan	10

**2.0 ASSESSMENT PROCESS**

2.1 Assessment Team	13
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	13
2.3 Stakeholder Consultation and Stakeholders Contacted	16
2.4 Determining Next Assessment	17

**3.0 ASSESSMENT FINDINGS**

3.1 Summary of Assessment Report of the RSPO Certification	18
3.2 Conformity Checklist of Certificate and Logo Use	57
3.3 Summary of RSPO Partial Certification	58
3.4 Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components	72
3.5 Summary of Arising Issues from Public, Management and Auditor Responses	84

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

4.1 Formal Signing of Assessment Findings	88
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**APPENDICES**

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

**Figure 1. Location Map of PT Eagle High Plantation**

Reg. : 5.M1437/TS1.1-H.B13/Sc/16022017-ISPO

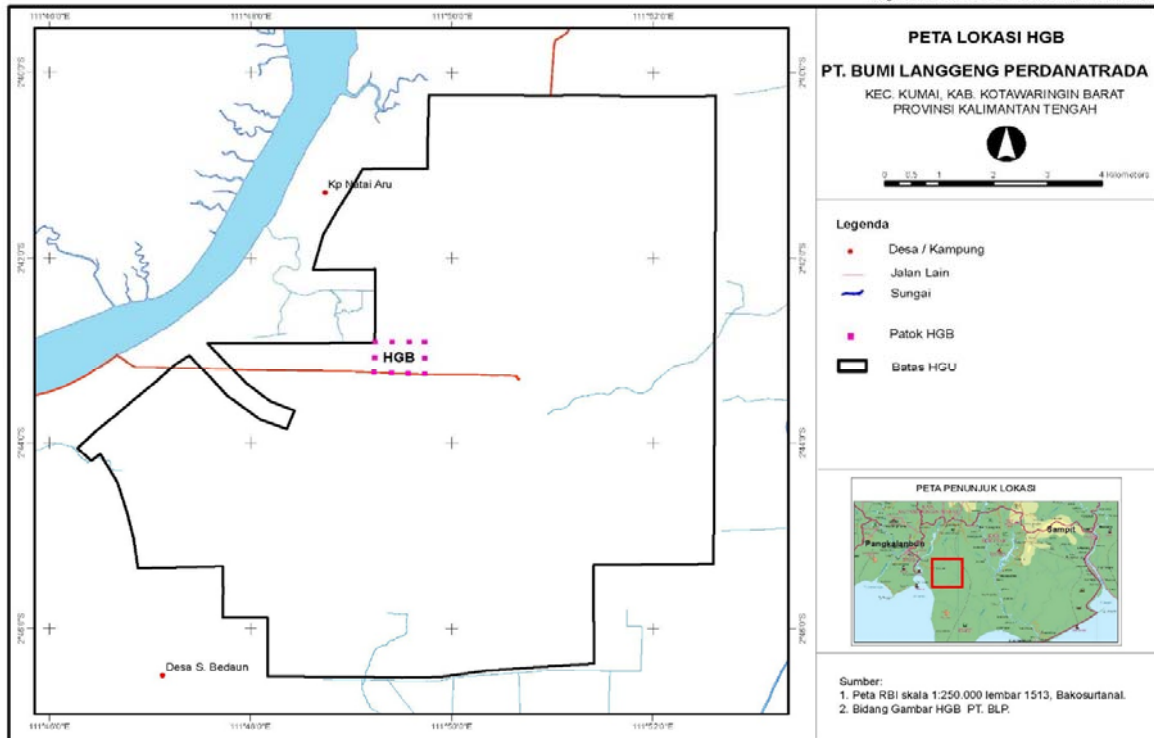
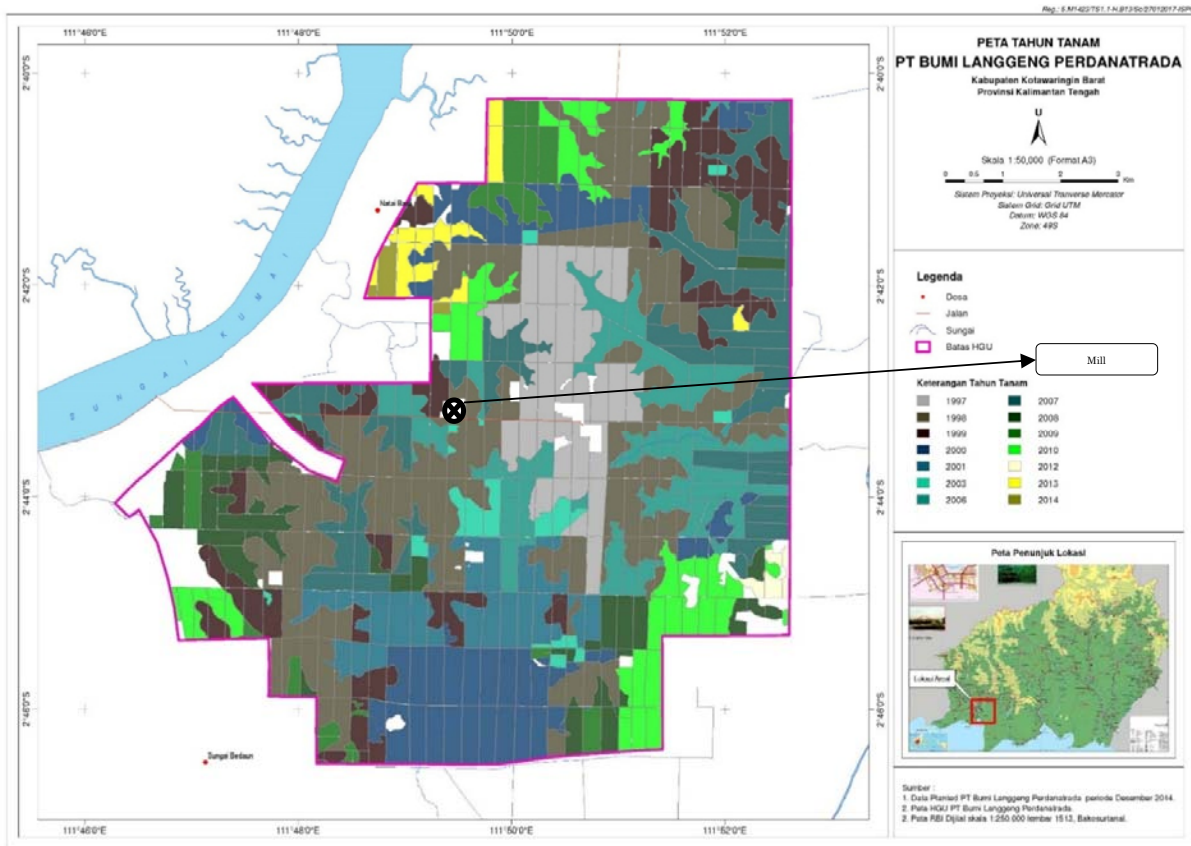


Figure 2. Operational Map of PT Eagle High Plantation.



**Abbreviations Used**

BLP	:	Bumilanggeng Perdanatrada
BMP	:	Best Management Practices
BOD	:	Biological Oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jasa Sosial</i>
BRME	:	<i>Bromo Estate</i>
CEO	:	Chief Executive Officer
CH	:	Cerificat Holder
COO	:	Chief Operating Officer
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
GAP	:	Good Agricultural Practice
GHG	:	Green House Gases
HCCS	:	Human Capital Corporate Service
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
P & L	:	Permit & License
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personel Protective Equipment
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> OHS Committee
R & D	:	Research & Development
RKL- RPL	:	Environment 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"><li>Principles and Criteria for the Production of Sustainable Palm Oil 2018, endorsed by the RSPO Board of Governors and adopted at the 15<sup>th</sup> Annual General Assembly by RSPO Member on 15 November 2018.</li><li>RSPO Certification System for Principles and Criteria, 14 June 2017</li></ul>	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT Eagle High Plantations, Tbk.	
1.2.2	Contact person	IB Gede Astawa	
1.2.3	Organisation address and site address	<b>RSPO registered company:</b> Noble House, 11th floor Jl. DR. Ide Anak Agung Gede Agung Kav. E 4.2 No. 2 Kawasan Mega Kuningan, Jakarta 12950 – Indonesia.	
1.2.4	Telephone	(+62) 21-29783093	
1.2.5	Fax	(+62) 21-29783082	
1.2.6	E-mail	<a href="mailto:gede.astawa@eaglehighplantations.com">gede.astawa@eaglehighplantations.com</a>	
1.2.7	Web page address	<a href="http://www.eaglehighplantations.com/">http://www.eaglehighplantations.com/</a>	
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"><li>EHP Mill – PT Eagle High Plantations</li><li>Arjuna Estate, Semeru Estate, Bromo Estate – PT Bumilanggeng Perdanatrada</li></ul>	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			LatitudeLongitude
	EHP Mill	Sungai Bedaun Village, Kumai Sub District, Kotawaringin Barat District, Kalimantan Tengah Province, Indonesia	S 02°42'30"E 111° 49' 20"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			LatitudeLongitude
	Arjuna	Sungai Bedaun Village, , Kumai Sub District, Kotawaringin Barat District, Kalimantan Tengah Province, Indonesia	S 02°40'15"E 111°47'20"
	Semeru	Sungai Bedaun Village, , Kumai Sub District, Kotawaringin Barat District, Kalimantan Tengah	S 02°43'15"E 111°46'15"

		Province, Indonesia				
	Bromo	Sungai Bedaun Village, , Kumai Sub District, Kotawaringin Barat District, Kalimantan Tengah Province, Indonesia	S 02°44' 50"	E 111°46'45"		
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	
	2011	-	-	-	-	
	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		



1.6.3	Planting Cycle			1 <sup>st</sup> Cycle			
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO			
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	EHP	60	191,338.35	42,483.01	22.20	7,608.96	3.98
*Production data source from March 2019 to February 2020							
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	51,917.44	16.05	51,917.44	100
	Semeru	3,058.02	2,955.49	47,990.66	16.24	47,990.66	100
	Bromo	2,143.32	2,071.27	33,644.96	16.24	33,644.96	100
	TOTAL	8,711.54	8,262.48	133,553.06	16.16	133,553.06	100
*Production data source from March 2019 to February 2020							
1.7.3	FFB description from other source						
	Name of sources/ Organisation	Type of Organisation	number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	Arjuna Cadastral/PT BLP (non-certified)	PT Bumilanggeng Perdanatrada	-	216	2,720.40		
	Semeru Cadastral/PT BLP (non-certified)	PT Bumilanggeng Perdanatrada	-	68	861.17		
	Bromo Cadastral/PT BLP (non-certified)	PT Bumilanggeng Perdanatrada	-	300	2,071.38		
	Arjuna (sanction)/PT BLP (RSPO certified)	PT Bumilanggeng Perdanatrada	-	321.64	4,828.65		
	Semeru (sanction)/PT BLP (RSPO certified)	PT Bumilanggeng Perdanatrada	-	119.46	1,371.25		
	Bromo (sanction)/PT BLP (RSPO certified)	PT Bumilanggeng Perdanatrada	-	288.64	8,334.08		
	Bromo Plasma/PT BLP (non- certified)	Associate Smallholder	1,434	1,850.68	26,474.01		
Arjuna Plasma/PT BLP (non-	Associate Smallholder	399	384.41	2,362.78			

	certified)							
	H. Salman/Kumai Raya Cooperative (non-certified)	Independent Supplier	-	-	1,180.98			
	Ponadin (non-certified)	Independent Supplier	-	-	3,362.40			
	Edi Efendi (non-certified)	Independent Supplier	-	-	3,182.77			
	CV Hosana (non-certified)	Independent Supplier	-	-	1,035.41			
	TOTAL				57,785.28			
	*Production data source from March 2019 to February 2020							
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 (10 May 2019 to 9 March 2020) (MT)				
	FFB Processed	163,454		96,991.70				
	CPO Production	38,444		21,706.75				
	Palm Kernel (PK) Production	7,094		3,908.00				
1.8.2	Product selling							
	Type of selling product	Actual selling product for last year (10 May 2019 to 9 March 2020) (MT)						
	CSPO sold as RSPO certified product	14,300						
	CSPK sold as RSPO certified product	1,650						
	CSPO sold under other scheme	0						
	CSPK sold under other scheme	0						
	CSPO sold as conventional	2,648						
	CSPK sold as conventional	1,551						
1.8.3	Estimate of Certified FFB Claim							
	Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Arjuna	3,510.20	3,235.72	54,513	16.85			
	Semeru	3,058.02	2,955.49	50,390	17.05			
	Bromo	2,143.32	2,071.27	35,328	17.06			
	TOTAL	8,711.54	8,262.48	140,231	16.97			
	*Projected FFB production for Projected FFB production for 10 May 2020 to 09 May 2021 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		PK		Supply Chain Module
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	EHP	60	140,231	31,550	22.50	5,610	4.00	MB

*\*Projected CSPO and CSPK production for 10 May 2020 to 09 May 2021*

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 <i>Proper Hijau</i> from Ministry of Environmental and Forestry Period of 2018-2019			
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	Certified
			Semeru (BLP)	2019		
			Bromo (BLP)	2019		
			BLP cadastral	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 Tanah Bumbu, Kalimantan Selatan	-
		Merah Delima (STP)	2023		-
		Berlian (JMS)	2023		-
		Kualam (JMS)	2023		-
		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	Kotabaru, Kalimantan Selatan	-
		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	Solok Selatan, Sumatera Barat	-
		SGSS	2023		-
		Batanghari (MSP)	2023		-
TBP is approve on December 2018.					
1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>				
	<p>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.</p> <p>There are HGU area which overlap with Conversion Forest Area, the historical permit application as follows:</p> <p>a. Kotawaringin Barat Regent Decree number 590/24/Agraria dated 10 March 2016 concerning recommendation of Conversion Forest Area Release Permit for PT BLP.</p> <p>b. Kalimantan Tengah Governor number 570/8/HUT/PKH/XI/DPMPTSP dated 21 October 2017 concerning Consideration of recommendation of Conversion Forest Area Release Permit for PT BLP.</p> <p>c. PT BLP Director Letter number 005/DIR/BLP/EKSTERN/XII/2017 dated 5 December 2017 to the <i>Direktorat Jenderal Planologi Kehutanan dan Tata Lingkungan</i> (Environment &amp; Forestry Minister) concerning request guidance for the continued of release of forest area permit.</p> <p>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.</p> <p>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.</p> <p>f. PT BLP Director Letter number 003/DIR/BLP/EKSTERN/XI/2018 dated 15 November 2018 to the <i>Direktorat Jenderal Planologi Kehutanan dan Tata Lingkungan</i> (Environment &amp; Forestry Minister) concerning Request letter regarding the forest area release status in PT BLP.</p>				

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>ASA-1</b>	<p><b>1. Leonada (Lead Auditor Witnessing).</b> Bachelor of Agriculture Department of Agriculture Cultivation, Faculty of Agriculture, Plant Breeding and Seed Technology Study Program, Bogor Agricultural University. Has more than five years' experience working as a plantation operational and sustainability staff in an Indonesian private oil palm plantation company. The trainings that have been attended include: Indonesian Sustainable Palm Oil (ISPO) Auditor Training, RSPO Lead Auditor, ISO 17021; 2011, ISO 17065; 2012, ISO 19011; 2011, ISO 9001 Lead Auditor; 2008, ISO 14001; 2005, Agronomy Management Program Management Training, analysis base solution for operations, Peat management training for palm oil, Integrated Plant Pest and Weed Disease (IPM) Training, Limited Pesticide Use Training (Compost), Pesticide and Fertilizer Waste Management Training, mediation training and conflict resolution, training for General K3 Expert, SMK3 Auditor and currently working for an independent certification body as an auditor. In this audit activity witnessing the lead auditor witnessed and the auditor witnessed.</p> <p><b>2. Satria Adi Putra (Lead Auditor Witnessed).</b> Indonesian Citizen, Diploma III majoring in Palm Oil Plantation. Have experience of work more than six years since 2009 as the operational staff of private oil palm plantations in Indonesia. Training have been followed including Occupational Health and Safety Expert, Orang Utan and Wildlife Management, ISPO Auditor Training, RSPO Awareness, IHT Potential Mapping and Conflict Resolution in Production Forests, OHSAS 18001, SA 8000, RSPO Lead Training, Lead Auditor Training for ISO 9001, ISO 14001, ISO 17021, ISO 17065, ISO 19011, ISO 22000 and ISCC Training. During the audit, he verified Legal Aspect, Social Aspect and Best Management Practices.</p> <p><b>3. Arif Faisal Simatupang (Auditor).</b> Bachelor of Agriculture, from Department of Agriculture Agronomy, Faculty of Agriculture, University of Gadjah Mada. He has successfully completed an RSPO endorsed P&amp;C Lead Auditor Training, RSPO SCCS endorsed Lead Auditor Training, Indonesian Sustainable Palm Oil (ISPO) Lead Auditor Training, Management System Certification ISO 9001-2008 Lead Auditor Training, Environmental Management System ISO 14001 Lead Auditor Training, ISO 17021 and ISO 17065 Awareness Training, Management of High Conservation Value (HCV) Training, Social Accountability SA 8000 Training. He has four years of working experience as a Field Assistant on oil palm plantation company in Indonesia. Since 2014, he works as an auditor of RSPO and ISPO in the aspects of legal, social, best management practices of mill and estate, OHS, employment, and environmental. In this audit, he was assessing the aspects of best management practices of agronomy and processing. During this assessment has verified Supply Chain</p> <p><b>4. Radytio Puspanjana (Auditor).</b> Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training which was held by National GMT, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospatial Information System, IHT High Conservation Value, IHT Environmental Impact Assessment, IHT Green House Gas and RSPO Lead Auditor Course by Checkmark Training. Since 2015 has been following many audit as auditor base on Best Management Practice and Environment. In this audit he is responsible for assessing the aspects of Environmental, HCV and GHG.</p> <p><b>5. Yudhi Yuniarto Tallutondok (Auditor).</b> Indonesian citizen, Bachelor of Fisheries, Padjadjaran University. Have experience of working over three years since 2013 as plantation operations staff in private palm oil plantation companies in Indonesia. Training have been followed including Auditor of Indonesian Sustainable Palm Oil (ISPO), Lead Auditor of Roundtable on Sustainable Palm Oil (RSPO) P&amp;C, Lead Auditor of ISO 9001:2015, ISO 14001:2015, ISO 22000:2009, ISO 19011:2011, Social Accountability 8000, Basic Management Development Program Agronomy, Fire Anticipation on Land and Forest, Potential Mapping and Conflict Resolution in Production Forests, Awareness ISO 17021 and ISO 17065. Has participated in audit activities for the ISPO and RSPO scheme since 2017 for agronomy, OHS, labor, social and legality aspects. In this audit activity performs transparencies, long-term business plan, worker welfare and OHS.</p> <p><b>6. Andriobiko (Observer).</b> Associate Expert in Oil Palm Plantations. Experienced in several national private oil palm plantation companies as Operational Staff in 2008-2019. Has attended ISPO Auditor training.</p>
<b>2.2</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>

<b>ASA-1</b>	Number of auditors : 4 auditor Number of days for <b>ASA-1</b> at site : 5 days Number of working days for <b>ASA-1</b> at site: 20 Working days.
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA-1</b>	<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 <b>Principles and Criteria for the Production of Sustainable Palm Oil 2018, endorsed by the RSPO Board of Governors and adopted at the 15<sup>th</sup> Annual General Assembly by RSPO Member on 15 November 2018 and RSPO Certification System for Principles and Criteria, 14 June 2017.</b></p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of <b>ASA-1</b>.</p> <p>The assessment program please find Appendix 2.</p>
<b>2.2.3</b>	<b>Locations of Assessment</b>
<b>ASA-1</b>	<p><b>EHP POM</b></p> <ul style="list-style-type: none"> <li>- <b>WTP.</b> Observation related management of process and domestic water.</li> <li>- <b>Schedule waste storage.</b> Observations related the process of temporary storage before being sent to the third party, building condition, emergency response equipment, symbol and label of hazardous waste.</li> <li>- <b>Workshop.</b> Observation and interviews with employees related to management of hazardous waste and hazardous material, training, provision of PPE, training, emergency response facilities.</li> <li>- <b>Chemical storage.</b> Observation and interview on environmental aspect, OHS implementation, management of chemical and understanding of working procedure.</li> <li>- <b>Oil storage.</b> Observation related management of oil.</li> <li>- <b>Hydrant.</b> Observation on OHS condition and it management.</li> <li>- <b>Security Post.</b> Observation and interview related FFB receipt, training and labor aspect.</li> <li>- <b>Weighbridge.</b> Observation and interview related SCCS implementation and employment.</li> <li>- <b>Grading Station.</b> Observations and interviews related to criteria for EFB grading, wages, sampling techniques, and PPE.</li> <li>- <b>Engine room.</b> Observations and interviews related to medical check-up, PPE, and operator understanding of emergencies</li> <li>- <b>Boiler.</b> Observations and interviews related to OHS, understanding of emergency response, and operator licenses</li> <li>- <b>Sterilizer.</b> Observations and interviews related to the duties and responsibilities of daily work</li> <li>- <b>Press Station.</b> Observations and interviews related to medical check-up, PPE feasibility, and operator responsibility</li> <li>- <b>Mill Drainage.</b> Observations mill effluent lines, sanitation mill and flow of leaching mill.</li> <li>- <b>WWTP.</b> Observation on WWTP, indication of waste overflow, OHS implementation, and interview with worker about worker welfare, OHS, and company's policies.</li> <li>- <b>WTP.</b> Observations and interviews related to water management, recording of water use, health checks, PPE and waste management.</li> <li>- <b>Reservoir.</b> Field observation of management water source for FFB process.</li> </ul> <p><b>Arjuna Estate</b></p> <ul style="list-style-type: none"> <li>- <b>Chemical storage.</b> Observation and interviews related to chemical and pesticide storage area, hazardous waste management, employment, and implementation OHS.</li> <li>- <b>Fertilizer storage.</b> Observation and interviews related to waste management and implementation OHS.</li> <li>- <b>Schedule waste storage.</b> Observations related the process of temporary storage before being sent to the third party, building condition, emergency response equipment, symbol and label of hazardous waste.</li> </ul>



- **Clinic.** Observation and interview with paramedic about first aid mechanism, medical waste management and work accident record monitoring.
  - **Workshop.** Observation and interviews related to the competence of workers, implementation OHS (including medical check up), employment, waste management and complaint mechanism.
  - **Fire Fighter Warehouse.** To observe completeness and readiness of fire fighter equipment.
  - **Fuel Storage.** Observation related to implementation of OHS
  - **Daycare.** Observation and interviews related to employee welfare facilities, employment and domestic waste management.
  - **Block Spraying System (BSS) House.** Observation the conditions of chemical mixing area, PPE warehouse and PPE handling.
  - **Material storage.** Observation related material storage including PPE.
  - **Housing complex (div 3).** Observation of the availability of infrastructure such as employee housing facilities, water facilities, educational facilities, religious facilities, health facilities and sports facilities
  - **Harvesting activity, Block EA, Division 4,** Observation and interviews with foremen and workers related to work procedures, health insurance and labor protection, safe working practices and use of PPE.
  - **Circle and Path Spraying , Block 46, Division 4.** Interviews and Observations with pesticide applicators related work safely for themselves and the environment.
  - **Aplication EFB, Blok F40, Division 3.** Interviews and observations regarding work procedures and OHS awareness
  - **Nest Box Block F41 Division 4** Observation about the application results
  - **Manual Up Keep Blok B43, Division 1.** Interviews and Observations with pesticide applicators related work safely for themselves and the environment.
  - **Subsidence** Blok CB Division 1. Subsidence Pole. Observation and interview on how to measure the peat subsidence
  - **Water Gate. Blok FE, Division 4..** Peat Management. Observations and interviews about peat management, especially observations of water levels and piezometers
  - **Transport,** Blok D0038 Division 3, Observation and interviews with foremen and workers related to work procedures, health insurance and labor protection, safe working practices and use of PPE.
  - **Boundaries Stones No 00, 100 and 93.** Observation of aspect of land demarcation and maintenance of HGU pole, and land dispute potency.
  - **HCV Sungai Seluang River Riparian Area, Block FH1, Division 4.** Observation the implementation of management in HCV of riparian area.
  - **Water Intake Block F38, Division 3.** Observation related water management and facilities.
  - **HCV Worship Place.** Observation the implementation of management in HCV of Worship Place.
- Bromo Estate**
- **Boundaries Stones No 65 and 02.** Observation of aspect of land demarcation and maintenance of HGU pole, and land dispute potency.
  - **HCV Sungai Bakung River Riparian Area, Block L30/31.** Observation the implementation of management in HCV of riparian area.
  - **HCV Tunggul Keramat, Block J37.** Observation the implementation of management in HCV of worship place.
  - **Harvesting activity, Block J23, Division 3,** Observation and interviews with foremen and workers related to work procedures, health insurance and labor protection, safe working practices and use of PPE.
  - **Circle and Path Spraying , Block K23, Division 3.** Interviews and Observations with pesticide applicators related work safely for themselves and the environment.
  - **Manual Up Keep Blok K24, Division 3.** Interviews and Observations with pesticide applicators related work safely for themselves and the environment.
  - **Subsidence** Blok K23 Division 3. Subsidence Pole. Observation and interview on how to measure the peat subsidence
  - **Water Gate. Blok L30, Division 2..** Peat Management. Observations and interviews about peat management, especially observations of water levels and piezometers
  - **Housing complex.** Observation and interview regarding to feasibility of facilities, complain mechanism, waste management, clean water and access to basic needs.
  - **Generator engine room & water pump reservoir.** Observation for OHS and worker welfare



	<ul style="list-style-type: none"> <li>- <b>Landfill block L 26 division 3.</b> Observation and interview related to waste management.</li> <li>- <b>Daycare facility.</b> Interview related to worker welfare, complain mechanism, and feasibility of facilities.</li> <li>- <b>Fertilizer warehouse.</b> Observations and interview related to the condition of fertilizer warehouse</li> <li>- <b>Fuel Tank.</b> Observation of OHS, environment aspect, emergency response and fire facilities.</li> <li>- <b>Pesticides applicator Washing/rinse house.</b> Observation for pesticides applicator OHS hazardous waste management.</li> </ul> <p><b>Semeru Estate</b></p> <ul style="list-style-type: none"> <li>- <b>Security Post.</b> Observation and interview related FFB receiving and inspection.</li> <li>- <b>BSS.</b> Observation related safety aspect, worker welfare, emergency preparedness, MSDS and procedure.</li> <li>- <b>Chemical storage.</b> Observation and interviews related to chemical and pesticide storage area, hazardous waste management, employment, and implementation OHS.</li> <li>- <b>Fertilizer storage.</b> Observation and interviews related to waste management and implementation OHS.</li> <li>- <b>Fuel Storage.</b> Observation related to implementation of OHS</li> <li>- <b>Material storage.</b> Observation related material storage including PPE.</li> <li>- <b>Daycare.</b> Observation and interviews related to employee welfare facilities, employment and domestic waste management.</li> <li>- <b>Housing complex.</b> Observation of the availability of infrastructure such as employee housing facilities, water facilities, educational facilities, religious facilities, health facilities and sports facilities</li> <li>- <b>Harvesting activity, Block G51,</b> Observation and interviews with foremen and workers related to work procedures, health insurance and labor protection, safe working practices and use of PPE.</li> <li>- <b>Circle and Path Spraying , Block GA.</b> Interviews and Observations with pesticide applicators related work safely for themselves and the environment.</li> <li>- <b>Manual Up Keep Blok H48.</b> Interviews and Observations with pesticide applicators related work safely for themselves and the environment.</li> <li>- <b>Subsidence BlokGC Division 1.</b> Subsidence Pole. Observation and interview on how to measure the peat subsidence</li> <li>- <b>Water Gate. Blok GD, Division 1..</b> Peat Management. Observations and interviews about peat management, especially observations of water levels and piezometers.</li> <li>- <b>Reservoir.</b> Field observation of management water source for consumption.</li> <li>- <b>Landfill block I 29 division 3.</b> Observation and interview related to waste management.</li> <li>- <b>Generator engine room.</b> Observation for OHS and worker welfare</li> </ul> <p><b>Consulted Stakeholder</b></p> <ul style="list-style-type: none"> <li>- Village Official of Sungai Bedaun</li> <li>- Worker Union of PT EHP</li> <li>- Gender Committee of PT EHP</li> <li>- Environmental Agency, Land Agency and Plantation Agency of Kotawaringin Barat Regency.</li> <li>- Local Contractor of EFB &amp; FFB Transportation (on behalf of personal)</li> </ul>
<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA-1</b>	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for <i>PT Eagle High Plantation</i> was held by:</p> <ol style="list-style-type: none"> <li>1. Public Notification on PT Mutuagung Website on February 28<sup>nd</sup>, 2020.</li> <li>2. Consultation with NGO (Walhi, Sawit Watch, AMAN &amp; IARI) via email on March 09<sup>st</sup>, 2020.</li> <li>3. Public consultation with government institutions of Kotawaringin Barat Regency (National Land Agency or BPN, Agriculture Agency, Manpower Agency, Environment Agency) March 16<sup>st</sup>, 2020.</li> <li>4. Public consultation meeting with locals of the nearby Village (Kumai Hulu &amp; Sungai Bedaun Village) March 17<sup>st</sup>, 2020</li> </ol>

	5. Consultation meeting and interview with internal stakeholder such as labor union, gender committee & local contractor on March 17 <sup>st</sup> , 2020.  Numbers of input from stakeholders were clarified by PT Eagle High Plantation tbk.
<b>2.3.2</b>	<b>Stakeholder contacted</b>
<b>ASA-1</b>	<i>Please find appendix 1</i>
<b>2.4</b>	<b>Determining Next Assessment</b>
<b>ASA-1</b>	The next visit <b>ASA-2</b> 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 Plantation tbk operation consisting of one (1) mill and three (3) oil palm estates.

During the assessment, there were two (2) Nonconformities were assigned against Major Compliance Indicators two (2) nonconformities were assigned against Minor Compliance Indicators and seven (7) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditors in form of documentation evidences e.g. (*document record/photographic/etc...*). Those corrective actions taken that consist nonconformity 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 *Principles and Criteria for the Production of Sustainable Palm Oil 2018, endorsed by the RSPO Board of Governors and adopted at the 15<sup>th</sup> Annual General Assembly by RSPO Member on 15 November 2018 and RSPO Certification System for Principles and Criteria, 14 June 2017.*

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY</b>		
<b>1.1</b>	<b>The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>	
<b>1.1.1;1.1.2;1.1.5</b>	<p>The company has the SOP-OTH-F3-020 procedure regarding requests and the provision of information on January 10, 2019. The procedure explains that every request for information must be responded to by the company within 7 working days after the company receives the request letter from the applicant. the procedure also describes documents that can be widely accessed including: AMDAL documents, company annual reports, company policies, monthly plantation &amp; mill production reports; plantation and mill operational area along with maps, river maps, company organizational structure, HCV Report &amp; Management Plan; SIA report; magazines, tribune or company bulletins, Monitoring plantation statistics, company employee data, data on the use of foreign workers and procedures of all departments.</p> <p>The results of interviews with stakeholders, it is known that they are quite easy in accessing information. Information that can be accessed is available in Indonesian language, how to submit an application can be oral, email, fax, telephone and direct visit to the office.</p> <p>The parties responsible for providing or updating information are Area Managers, Regional Head, Estate Manager, Public Relation, sustainability team.</p> <p>In addition to the list of documents that can be accessed by the public, the Unit of Certification also has a list of stakeholder contacts who deal directly with the Unit of Certification. The list that informs the name of the institution / agency, the name of the contact person, position, mobile number, and address. The list of stakeholders consists of indigenous peoples and community leaders, institutions (officials) and related institutions, relevant government agencies.</p>	
<b>1.1.3</b>		

The company has the SOP-OTH-F3-020 procedure regarding requests and the provision of information on January 10, 2019. The procedure explains that every request for information must be responded to by the company within 7 working days after the company receives the request letter from the applicant. Records of requests for information are recorded in the incoming and outgoing mail book and their responses. Based on the study of logbook documents incoming and outgoing letters in 2020 there were no incoming letters related to requests for information but incoming letters were more to requests for assistance and sending student interns. In its implementation, the company has recorded every incoming letter and its response along with the date in the company logbook. The company showed a response from the incoming letter sample sending the name of Pangkalan Bun SMK- 2 students on February 4, 2020 with No. Letter 421.2 / 004/14 / SMKN-4 / P.Bun / I / 2020 and has been responded to 04 February 2020 with No. Letter 006 / DPC Central Kalimantan-1 Eststern / 11/2020

**1.1.4**

The company has the SOP-OTH-F6-001 procedure regarding external communication on March 5, 2020. the procedure explains that the corporate secretary is responsible for providing information to strategic partners, potential strategic partners, stakeholders, business partners, and shareholders.

Interviews with the District Government Agency, Labor Unions, Village Representatives around, it is known that they understand how to communicate and consult with the company as well as the PIC who is responsible for communicating and consulting.

<b>Status: Comply</b>
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**1.2**

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

**1.2.1;1.2.2**

The company shows the code of ethics in 2018 which was approved by the Chief Executive Officer (October 23, 2017) and effective on December 6, 2017. The company's goal is to commit to implementing high ethical standards for the Board of Commissioners, Directors & Management, Employees, Customers, Suppliers ; Consumer; Governments & Communities in the environment in which the EHP Group operates and understand important principles in conducting business are used as guidelines in maintaining and building the EHP Group's reputation as a business partner, employer, supplier and part of a responsible and trustworthy corporation. Policies submitted include; Compliance with laws, regulations and company policies; reasonable business conduct & relations ethics; conflict of interest; health, safety & environment; company property & assets; job performance; Human rights and political activities. Implementation of a code of ethics such as a violation of the code of ethics; reporting violations; statement of compliance & communication & consultation.

The company has socialized the code of ethics policy on February 17, 2020 located at EHP POM followed by 89 employees and on March 03, 2020 located in Semeru Estate Division 2 followed by 18 employees. Material presented such as ethical business conduct & reasonable relationships, conflicts of interest, property & company assets; company performance, human rights, political activities & code of conduct implementation. As well as EHP sustainability policies such as social & economic responsibility, environmental management and value chains. The company also presented proof of code of ethics policy socialization to the contractor on March 4, 2020, which was followed by 11 contractors.

The company has a system for monitoring compliance and implementation of the policy, as well as overall ethical business practices. The company has the results of a balance sheet audit conducted by public accountant Satrio Bing Eny & Partners for the year ended December 31, 2018. The report issued on April 26, 2019 in his opinion states in all material respects, the financial position of PT Bumilanggeng Perdanatrada on December 31, 2018 , and financial performance and cash flow for the year ended on that date in accordance with financial accounting standards in Indonesia

<b>Status: Comply</b>
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**PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS**
**2.1**

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

**2.1.1 and 2.1.2**

The list of law or regulations is explained in the regulatory list document (law register) which already update on January 2020. Law registers are available in soft and hard copy. The company can demonstrate compliance with these law and regulations, for example: have HGU, have environmental documents, conduct factory wastewater testing, conduct river

water quality testing, conduct groundwater quality testing, conduct air quality testing, perform noise and noise testing, pay employee wages, pay employee overtime, etc.

Based on interviews with relevant institutions in Kotawaringin Barat Regency (Plantation Agency, Manpower and Transmigration Agency, Environment Agency and National Land Agency), it is noted that the management unit has complied with the regulations related to the estate, mill, land legality, employment and the environment.

PT BLP already has a temporary storage permit for hazardous waste in accordance with the Decree of the District Head of Kotawaringin Barat Number. 660/23 / BLH-IV / TPS / IX / 2014 dated 5 September 2014 which is valid for 5 years (5 September 2019). In the seventh decision, it is explained that the application for extension will be submitted 2 months prior to the validity period of the permit.

Receipt file registration Number. 051 March 12, 2020 from the Office of Permit Services Kotawaringin Barat regency related to submitting a request for a new permit / extension of PT BLP's temporary hazardous waste storage permit. The company have Opportunity for Improvement for progress waste storage permit PT BLP (OFI Number 1).

#### **OHS and Employment**

- Presidential Regulation No. 7 of 2019 concerning Occupational Diseases.
- Government Regulation Number 88 Year 2019 regarding Occupational Health.
- Central Kalimantan Governor Decree number 188.44 / 546/2019 regarding regency / city minimum wages in Central Kalimantan Province on November 21, 2019. In this decision it was stated that the minimum wage for West Kotawaringin Regency with a value of Rp 3,047,533. The decree explained that the decision took effect on January 1, 2020

#### **Best Management Practice Aspect**

In terms of best management practices, it is known that plantation and mill management has implemented several compliances with Indonesian laws and regulations, for example not using the burning method in the land clearing process, trees planted are from seed producers (DxP) which are recognized by the Indonesian government. Each unit of the Unit of Certification has implemented integrated pest management, biological control and only uses pesticides that are listed on the pesticide government website.

The CH has carried out operational internal audit conducted at Arjuna Estate on April 22-30, 2019. The purpose of the inspection is the realization of financial administration activities, plantation operations and cost responsibility for the period April 2018 to March 2019.

The CH has the opportunity to ensure the process of licensing the extension of heavy equipment operators and OSH experts. Beside that, company has the opportunity to gradually process the appointment of day-to-day workers. OFI.

#### **2.1.3**

The company has a 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 2019. 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 Arjuna Estate on Division 2, at Block A33 poles number 00 and field observation to Bromo Estate, on Division 3, at Block J17. It was sighted that each poles well maintenance and demarcated, and also each poles in accordance to GPS coordinate.

**Status: Comply**

#### **2.2**

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

#### **2.2.1; 2.2.2**

The CH already has a Contractor Control / Outsourcing mechanism which has included the clauses requested in the RSPO Certification System (approved by the RSPO Executive Board 26 June 2017). The CH shows the proof of contractor employee insurance payment as follows:

1. The CH shows proof of CV Sinar Abadi employment insurance payment for the February 2020 period paid on March 10, 2020.
2. The CH shows proof of UD Manyam Raya employment insurance payment for the period of February 2020 paid on 7 February 2020.

Based on the above it is known that the company has owned and implemented a good mechanism to ensure that all contractor workers have been protected by work accident insurance.

### 2.2.3

EHP POM has imposed provisions that must be applied by contractors as contained in the Internal Memo (No. 010 / BLP / IM-AM / Ist / III / 2019 dated 13 March 2019) which has been socialized, these provisions include:

- The cooperation is bound by a work agreement
- PT EHP must ensure that socialization was carried out related regulatory requirements such as labor, OHS, Environment, Legal, including field inspections and audits related to the implementation of RSPO prerequisites can be carried out.

In addition, in agreements with contractors, as in Work Order No 6001/PT BLP-ARJE/Tunas Pokok/II/2019 in articles 8 and 9 it is explained that the contractor must meet the applicable regulations in Indonesia but not limited to labor regulations and environmental aspects.

Beside that, based on contract agreement document (FFB Supply), it is know that the company has a clauses related disallowing child, forced and trafficked labour. Including the contractor must meet the applicable regulations in Indonesia but not limited to labor regulations and environmental aspects.

**Status: Comply**

## 2.3

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

### 2.3.1; 2.3.2

Records of the origins of all third-party FFB sourced are available on computerized system at EHP POM. Implementation of traceability FFB sources started from an SOP for third party suppliers are available on 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, Johanes, BSSL, and CV Baja. Based on field observation at loading ramp and interview with grading officer, sighted that outside FFB's were graded tighter.

The unit of certification can presented FFB from smallholders are from legal source, for Instance FFB such as Ponadin with information on geo location of FFB origins 02°47'19.0" S and 111°47'28.1" E.

In addition, the company has shown proof of land ownership for its suppliers. The details include the name of the land owner, address of the land owner, plot of land (Persil), area, year of ownership and register number.

**Status: Comply**

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

### 3.1

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

#### 3.1.1

The certification unit has a work plan and budget projections for 2017-2021. The information in the document consists of routine operational activities such as land clearing, planting, maintenance and harvesting and mills (FFB, OER, KER, CPO & PKO Processed and FFA Processes); CSR programs, environmental programs; expenditure projections including budget plans for mill and plantation operations, supporting departments (social, environmental & conservation and others) and revenue projections; revenue (sales of FFB, CPO & PKO)

#### 3.1.2

Distribution of planting years contained in the company's operational area as stated in the statement area is between 1997



- 2014. In accordance with EHP Group's agronomic technical guidelines, it is known that the age of plants to be replanted is between 25-30 years according to plant height and productivity is less than 15 tons / ha / year. In accordance with the achievement of productivity and the distribution of the actual planting years, the management unit stated that replanting activities will be carried out in 2024.

### 3.1.3

The company routinely conducts management evaluations, including management evaluations conducted at the farm level and at the center. For evaluation at the central level, it is done once a year and for the Estate level it is done once a month. The last management evaluation was carried out on February 20, 2020 where the Meeting Room of the Arjuna Estate office was 17 participants. The results of the evaluation contained several notes, namely a focus on increasing production, a focus on cost control and cost savings, a focus on supervision and analysis of employee wages.

**Status: Comply**

## 3.2

**The unit of certification regularly monitors and reviews their economic, social and environmental performance and develops and implements action plans that allow demonstrable continuous improvement in key operations.**

### 3.2.1

#### Best Management Practice Aspect

The company has carried out operational internal audit activities in an effort to continuously monitor and improve. For example, an operational Internal Audit conducted at Arjuna Estate on April 22-30, 2019. The purpose of the inspection is the realization of financial administration activities, plantation operations and cost responsibility for the period April 2018 to March 2019.

#### Environmental Aspect

- Contribution in local economic development of plasma plantations and CSR
- The company on progress development a biogas plan.

### 3.2.2

as long as the RSPO template has not been created, this indicator cannot be applied.

**Status: Comply**

## 3.3

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

### 3.3.1

The Unit of Certification has an SOP Agronomy that explains the main processes such as harvesting, transportation, fertilizing, IPM, GAP, and supply chain requirements for the factory. Examples of SOP document numbers owned by a company are as follows:

#### 1. Agronomy SOP

- SOP-EHP-AGR Agronomy Preparation for Sprouts and Nurseries to harvest
- SOP-EHP-AGR Peat Area Water Management

#### 2. Mill SOP

- SOP-EHP-Mill-01 Reception of Fruits to processing
- SOP-EHP-Mill-10 Control of Incompatibility.
- IKA-Mill-01 Processing Palm Kernel
- 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

The procedure that is owned by the company has covered all the main activity processes from land clearing to the transportation of FFB and for Mill from receipt of fruit to despatch CPO. The procedure also includes aspects of occupational health and safety. available in each unit and written in Indonesian

### 3.3.2

The Unit of Certification has a system to ensure consistency in the implementation of its SOPs, such as the Checking or Inspection of Work Quality (Operational Audit of Mill and Plant), ISPO and RSPO Internal Audit which checks whether the procedures in the Unit of Certification have been implemented by the Unit of Certification and Financial Audits conducted

by external parties to ensure the use or costs used are in accordance with the rules set by the Unit of Certification Daily internal supervision is carried out by the level of supervision from the Foreman, Division Assistant, Assistant Head, to the Estate Manager. Operational audits are conducted once a month. An operational audit evaluates the operational and administrative operations of plantations and mills. RSPO internal audit is carried out every 6 months to evaluate the implementation of sustainability procedures in plantations and factories. Financial audits of public accountants are conducted once a year. Furthermore, management representatives (Assistant, Managers, and related Superiors) routinely visit inspectorates to control the implementation of procedures. For the contractors the Unit of Certification always monitors the performance of contractors, for example, the Unit of Certification EFB application contractor monitors the technical work, quality and quantity of results

All of the Unit of Certification operational activities are recorded in the form of Monthly Reports for plantations and factories. The operational activities report is a recap of daily activities. This report is a routine report prepared by the plantation and mill management unit and submitted to top management.

### 3.3.3

The company has carried out operational internal audit activities in an effort to continuously monitor and improve. For example, an operational Internal Audit conducted at Arjuna Estate on April 22-30, 2019. The purpose of the inspection is the realization of financial administration activities, plantation operations and cost responsibility for the period April 2018 to March 2019.

The results of field visits and interviews with harvesting supervisors show that they record all operational activities in the Daily Supervisory Report (LHM) and submit the report every day. The daily report explains the type of work, the number of workers, the use of materials, and individual employee achievements. Furthermore, all of the Unit of Certification operational activities are recorded in the form of a Monthly Report for oil palm plantations and mills (POM). The operational activities report is a recap of daily activities. The evaluation mechanism for all operational activities, both plantations and mills, is carried out by the manager. This report is a routine report prepared by the plantation and mill unit manager and submitted to top management.

The company also in carrying out its operational activities in collaboration with contractors, contractors always have a work contract as a basis for starting work within the scope of the company's operations. In the employment contract, it is explained about years of service, type of work, work costs, obligations and rights, and other information. The contractor provides facilities in the form of PPE for all workers while working within the scope of the company's operations. based on interviews company management representatives always monitor contractor compliance with procedures by conducting daily supervision in conjunction with other plantation operations. For example in the use of PPE for Contractors of FFB & EFB Transportation.

<b>Status: Comply</b>
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## 3.4

**A comprehensive Social and Environmental Impact Assessment (SEIA) is undertaken prior to new plantings or operations, and a social and environmental management and monitoring plan is implemented and regularly updated in ongoing operations.**

### 3.4.1

#### **Environmental document.**

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 22<sup>nd</sup>, 2016.

A letter from the Department of Agribusiness is available on July 28<sup>th</sup>, 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 31<sup>st</sup>, 1998 from the Central Analysis Commission on Environmental Impact of the Ministry of Forestry and Plantation.

#### **SIA**

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.

The SIA assessment compiled based on the aspirations of the community through in-depth interviews and Focus Discussion Group, villages sampled local community leaders, village officials, contractor's workers, smallholder, gender committee, and worker unions. The records of participatory in the form of attendance list has been involving the nearest community.

#### 3.4.2

The environmental management & monitoring plan is described in several documents UKL-UPL semester 2-year 2019, the management and monitoring of environmental impact that will be carried out by PT. EHP, which included management and monitoring of water quality, air quality, erosion rate, soil fertility, protected wildlife habitats, pest population, aquatic biota, public unrest and employment.

The company are consistently done the environmental management and monitoring as outlined in the Report of the Environmental Management and Monitoring per semester regularly.

Document review shown that 2<sup>nd</sup> semester 2019 testing result for Kumai river (up stream& down stream), Bakung river, Roko river, Seluang river no compliant with standard quality goverment regulations Number 82 year 2001 class II. The related to that the company has conducted an evaluation, explained that it was caused by community activities, soil conditions (peat) and jetty activities. The company has carried out management for river border areas such as prohibiting spraying pesticide on riparian and reducing erosion with planting cover crops. Especially for the downstream and upstream Kumai rivers, the river is also used by the public and the public as a speedboat track.

The SIA was conducted using the method of an in-depth interview, Focus Group Discussion (FGD) and questionnaire method by involving c on 7 January 2020, the evidence of SIA was documented such as attendance list and documentation photo.

Based on interview with Gender Committee, Worker Union of PT EHP, Village Official of Sungai Bedaun, Local Contractor of EFB & FFB Transportation known that SIA, as well as management and monitoring plan has been conducted in participatory manner with all affected Village with questioner method. All social impacts and issue had been identified and managed, among others in aspects of livelihood, health, land tenure, employment, education, economy, social, cultural and religious.

#### 3.4.3

Based on verification, UKL – UPL report semester 2-year 2019, The environment management & monitoring has implemented and is known no negative issue. The review environment management & monitoring regularly every 6 month.

The Evaluation for environmental monitoring/management plans has been developed in semester 1 the year 2019 and as the feedback of review, the company has included land fires monitoring and land applications, domestic waste monitoring parameters since the semester 2-year 2019 monitoring report.

The impact identified in SIA has been managed and monitored through SIA Management and Monitoring Plan. The plan describes monitoring indicator, monitoring method, PIC and frequency. Compiled based on the results of reviews of management plan on January 2018, which conducted in a participatory manner. In the SIA Management and Monitoring Plan, there are 9 social impacts to be monitored during 2018/2019 including the impacts to contractor's workers, smallholder and worker unions. Beside that, the company has engaged Trade Unions and Contractors with a review of the process of planning and management of social impact assessments in the end of 2019.

Based on interview with Sungai Bedaun Village known no negative issues raised during interviews with communities surround the plantation such as interviews with community leaders, gender committee, local contractors, and Village Official

of Sungai Bedaun.		
	<b>Status: Comply</b>	
<b>3.5</b>		
<b>A system for managing human resources is in place.</b>		
<b>3.5.1 and 3.5.2</b>		
<p>The CH has a Company Regulation for the 2018-2020 Period, which has been approved by the Indonesian Ministry of Manpower No. TAR.1677/PHIJSK-PK/PP/XII/2018 which was ratified on December 13, 2018. The Company Regulation document describes work relations, social security, leave, permits, Occupational Health and Safety, environment, order, to family planning and cooperative.</p> <p>The CH has a human resource system that has been implemented in operational activities including recruitment procedures with document number SOP/HC-OD/P/012, and career path procedures with document number SOP/HC-OD/P.011. In addition, the CH also has a pension and termination mechanism listed in company regulations.</p> <p>During the audit activity, the following information were obtained:</p> <ol style="list-style-type: none"> <li>1. The Company Regulation states that a daily worker can be carried out by the CH for certain types of work performed in accordance to Manpower Minister regulation, and also make standardizes for daily worker to be treated equally in the unit.</li> <li>2. Based on document verification sighted that there are 214 daily worker in Arjuna Estate.</li> <li>3. Based on document verification sighted that there are 204 daily worker in Bromo Estate.</li> <li>4. Based on document verification sighted that there are 167 daily worker in Semeru Estate.</li> <li>5. Based on document verification sighted that there are 9 daily worker in Mill.</li> <li>6. Daily Work Agreement Release ARJE employees on February 25, 2020. The document explains related to the validity period of the work agreement, Company Regulations, working hours, wages, work targets and dispute resolution (if any). The work agreement has been agreed by both parties and signed together</li> <li>7. Decree number 001/AM/BLP/I/2020 concerning the promotion of non staff employees with employees registration number 7122090884112170007. The employee previously served as a harvest foreman who was later promoted to first foreman on 2 January 2020.</li> </ol> <p>Based on interviews with estate and mill workers revealed that employees already knew and understood labour mechanism related because the CH has been socializing to employees regularly. Further explained that so far the CH has always been consistent in the application of labour mechanisms.</p>		
	<b>Status: Comply</b>	
<b>3.6</b>		
<b>An occupational health and safety (H&amp;S) plan is documented, effectively communicated and implemented.</b>		
<b>3.6.1</b>		
<p>The CH has showed the document of Hazard Identification, Risk Assessment and Control (HIRAC) for the period of January-December 2020. The HIRAC has covers all working activities on the mill and estates. The analysis has covers risk hazard identification, sources of hazard risk, frequency (routine, non-routine, emergency), potential risk identification (sources and impacts), control management, risk analysis of severity level and value level. Based on interview with management representatives known that the compliance of product application requirements presented in MSDS and HIRAC document. For example, based on field observation towards pesticide applicator at Arjuna, Semeru and Bromo Estate, known that respirator used by applicators were in accordance with MSDS and HIRAC requirement.</p>		
<b>3.6.2</b>		
<p>The CH regularly (every month) holds an internal meeting of the OHS committee to discuss the implementation of OHS in the CH's operational areas as follows:</p> <ul style="list-style-type: none"> <li>• The EHP OHS Committee meeting for the February 2020 period was held on March 6, 2020. The discussion included the socialization of the use of PPE, the socialization of LOTO, the socialization of employee facilities and infrastructure, the checking and refilling of fire extinguisher, the repair of lights and the installation of sirens as signs of emergency danger in the schedule waste storage.</li> </ul>		

- The BLP OHS Committee meeting for the February 2020 period was held on March 5, 2020. The discussion included the distribution of PPE that did not cover all employees, and the storage of work tools in residential areas that had not been stored safely.

**Status: Comply**

### 3.7

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

#### 3.7.1 and 3.7.2

In order to retain and improve workers' skills and knowledge, the CH has developed a 2020 training program which is presented in the Training and Socialization Program document of 30 December 2019, prepared by HCCS senior assistants, unit managers and Area 1 managers. According to the program, the CH has 17 main training activities, which are divided into five parts, for example related to the process (technical), labor, health and safety, environment and general socialization.

The CH shows the employee training realization documents for 2019-2020 as follows:

- Training on land fire prevention which was carried out on 10 January 2020 at the Club House of PT EHP. The CH can show documentation, attendance lists, training materials and evaluations related to the training.
- Training on land fire prevention which was held on 6 February 2020 at the Club House of PT BLP. The CH can show documentation, attendance lists, training materials and evaluations related to the training.
- Training on land fire prevention conducted on December 7, 2019 at the factory office yard. The CH can show documentation, attendance lists, training materials and evaluations related to the training.

The CH has compiled training programs for contractor employees in the 2020 period as follows:

- Dissemination of OHS policies and procedures.
- Socializing the use of PPE and the risks of not using PPE.
- HIRAC socialization.

The CH has well documented training records in the "Training Program and Realization" document compiled by the HCCS Senior Assistant. From this document it is known that for 2020, the CH has 17 main training activities, which are divided into five parts, for example related to the process (technical), labour, health and safety, environment and general socialization. Based on interview with local contractor (FFB and EFB), it is known that the company has provided training, among others, regarding the delivery and provision of information, regulatory compliance, conservation areas and so on.

#### 3.7.3

Based on document verification, it is known that the company has recorded SCCS training such as on March 04, 2020 for Harvester, Harvesting Supervisor, Checker, Weighbridge Clerk and Production Clerk. The training material description has referred to the SCCS SOP.

**Status: Comply**

### 3.8

**Supply Chain Requirements for Mills**

#### 3.8.1; 3.8.2

EHP POM applied SCCS Module MB since it received and processed the FFB from certified and uncertified sources, verification is done through field observation and interview to security and weigh-bridge operator as well as management representative. The mill claim only the volume of oil palm products produced from certified FFB as MB.

Sighted the FFB supplier list of EHP POM between March 2019 to February 2020, in the following table:

Supplier	Unit/Code	Certified	Uncert
PT BLP (its own estate, scope of certification)	Arjuna Estate	✓	
	Bromo Estate	✓	
	Semeru Estate	✓	
PT BLP (out of scope – Plasma & Cadastral)	Bromo Plasma		✓
	Arjuna Plasma		✓
	Arjuna - Cadastral		✓

	Semeru – Cadastral		✓
	Bromo – Cadastral		✓
Kumai Raya Cooperation	Kumai Raya Cooperation		✓
CV Hosana	CV Hosana		✓
Independent Supplier	Ponadin		✓
	Edi Efendi		✓

### 3.8.3

The Organization has estimated the amount of tonnage from FFB, CSPO & CSPK produced during the 12 months for the period March 2019 - February 2020 with details:

Item	License volume (Tonnes) May 10 <sup>th</sup> , 2019 – May 9 <sup>th</sup> 2020.	Actual production (March 10 <sup>th</sup> , 2019 – March 9 <sup>th</sup> , 2020)	Estimate Production 12 months (MT) May 10 <sup>th</sup> 2020 – May 09 <sup>th</sup> 2021
FFB	163,454	96,991.70	140,230.72
CPO	38,444	21,706.75	31,550
PK	7,094	3,908.00	5,610

### 3.8.4

EHP POM has been registered and met the requirements of reporting supply chain through the RSPO supply chain managing organization (palm-trace), which describing below:

Sub License ID	CB86067
Member Name	PT Eagle High Plantations Tbk
Member ID	RSPO_PO1000004234
RSPO Membership Number	1-0048-08-000-00 (PT. Eagle High Plantations Tbk)
Issued On	26/05/2019
Issued By	PT Mutuagung Lestari
Start Date	10-05-2019
End Date	09-05-2020
Group Size	0
Total Certified Area (Ha)	8711.54

### 3.8.5

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.

3.1. Certified FFB's handling on Estate

3.2. Certified FFB's handling on Mill

3.3. CSPO & CSPK handling

3.3.1 CSPO & CSPK Monitoring stocks

3.3.2 CSPO Delivery

3.3.3 CSPK Delivery

3.3.4 Recording & Reporting

3.3.5 CSPO & CSPK Non-conforming handling

3.3.6 RSPO IT Platform/Palm Trace

3.3.7 Traceability

3.3.8 Market Communication & Claim

3.4 Farmer/Supplier Assistance and Empowerment Program

- 3.5 FFB Supplier Evaluation
4. RSPO SCCS Internal Audit
5. Management Review
6. Training and Refreshment
7. Changes in RSPO SCCS Work Instructions

Based on observation and interview to the PIC in specific activities (i.e security/receiving FFB, weighbridge, and mass balance data PIC), they have been provide SCCS training and able to demonstrate awareness of the procedures related SCCS implementation.

### 3.8.6

Internal Audit of SCCS will be conducted annually, described in Work Instruction of Traceability of CPO, PK and PKO in MB Model (IKA/29/EHP-BLP/2019 dated 27 February 2019). The latest internal audit are conducted in 18 – 21 February 2020 together with the RSPO P & C audit. There is no NC related SCCS implementation.

### 3.8.7

The company has to verify and monitoring related FFB source & tonnage for Certified FFB and Non Certified FFB such as:

Months	FFB Received		Total
	Certified	Non-certified	
Stock	0	36,331.04	36,331.04
10 May'19 - 09 Jun'19	2,547.07	13,308.51	15,855.58
10 Jun'19 - 09 Jul'19	10,047.68	6,284.61	16,332.29
10 Jul'19 - 09 Aug'19	10,375.07	5,063.58	15,438.65
<b>Subtotal</b>	<b>22,969.82</b>	<b>60,987.74</b>	<b>83,957.56</b>
10 Aug'19 – 09 Sep'19	10,810.00	5,147.13	15,957.13
10 Sep'19 - 09 Oct'19	12,318.17	5,973.13	18,291.30
10 Oct'19 - 09 Nov'19	10,977.46	5,031.67	16,009.13
<b>Subtotal</b>	<b>34,105.63</b>	<b>16,151.93</b>	<b>50,257.56</b>
10 Nov'19 - 09 Dec'19	9,290.84	4,486.01	13,776.85
10 Dec'19 - 09 Jan'20	11,131.21	5,022.05	16,153.26
10 Jan'20 - 09 Feb'20	11,080.67	5,548.13	16,628.80
<b>Subtotal</b>	<b>31,502.72</b>	<b>15,056.19</b>	<b>46,558.91</b>
10 Feb'20 - 09 Mar'20	8,413.52	6,238.74	14,652.26
<b>Subtotal</b>	<b>8,413.52</b>	<b>6,238.74</b>	<b>14,652.26</b>
<b>TOTAL</b>	<b>96,991.69</b>	<b>98,434.60</b>	<b>195,426.29</b>

Estimated certified product recorded in the certificate, actual certified produced has been verified during this assessment (ASA-1), that describes in the following table:

Product	Estimate Production 12 months (MT) May 10th 2019 – May 9th 2020	Actual Production 12 months (MT) 1 March 2019 – 29 February 2020
FFB	163,454	96,991.70
CSP0	38,444	21,706.75
CSPK	7,094	3,908.00

The company has produce Based on table above there is no over production of CSPO and CSPK.

In the SCCS Procedure (SOP-OTH-F3-022) it is mentioned that the handling of inappropriate products is as follows:

Innapropriate Product	Handling
Expired RSPO Certificate and SCCS RSPO was finish	<ul style="list-style-type: none"> <li>- Inform to Strategic Department</li> <li>- Input the product volume (on sell and delivery) to Non CSPO/CSPK/CSPKO/CSPKE</li> </ul>
The volume was over Mass Balance	<ul style="list-style-type: none"> <li>- Inform to Strategic Department</li> <li>- Input the product volume (on sell and delivery) to Non CSPO/CSPK/CSPKO/CSPKE</li> </ul>
Supporting Information is not complete	<ul style="list-style-type: none"> <li>- Completing supporting document according to the rule</li> <li>- Continue the delivery/selling product as a CSPO/CSPK/CSPKO/CSPKE</li> </ul>
Quality not according to the standard and/or volume difference	<ul style="list-style-type: none"> <li>- Client inform to Head Office Commercial</li> <li>- Fulfill quality claim and/or volume difference based on contract or term of reference (TOR)</li> </ul>

### 3.8.8

Information for RSPO certified products is available in the delivery order document, the information including: name and address of the buyer, name and address of the seller, delivery date, date of documents issued, volume of product, applicable supply chain model, and transport information. Example:

#### PK

The company shows Delivery orders for PK on 10-12 February 2020 with DO number 003/PKS-EHP/MKT/II/2020 with a commodity of 400 MT RSPO MB to PT Wilmar Nabati Indonesia (contract date January 21, 2020).

#### CPO.

The company shows Delivery orders for CPO on 4-5 February 2020 with DO number No: 002/PKS-EHP/MKT/II/2020 with a commodity of 3.000 MT to PT SMART Tbk (Contract date for January 30, 2020).

### 3.8.9

EHP POM has imposed provisions that must be applied by contractors as contained in the Internal Memo (No. 010/BLP/IM-AM/Ist/III/2019 dated 13 March 2019) which has been socialized, these provisions include:

- The cooperation is bound by a work agreement
- PT EHP must ensure the socialization was carried out related regulation requirement such as labor, OHS, Environment, Legal, including field inspections and audits related to implementation of RSPO prerequisites can be carried out.

Beside that, the company has a Supply Chain Product and Product Result Procedure No. SOP-OTH-F3-022 on January 10, 2019, describe that sustainability PIC has a responsible to make a SCCS training for staff and employee related SCCS and the training was conduct every once a year.

The contractors have been bound in a work agreement. Work agreement with CV Signa Rasya P and Manyam Raya has a due diligence related of legality, policy and SCCS clause fulfillment such as implementation of sustainability policies in all operational aspects and stakeholders. But, the company had an opportunity that work contracts (contractor) accommodate access to compliance with RSPO standards.

### 3.8.10

The list of contractors of CPO and PK transporter are :

No	Transporter	Products	Address
1	CV Berkah Era Surya Tama	CPO	Mulya Jadi Village, Pangkalan Banteng Sub-Regent, Kotawaringin Barat Regent.
2	CV Berkah	CPO	Kumai Hilir Village, Kumai, Kotawaringin

	Sekumpul		Barat Regent
3	Rumiati	PK	Sungai Bedaun Village, Kumai, Kotawaringin Barat Regent

**3.8.11**

Based on review list of transporter verified on stage 2 with this ASA-1, there is no new contractor added. There are 3 outsourcers which physical handling of RSPO certified oil palm products. It will be verified on next surveillance, if any new contractor.

**3.8.12**

EHP POM has maintain, complete and up-to-date for the FFB receives, process and CPO & PK production from its supply bases.

The record keeping saves in "Mass Balance Report" for example periods May 2019 - March 2020. Within this record, the certificate holders maintain the FFB's sources based on monthly bases.

Months	FFB Received		Total
	Certified	Non-certified	
Stock	0	36,331.04	36,331.04
10 May'19 - 09 Jun'19	2,547.07	13,308.51	15,855.58
10 Jun'19 - 09 Jul'19	10,047.68	6,284.61	16,332.29
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<b>Subtotal</b>	<b>34,105.63</b>	<b>16,151.93</b>	<b>50,257.56</b>
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<b>Subtotal</b>	<b>8,413.52</b>	<b>6,238.74</b>	<b>14,652.26</b>
<b>TOTAL</b>	<b>96,991.69</b>	<b>98,434.60</b>	<b>195,426.29</b>

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

**CPO production and Dispatch for EHP POM**

DATE	CPO Production		Total	DISPATCH CSPO		Total
	certified	non-certified		Conventional	RSPO	
10 May 2019 to 09 March 2020	21,706.75	21,595.97	43,302.72	2,648	14,300	16,948

**PK production and Dispatch for EHP POM**

Dated	PK Production	Total	Dispatch CSPK
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	<b>certified</b>	<b>non-certified</b>		<b>RSPO</b>	<b>Conventional</b>	<b>Total</b>
10 May 2019 to 09 March 2020	3,908.00	3,865.45	7,773.45	1,650.00	1,551	3,201

**3.8.13; 3.8.14**

Not applicable. EHP POM only conduct FFB processing up to CPO and PK. Based on RSPO SCCS Manual, it is explained that the conversion factors of CPO and PK are based on actual extraction.

**3.8.15**

EHP POM applied SCCS – modul E (MB) since its received and processing the FFB from certified and uncertified sources, verification are done through field observation and interview to security and weigh-bridge operator as well as management representative. The mill claims only the volume of oil palm products produced from certified FFB as MB.

**3.8.16**

Based on quota certified volume document for the period 10 May 2019 to 09 May 2020 on palm trace CSPO 38,444 MT and CSPK 7,094 MT.

Beside that, based on CSPO & CSPK sales data for May 1 2019 - February 29 2020, it is know that there are CSPO is sold as a certified product of 14,300 MT and CSPK is sold as a certified product of 1,650 MT. Meanwhile, based on Delivery Order documents for period 1 May 2019 - 29 February 2020, there are CSPO which is sold as conventional products is 22,900 MT and CSPK sold as conventional products amounted to 5,050 MT. Current remaining palmtrace period data CSPO: 24,144 MT & CSPK: 5,444 MT and transaction report data (Palm Trace) is known that there are no credit sales.

Based on the data above, the company has not been able to show a reduction (removed stock) of CSPO Conventional sales on the palm trace or opportunities in selling on a claim basis. **It become non conformity No. 2020.01.**

**3.8.17**

Based on transaction report documents, all CSPO and CSPK are claims as Mass Balance. The EHP POM did not use RSPO logo or trademark on product or off product.

**3.8.16 | Status: Non Conformity No. 2020.01.**

**PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS**
**4.1**

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

**4.1.1**

The company 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 professionalism, recruitment and guarantee of non discriminative which based on race, skin colour, gender, sex orientation, religion, politic view, ethnic and social background. Socialization or refreshment of human right policy has conducted to all workers on 12 December 2019.

Based on an interview with local contractors, worker unions, employee and committee gender, it is known that they already understand the policy. Interview with a worker in estate and mill informed that there is no complaint related to violation of human rights.

**4.1.2**

The company has Sustainability Policy Revision dated 11 June 2018, Chapter 7 about Social & Economic Responsibilities that Eagle High Plantations (EHP) has a commitment to resolve the conflict and dispute peacefully and without violence. The valid channels of the settlement will be used as a means for peaceful and legal settlement agreed upon by both parties. The EHP opposes the use of weapons and the military in resolving conflicts and disputes.

Based on an interview with local contractors, worker unions, employee committee gender and previous land owners, sighted



that there is no paramilitary uses for all company operational.		
	<b>Status: Comply</b>	
<b>4.2</b>		
<b>There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.</b>		
<b>4.2.1; 4.2.2 and 4.2.4</b>		
<p>The CH has an SOP for handling complaints and grievance from various parties, namely in the SOP no: SOP-OTH-F3-019, dated January 10, 2019. In the SOP describes the handling of complaints starting from the stage of receiving complaints from internal and external, verification and ranking of complaints, preparation of treatment plans, implementation of handling, monitoring of implementation, and documentation to completion through legal channels. Guarantee anonymity of the whistle-blower of the case has been maintained since from first stage. In the SOP it is stated that the settlement of complaints is made no later than 1 month after receipt. In the Action Closing and Documentation section it is explained that if the agreement of both parties is not reached by agreement, the related parties can report through the RSPO Complaints System.</p> <p>The CH already has officers who are responsible for handling complaints so that they continue to get more information related to the progress of complaint resolution, in this case the Public Relations/CSR Assistant.</p> <p>Based on external complaint monitoring record sighted that there are no complaint during period of 2019/2020. In addition, based on interview with communities from local society sighted that there are no complaint to the CH.</p> <p>The CH has disseminated complaints/grievance handling procedures to employees and the surrounding community which was carried out on March 18, 2020 at PT EHP and BLP offices. The socialization was attended by 50 people who were employees and the surrounding community.</p> <p>Based on field observation and interview with several workers and worker union board sighted that there are no complaint from workers to the CH. All workers also has understood about this mechanism. To ensure that the procedures can be understood by employees who can't reading and writing by regularly socialization on the morning briefing.</p>		
<b>4.2.3</b>		
<p>The CH already has officers who are responsible for handling complaints so that they continue to get further information related to the progress of complaint resolution, in this case the Assistant Public Relations/CSR. The procedure also explained that the response time related to complaints was 30 days after the complaint was submitted.</p> <p>Based on interviews with employees and stakeholders, it is known that they have understood the person responsible and the grievance mechanism in which the complainant's identity is protected.</p>		
	<b>Status: Comply</b>	
<b>4.3</b>		
<b>The unit of certification contributes to local sustainable development as agreed by local communities.</b>		
<p>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: Heavy equipment assistance on September 2019 and honorary teacher assistance is realized on October 2019 for Sungai Bedaun Village.</p> <p>The results of interviews with representative of Sungai Bedaun village revealed that the company regularly visits the surrounding community. From the interview results, it was conveyed that the company had provided CSR assistance to the surrounding community in accordance with the identification needs.</p>		
	<b>Status: Comply</b>	
<b>4.4</b>		
<b>Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their FPIC.</b>		
<b>4.4.1</b>		
Based on interview with P&L Department staff, National Land Agency, surrounding communities (Kumai Hulu and S Sekoyer		

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 17 previous land owners from sighted that the compensation process is done transparently and without coercion. Based on that document, it is know that total land title is 8.941.12 Ha and total area that manage by CH is 8,711.54 Ha (it cause there are enclave: 41.58 Ha & Forest Release Permit Process: 188 Ha).

**4.4.2; 4.4.3; 4.4.4; 4.4.5; 4.4.6**

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 17 previous land owners, sighted that there are no paramilitary using on land acquisition process.

Beside that, 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 (Kumai Hulu and S Sekoyer Village), it was obtained information that there are no significant land dispute during last year.

<b>Status: Comply</b>
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**4.5**

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

**4.5.1; 4.5.2; 4.5.3; 4.5.4; 4.5.5; 4.5.6; 4.5.7; 4.5.8**

Based on the results of the document review it can be seen that currently there are no new planting activities, the last planting was carried out in 2014. In addition, the company has planted above January 2010 without the NPP process. So the company is sanctioned for not being able to claim as a certified product for 3 years after the issuance of certificates from these areas.

<b>Status: Comply</b>
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**4.6**

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

**4.6.1; 4.6.2; 4.6.3; 4.6.4**

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 (S. Sekoyer & Kumai Hulu Village), it was obtained information that there are no significant land dispute during last year.

Beside that, 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 17 previous land owners from S. Sekoyer and Kumai Hulu Village; sighted that operational of company through FPIC process. 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).

<b>Status: Comply</b>
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**4.7**

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

**4.7.1; 4.7.2; 4.7.3**

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 (S. Sekoyer & Kumai Hulu Village), it was obtained information that there are no significant land dispute during last year.

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**Status: Comply**

**4.8**

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

**4.8.1; 4.8.2; 4.8.3; 4.8.4**

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 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.

Based on the document area of the statement and verification with the surrounding community in the public consultation, it is known that during the surveillance-1 audit there were no cases of land disputes that were still/ongoing between the company and the community.

**Status: Comply**

**PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION**
**5.1**

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

**5.1.1; 5.1.2; 5.1.3; 5.1.4; 5.1.5; 5.1.6**

The unit of certification has a plasma such as Bedaun Maju Bersama Cooperative and Kumai Hulu Sebrang Cooperation. Current and previous prices paid for Fresh Fruit Bunches (FFB) are publicly available. The price of FFB determined by following the Provincial price issued by the Plantation Agency of Kalimantan Tengah. The price of FFB can be accessed directly by the public or through circulars letter that sent by Plantations agency of Kalimantan Tengah Province all smallholders and partner companies. All cooperative members can also access price information posted on the cooperative office notice board or ask the assistant partner directly.

The pricing mechanism above has been explained and regulated in a partnership agreement with smallholder. In the agreement, there is a clause that regulates that the FFB pricing follows the price set by the government. This is consistent

with the results of public consultations with representatives of village communities. In addition, in MoU article 7, the purchase of FFB from the smallholders' scheme is based on the price that is determined by the plantation agency

The results of public consultations with village officials and administrators of village cooperatives revealed that the payment of FFB for smallholders scheme was in accordance with the FFB prices set by the Plantation Agency of Kalimantan Tengah pricing team. So far, the payment process has been carried out transparently and there has never been a grievance related to the payment. An example of payment verified by the auditor is invoice and proof of payment in November and December 2019 where the calculation of payment is in accordance with the amount of FFB production of farmers and the price set. Based on the results of interviews with the management of Kumai Hulu Seberang Cooperation it was known that the plasma development cooperation agreement had been agreed by both parties, where there was a copy of the agreement that had been signed by both parties.

#### 5.1.7

The results of observations and interviews with the weigh bridge operators obtained information that the certification unit has routinely calibrated the weighing equipment carried out by a third party. The certification unit has also shown documents on the weighbridge calibration carried out in 2019.

#### 5.1.8

In the supply chain or FFB channel there are independent suppliers. At this time the company has just submitted a certification plan for plasma in 2021 referring to the timebound plan given.

#### 5.1.9

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 effective in January 10<sup>th</sup>, 2019 point 3.4 If agreement between the two parties or more is not reached, so it can be reported to RSPO Complaint System.

<b>Status: Comply</b>
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### 5.2

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

#### 5.2.1, 5.2.2, 5.2.3, 5.2.4 & 5.2.5

The company supports the improvement of the livelihood level of farmers and participatory on sustainable palm oil explained by agreement of associate smallholders with Bedaun Maju Bersama Cooperative number 61/KOP-BMB/XI/2015 and number 001/SPK-LGL/BLP/II/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.

The company shows programs to improve the level of livelihoods, including at least an increase in the ability to increase productivity, quality, organizational and managerial skills that are explained in the work program of smallholder for period 2019, for example:

- Training related Traceability.
- Training related pesticides and fertilizing application.
- Training related IPM.

The support for legality FFB production for independent smallholder collaborated with the government is the National Land Agency for a land certificate program.

There is a work program of scheme smallholder period 2019, which explains pesticide management to cooperative Bedaun Maju Bersama and cooperative Kumai Hulu Seberang February 12, 2019, related to anticipation of fire caterpillar pests

using a pesticide. The unit of certification regularly reviews and publicly report on the progress of the smallholder support programmed until 2019.

The company shows evidence of reviewing and reporting publicly about the development of farmer support programs regularly explained in the 2019 plasma management report.

**Status: Comply**

## **PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS**

### **6.1**

#### **Any form of discrimination is prohibited.**

##### **6.1.1 and 6.1.2**

The CH's social and anti-discrimination policies are presented in the Sustainability Policy dated June 11, 2018. In point 7.6 it is stated that there is equality for employees towards professionalism, recruitment and non-discriminatory guarantees based on race, color, sex, gender orientation, religion, political views, ethnic and social support.

Based on document verification of the PT EHP and PT BLP employee registration documents for the January 2020 period reveal that the composition of workers varies in terms of sex, religion, educational background and ethnicity. Although dominated by local residents, every employee has the same opportunity to work with the CH as long as it meets the specified requirements.

Based on interviews with estate and mill employees, local village representatives and the Manpower Office in Kotawaringin Barat District, known that information about recruitment is transparent to the village community and delivered through the Village Head. There have never been any problems or conflicts related to discrimination and the diversity parameters of these employees. Local Work Promotion Letter available.

##### **6.1.3.**

Based on interviews with PT EHP and PT BLP workers, representatives from surrounding villages, and representatives from the Manpower Office in West Kotawaringin Regency, known that all workers have the same career opportunities, as long as they meet CH requirements. Furthermore, workers are dominated by local residents. In addition, in 2019/2020 estate management began a promotion program from temporary workers to permanent workers.

##### **6.1.4**

Based on interview with women workers in estate and mill as well as gender committees revealed that pregnancy tests were only conducted for pesticide applicators to avoid the employees being exposed to pesticides. Further explained that so far there had never been a pregnancy test which was a discriminatory measure.

##### **6.1.5**

The CH has formed a Gender Committee in management unit. Based on interviews with the Gender Committee and female workers known that breastfeeding workers are not permitted to work using chemicals. Workers who are breastfeeding are also given the opportunity to breastfeed their children.

##### **6.1.6**

The CH does not discriminate against workers' rights, it is shown by paying equal employee wages and the same scope of work. The CH issues a decree on the payment of wages for permanent and daily employees, where for permanent employees, wages are paid at Rp 3,047,533/month, while for daily employees Rp 121,901/day is paid.

The auditor team also verified sample of wages slip on February 2020, for example: registry number 105070110012 from Arjuna Estate with gross wages: Rp 3,047,533; and registry number 10308100016 from Bromo Estate with gross wages: Rp 3,047,533. Based on Central Kalimantan Province Governor Decree number 188.44/546/2019 sighted that minimum wages of Kotawaringin Barat District is Rp 3,047,533. Based on Central Kalimantan Province Governor Decree number 188.44/546/2019 sighted that minimum wages of Kotawaringin Barat District is Rp 3,047,533.

**Status: Comply**



**6.2**

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

**6.2.1 and 6.2.3**

The CH has a Company Regulation in 2018-2020 between the CH and the employees, which in this case is represented by the labour union of PT. EHP/BLP and has been signed by both parties. The Company Regulation has been approved by the Indonesian Ministry of Manpower with document number TAR.1677/PHIJSK-PK/PP/XII/2018 dated December 13, 2018. The company regulation has explained the acknowledgment of the parties, acceptance of work, work assessment, appointment of employees, placement of employees, placement and the transfer of employees, working hours, work systems, overtime work, leave, permits, wages and assistance; official travel and mandah; amenities; work equipment; annual income allowances and bonuses; social security, discipline and violations, termination of employment, complaints, transition and the validity period of Company Regulations. Based on interview with workers, it is know that company regulation has been implemented such as working hours, annual leave, wages, etc.

Based on interviews with estate and mill worker found that the CH had paid wages in accordance with applicable regulations.

Based on interviews with contractor workers revealed that workers were paid based on working days in accordance with applicable government regulations. Further explained that until now there has been no case in payment of contractor employee wages.

The CH shows a work agreement number 6002/PT.BLP-ARJE/JJK/III-VI/2020 between PT BLP and CV Sinar Abadi. Article 7 paragraph 2 explains that the CH ensures that the actions of the contractor are in accordance with labor, OHS, environmental and other legal requirements as well as standard RSPO requirements including minimum wage payment requirements, prohibition on child labor, prohibition of forced labor, protection of health insurance and work accidents, protection reproductive rights of women workers and the right to access evaluations. This contract also inform about permit of access and data of contractor. Company also evaluate contractor once a year.

**6.2.2.**

Based on document verification sighted that the certification unit only employ permanent workers and daily workers. All rights of permanent workers has been covered on the Company Regulation, while daily worker rights are contained on each agreements. All daily worker rights is same with permanent worker rights, such as: rice allowance, social security insurance. There is sample of daily worker agreement dated 25 February 2020. In the work agreement is explained related to the validity period of the work agreement, Company Regulations, working hours, wages, work targets and dispute resolution (if any). The work agreement has been agreed by both parties and signed together.

In company regulations in article 33 it is explained related to prohibitions for employees and in article 34 it is explained related to disciplinary actions and procedures for issuing warning letters.

Employee pay slips inform the wages paid if they exceed work hours, exceed work targets and work on holidays.

The CH shows the realization for the appointment of employees from daily worker status to permanent employees, in 2019 there are 148 workers. For 2020, CH has plan to appoint daily worker to permanent consist of 155 workers.

**6.2.4**

The company has provide a 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.

**6.2.5**

Based on observations and interviews with residents of the housing, it is known that the company gives permission to sell basic needs in the housing complex. There are also many traders who enter the residential area to sell basic necessities, so that so far the workers have never had difficulty in obtaining basic necessities and food sources while living in the housing.

**6.2.6.**

The CH has carried out prevailing wage calculations by including several components including: reference family size, full time equivalent per family, calorie fulfillment needs, housing cost, non food non housing, net living wage, total mandatory deduction, and gross living wage. The calculation results as follows: Rp 4,814,818.

**6.2.7**

Based on document verification sighted that the certification unit use permanent workers and daily workers.

There are 627 workers in Arjuna Estate (28 monthly workers, 385 permanent workers, and 214 daily workers); 425 workers in Bromo Estate (5 monthly workers, 216 permanent workers, and 204 daily workers); 427 workers in Semeru Estate (10 monthly workers, 250 permanent workers, and 167 daily workers); and 123 workers in mill (44 monthly workers, 70 permanent workers, and 9 daily workers)

Based on interview with estate employees and employee documents verification, it is known that the company uses daily worker who work as loose fruit picker

Based on interviews with management revealed that the appointment of daily worker was gradually being adjusted to the company's financial condition.

<b>Status: Comply</b>
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**6.3**

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

**6.3.1**

The CH has policies listed in Article 36 of the Company Regulations relating to the Right to Organize and Complaints that contain the following contents:

1. The CH supports the implementation of regulations and laws concerning human rights, including the right to association guaranteed by law
2. Complaints/dissatisfaction from the employee regarding the employment relationship working conditions and labour conditions will be resolved by consultation with his direct supervisor. If it cannot be resolved, then it will be forwarded to the higher leadership
3. If it cannot be resolved internally, then assistance is sought from the local manpower agency for further resolution.

Based on field observations and interviews with estate and mill worker revealed that the CH routinely socializes related freedom of association and the delivery of employee complaints.

**6.3.2**

Based on interview with worker union unit of Bromo Estate head sighted that there are four worker union unit. There are regularly meeting between CH and worker union, such as: the latest meeting in SYE about harvesting system dated 6 September 2019, meeting about election of worker union board in BTE dated 14 December 2019.

**6.3.3**

Based on interview with worker union board sighted that management didn't intervention in the formation of worker union. Each union has the following members: PT EHP: 129 members, and PT BLP: 30 members. In addition, the CH also has facilitate the worker unions If the union board is needed to attend the meeting on the other place.

<b>Status: Comply</b>
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**6.4**

**Children are not employed or exploited.**

**6.4.1**

The CH's policy on child labor is presented in the Sustainability Policy dated June 11, 2018 which states that companies should not use child labor, under 18 years of age. Based on verification of the PT EHP and PT BLP employee registration documents for the January 2020 period, as well as field observations in the estate and mill, revealed that there were no workers under 18 years old. This is consistent with information provided by the Trade Unions, as well as representatives

from the Manpower Office in West Kotawaringin Regency.

#### **6.4.2 and 6.4.3**

Based on document verification and field observation at PT EHP and PT BLP known that there are no employees working under the age of 18 years old. Therefore based on list of employees document sighted that there are no employees which joint with the CH under the age of 18 years old.

#### **6.4.4**

Based on interview with contractor sighted that for the 2020 contract, there are ban on child workers. The CH also has socialized the policy about ban on child workers in PT EHP and PT BLP dated 1 December 2019 and 11 February 2020 respectively.

<b>Status: Comply</b>
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### **6.5**

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

#### **6.5.1 and 6.5.2**

The CH has a policy related to sexual harassment and reproductive rights listed in the Company Regulations and Sustainability Policy dated June 11, 2018. The document explained that to facilitate the problem of sexual harassment and reproductive rights, the CH formed a Gender Committee. In addition to aspects of gender and reproduction, the gender committee also includes social, religious, health and child protection. The CH has conducted socialization related to this policy in each unit.

Based on document verification and interviews with estate and mill employees revealed that CH had socialized the prohibition of sexual harassment against women; and protection of reproduction rights on January 10, 2020 to employees, while information dissemination to contractors and employees was carried out on February 11, 2020.

#### **6.5.3**

The Gender Committee and the management of PT EHP and PT BLP has held a meeting on 2 February 2020, there were a number of inputs and suggestions including:

1. Young mothers (having children age < 24 months) are given space to breastfeed their children, such as child care.
2. Young mothers are given jobs that don't use chemicals.
3. Young mothers are given a work area not far from housing complex or child care, so that every four hours they can breastfeed their children.
4. The management can provide policy for young mothers to take a break after breastfeeding can resume their work.
5. Young mothers are given health facilities for health check and child development for up to 24 months.

#### **6.5.4**

The CH has complaint handling procedure for all parties and society number SOP-OTH-F3-019 dated 10 January 2019. The procedure states that the CH guarantees the security and confidentiality of reporter (whistleblower) and also attached a flow chart of the mechanism for handling complaint's by all parties (stakeholders). Head of Section or Assistant accommodates & studies complaints/aspirations and reported to the unit manager. Complaints will be responded by the CH a maximum of 14 days from the date the complaint was received by the operational unit. This procedure was socialized to all employees on 1 December 2019 and also to other contractors and public on 11 February 2020.

Based on field observations and interviews with female worker and gender committees revealed that up to now there have never been cases of sexual harassment or violations of reproductive rights.

<b>Status: Comply</b>
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### **6.6**

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

#### **6.6.1 and 6.6.2**

Based on document verification sighted that there are no migrant workers on this certification unit, there are only permanent workers and daily workers. In addition, based on interview with worker union board sighted that so far, there has never been a penalty for termination of employment, bonded labor practices, withholding wages, and forced overtime.

<b>Status: Comply</b>
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**6.7**

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

**6.7.1**

The CH has an OHS Committee structure along with facilities and infrastructure in each work unit as follows:

- Endorsement of OHS Committee 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 OHS Committee 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. The CH has submitted an extension of the OHS Expert authorization card on behalf of Krostopol M Sera to the Central Kalimantan Provincial Manpower and Transmigration Office on 12 February 2020.
- Endorsement of OHS Committee 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 OHS Committee 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 management shows Letter from Ministry of Manpower dated 14 January 2019 which mentioned that extension of OSH License was still ongoing process.

The CH regularly (every month) holds an internal meeting of the OHS committee to discuss the implementation of OHS in the CH's operational areas as follows:

- The OHS Committee meeting of PT BLP for the March 2020 period was held on March 5, 2020. The discussion included the socialization of the use of PPE, the socialization of LOTO, the socialization of employee facilities and infrastructure, the checking and refilling of fire extinguisher, the repair of lights and the installation of sirens as signs of emergency danger in the schedule waste storage.
- The OHS Committee meeting of PT EHP for the March 2020 period was held on March 6, 2020. The discussion included the distribution of PPE that did not cover all employees, and the storage of work tools in residential areas that had not been stored safely.

**6.7.2**

The CH has the following procedures for handling work accidents and emergencies in operational areas::

- 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 electricity.
- 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 machineries operations.

The CH has provided first aid kits both indoors and outdoors. First aid boxes in the field are usually held by each foreman. Based on interviews with management known that checking the first aid kit was done every month by the assistant division and if there were deficiencies it would be conveyed to the doctor/paramedics of the CH to be completed. At the time of the audit activity the CH showed the first aid box inspection documents in the CH's operational area, for example in the laboratory, workshop and schedule waste storage warehouse. Based on the inspection results known that the contents of the first aid kit are complete and ready to use.

The CH has conducted First Aid Kit training to increase knowledge, understanding, and understanding of the implementation of First Aid Kit in the workplace and also improve skills in conducting first aid against sudden illness and work accidents, for example:

- OHS and First Aid Kit socialization on 5 September 2019, the location of Arjuna Estate, and was attended by 55 participants
- OHS and First Aid Kit socialization to contractors, on January 16, 2020, the location of Semeru Estate, and was

attended by 30 participants.

Based on field observations in the mill area is known that the CH has provided an evacuation route in case of an emergency. Based on interviews with mill workers found that the CH had socialized the purpose of the evacuation route.

Based on field observations in the estate area, the auditor meets with the harvest foreman who also works as a first aid officer. Based on interviews revealed that the first aid officer must always be on standby in the operational area by bringing the first aid box with full contents so that if an emergency occurs, it can be immediately handled and evacuated

### **6.7.3**

The auditor verifies the document as follows:

1. Internal COO Memo to all Regional Heads under number 044/COO/Personal Protective Equipment/VI-18 dated June 25, 2018 concerning the Implementation of OHS and Use of Personal Protective Equipment. The document explained the standard of personal protective equipment in estate, mill, workshops, civil and infra. In point 6 it is explained in relation to routine replacement of PPE that is no longer suitable for use.
2. Based on field observations and interviews with employees are known to the following matters:
  - Semeru Estate Tractor Operators do not use PPE shoes when working. The results of the interviews revealed that the latest PPE administration was in 2018.
  - Loose fruit pickers, spray workers, manual workers, grader operators, empty bin operators, land application employees, operators of press station using self-purchased shoe PPE.
  - Mill oil warehouse officers do not use PPE gloves.

The CH has not been able to show enough evidence that the implementation of the supply/use of PPE is in accordance with the procedures that it has. **NCR 2020.02**

Based on field observations and interviews with estate and mill employees found that the CH had provided PPE storage facilities and work tools for employees so that PPE and work tools were not brought home after work. In addition, the CH has also provided sanitation facilities for workers who use chemicals so that employees can take a shower before returning to their respective homes.

### **6.7.4**

The auditor verifies the document as follows:

1. Based on field observations and interviews with daily worker and fertilizer worker of Bromo Estate revealed that daily worker had not been included in the health and employment insurance programs.
2. Employment insurance receipt of ARJE unit for the period September 2019 with the reference number 191005159515 for 425 employees.
3. Employment insurance receipt of BRME unit for the period September 2019 with the reference number 191005159597 for 214 employees.
4. Employment insurance receipt of SMRE unit for the period September 2019 with the reference number 191005159668 for 246 employees.
5. Employment insurance receipt of EHPM unit for the December 2019 with the reference number 200104395118 for 115 employees.
6. Employment insurance receipt of BLP units for the period September 2019 with the reference number 191005187352 for 549 employees.
7. CH communication documents with BPJS Employment via electronic mail on 18 February 2020 stating that the CH can make payments for 1 month in advance and for further payments starting on 1 March 2020. However, until the audit activities take place, it cannot be demonstrated evidence that the CH has paid employment and health insurance contributions for the period October 2019 - February 2020 for PT BLP and the period January - February 2020 for PT EHP.

The CH has not been able to show enough evidence that all workers are covered by accident insurance. **NCR 2020.03**

Based on document verification of work accident monitoring documents for 2019-2020 revealed that there were 2 occupational accidents in the Major category in 2020 at PT BLP. The results of interviews with management revealed that

the cost of handling work accident victims uses employment insurance.

The CH already has a Contractor Control / Outsourcing mechanism which has included the clauses requested in the RSPO Certification System (approved by the RSPO Executive Board 26 June 2017). The CH shows the proof of contractor employee insurance payment as follows:

1. The CH shows proof of CV Sinar Abadi employment insurance payment for the February 2020 period paid on March 10, 2020.
2. The CH shows proof of UD Manyam Raya employment insurance payment for the period of February 2020 paid on 7 February 2020.

Based on the above it is known that the CH has owned and implemented a good mechanism to ensure that all contractor workers have been protected by work accident insurance, so that the non-conformity is stated to be fulfilled by observing notes on the next surveillance.

#### 6.7.5

The CH routinely reports every accident that occurs in its operational area. Reporting on work accidents is recorded in the OHS Committee Quarterly Report sent to the Department of Manpower and Transmigration in the relevant Regency. The CH shows the documents related to work accident reporting within the past 1 year in the table as follows:

Items	PT EHP		PT BLP	
	2019	2020	2019	2020
Major Work Accident	1	-	8	2
Minor Work Accident	4	-	45	17
Lost Time	38	-	99	24
FR	0,27	-	1,83	0,45
SR	10,40	-	22,90	5,44

For accidents that occur, the CH has investigated accidents and taken action to prevent accidents from happening again. The investigation is contained in the work accident investigation and evaluation document which explains the victim's biographical data, time of the incident, accident chronology, part of the injury, investigation of dangerous actions & conditions and suggestions for improvement.

**Status: Non conformity No 2020.02**  
**Non conformity No 2020.03**

### PRINCIPLE #7 PROTECT, CONSERVE AND ENHANCE ECOSYSTEMS AND THE ENVIRONMENT

#### 7.1

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

##### 7.1.1

The company has the pest and observation procedures No. SOP-EHP-AGR-008 dated February 1, 2014 about pest and disease control. Explanatory procedures include general requirements for pest and disease control, planning for pest and disease control, detection (early warning system), census, netter caterpillar pest control (*Oryctes rhinoceros*), rats, pigs, *Marasmus* and others. The procedure also explains that chemical control is carried out when the results of the census show the number of pest attacks above the established economic threshold for example:

- Critical threshold for 10 eco-eating caterpillars / midribs of the observed sample
- The critical threshold for mice is 5% of the observed sample
- The critical threshold for termites is 4 tree / ha from the observed sample

The Unit of Certification has a record of detecting pests every 2 months in each plantation, which is done for netter caterpillars, bagworm, *Oryctes*, insects and termites while for mice every 6 months. While for the detection of disease symptoms is done once a year, a disease that is often found *Ganoderma*.

The integrated pest management program is implemented by the Unit of Certification and is monitored and evaluated monthly. Evaluations are recorded in the form of a pest infestation matrix and disease symptoms that describe the type of

pest; attack rate; attack analysis, level to threshold; conclusion to determine control techniques if needed.

Based on 2019 census documents, it is known that there are no attacks on pests and symptoms that exceed the economic threshold. Therefore, companies do not need to control chemically. Based on field observations at the Arjuna Estate, Semeru Estate and Bromo Estate visually there were no symptoms of netter caterpillar attacks in the canopy, or rat pest attack on FFB collected at FFB yield collection points.

The company also applies biological pest management methods such as planting beneficial plants such as turnera sp. which attracts natural predators of leaf-eating insects. Planting of Turnera species is planted along most of the plantation's main roads. Meanwhile, to prevent rat attacks, the company also installed 26 new barn owl box in the Arjuna Estate, 12 barn owl box in the Semeru Estate and 14 new barn owls box in the Bromo Estate. Based on field observations to the owl in Block F41 Division 4 Arjuna Estate, it is known that there is an active owl can be seen from the bones and feathers of the owl around the barn owl.

The company shows the minutes of the implementation of integrated pest control training carried out in 2020, for example:

- IPM training on 29 February 2020 which was attended by 11 employees.

### 7.1.2

Based on document review and field observations, the Unit of Certification implements several biological control practices to suppress pest and disease attacks such as barn owls (*Tyto alba*) and is well managed. Verification results on the cabi.org site are known that the species was declared not invasive in Indonesia.

### 7.1.3

Based on the study of pest control documents, pest control procedures owned by the Unit of Certification, as well as interviews with related management, it is known that the Unit of Certification does not use fire in controlling pests.

**Status: Comply**

## 7.2

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

### 7.2.1

The company's policy on the safety of using chemicals is contained in SOP-EHP-AGR sections 7 and 8 concerning Maintenance of Oil Palm Plants and Pest and Disease Control. for example Cypermethrin to control netter caterpillars and Oryctes while Glyphosate is used to control both broad-leaf weeds and narrow-leaf weeds.

The company has a plan to weed manage such as circle spraying and path using selective pesticides three times a year. Field observations in Block 46 Division 4 Arjuna Estate and in Block K23 Bromo Estate, it is known if the workers already know the method of selective spraying, for example, only spraying a circle or a path that has weeds and if no weeds are not spraying.

The Unit of Certification uses registered chemicals which are permitted by the Government and can be seen on the website [www.pesticide.id](http://www.pesticide.id).

Based on document verification, field visits to pesticide storage, interviews with management and applicants for pesticides information is obtained if the company does not use pesticides that are prohibited by the government as stated in Attachment II of Minister of Agriculture Regulation No. 39 of 2015 concerning registered Pesticides, the pesticides used by the company are class II and III pesticides, for example Kleen Up 480 SL (Isopropyl Amina glyphosate) WHO class U class, target weeds to control broadleaf and narrowleaf weeds.

### 7.2.2

The certification unit conducts routine pesticide applications to control weeds in circles and lanes every 3 months. The company shows documents regarding the use of pesticides in operational activities. The company shows a record of the use of pesticides which explains the active ingredients used, the dosage of LD-50 and the amount of active ingredients applied per hectare. For example, Semeru Estate, the activities of circle and path spraying used by 20 WP metaphuron, 694 ha application area, 5.2 kg used material, Toxicity 0.0000001 kg/ha.

**7.2.3**

Regarding reducing the use of pesticides, monitoring is carried out every day, monthly and yearly. Furthermore, the detection and census of pests and diseases are carried out regularly as an early warning system, aimed at preventing the spread of pests and diseases, so that it is expected to minimize the use of pesticides. Pesticides are only used if investment in pests and diseases has exceeded the economic threshold

The integrated pest management program is implemented by the certification unit and is monitored and evaluated every month. Evaluation is carried out in the form of a pest infestation matrix and disease symptoms that describe the type of pest; attack rate; attack analysis, level to threshold; conclusion to determine control techniques if needed. Based on data and a summary of the 2019 census in Arjuna Estate, Bromo Estate and Semeru Estate, it is known that there are no pests and diseases that exceed the economic threshold. So there is no use of pesticides for pest and disease control. Based on observations from the Arjuna Estate, Bromo Estate and Semeru Estate, visually there were no symptoms of netter caterpillars attacking the canopy, or handling mice on collected FFB.

**7.2.4**

There is no prophylactic method in the use of pesticides by companies. The Unit of Certification only controls using pesticides if the pest attack census shows results above the threshold. Whereas for weed control If the conditions of the circle and harvest pathway are still quite standard, weed control will be delayed. Based on observations of spraying activities, the application method is not a preventive application, but is more selective for locations that have weeds

**7.2.5**

During the period 2019 (January - December) there was no use of WHO 1A and 1B pesticides. However, there is the use of paraquat to control stenoclene fern in the lower area

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

In line with the circular letter of COO dated February 6, 2019 there was a letter from AM staff that was approved by AM regarding the use of paraquat in 2019 limited to only 768 liters. Whereas for 2020 the company issued an internal memo from the Head of Applied Research & Technical Services on March 9, 2020 regarding Herbicides to substitute active ingredients for paraquat.

Based on field observations of the company's chemical warehouse and material warehouse, no use of pesticides with active paraquat was found.

**7.2.6**

The company can show that the application of pesticides is carried out by trained people and complies with the applicable guidelines in product labeling and storage, as evidenced by:

- The company shows a list of employee training on March 3, 2020 at Semeru Estate Division 2 on the purpose of the activity to find out how to spray properly and safely during application in the field using the proper PPE 18 Estate
- The company show a list of employee training on March 7, 2020 at division 1 Bromo estate about the purpose of the activity to find out how to spray properly and safely during application in the field using the right PPE 20 Estate
- The company shows a list of employee training on March 9, 2020 in Arjuna Estate division 4 on the purpose of the activity to find out how to spray properly and safely during application in the field using the proper PPE of 20 employees

Based on field observations and interviews with spray workers. The workers are equipped with shoes such as PPE, helmets equipped with face shield glass, aprons, shirts and trousers, masks and nitrile gloves. This type of PPE is in accordance with the recommendations of Material safety data sheets for glyphosate and methyl metsulfuron. Workers can also explain and show work according to procedures, such as justifying the use of pesticides, considering the flow of the wind during spraying, mixing of pesticides, pesticides and their targets, prohibited areas for spraying such as riparian zones

**7.2.7**

The company shows the procedure for the Management of Hazardous Chemicals No.SOP-OTH-F3-007 effective date 10 January 2019. The procedure has included:

- Transport and Mixing of Hazardous Chemicals: Equipped with Material safety data sheet, Contact chemicals must be mixed with 1: 1 water before being taken to the field
- Storage of Hazardous Chemicals: Placement of chemicals based on material reactivity cards, Each material is equipped with a clear material identity, hazard warnings, and names and addresses of factories and distributors, Stock 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 materials

Based on field observations to the company's pesticide storage warehouse, it is known that the storage of pesticides has been carried out according to existing procedures such as material safety data sheet, separate locations from other items and the floor does not have a channel to the soil body, there is a symbol of toxic hazardous

### 7.2.8

The company demonstrates the 2.0 version of waste management and monitoring procedures effective January 10, 2019, approved by CEO, Director of Sustainability, COO, Head-Estate, & Head-Mill. This procedure explains the management and monitoring of waste

Used pesticide / herbicide / cartridge / tint packaging / Other chemicals	Estate, Mill and lab	solid	toxic hazardous materials	Stored in a hazardous waste warehouse and handed over to the collector
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Based on the site visit to the PT BLP hazardous waste warehouse, it was seen that the pesticide used jerry cans had been stored there. Based on field observations and interviews with spray employees it is known that, no pesticide jerry cans are brought to the field. Whereas for the mobilization of poisons the company has used a spray unit tank (TUS). The mixing process is carried out in a warehouse to be subsequently put into a jerry can of mixing then put into a spray unit tank (TUS). Waste pesticide packaging that is empty or unused is stored in a toxic waste material warehouse (LB3). There is no use of pesticide packaging for other purposes. The management of used pesticide packaging by the company is in accordance with established procedures

### 7.2.9

The results of the document review, interviews with management and employees, and field observations revealed that the Unit of Certification did not apply pesticides by air.

### 7.2.10

The company conducted a health examination on February 24-26, 2020, the location of PT BLP's staff housing, which was participated by 281 employees consisting of fertilizer, chemist, warehouse and pest and disease employees, health checks including audiometry, spirometry and cholinesterase. based on the results of all laboratory tests declared healthy and fit for work

### 7.2.11

The company has work Instruction No. IKA / 22 / BLP / 2019 dated January 31, 2019 about pregnant women workers explaining:

- Pregnant workers are not allowed to carry out work activities related to chemicals, for example spraying and fertilizing.
- The transfer of work recommended by the committee for occupational safety and health
- Pregnant women workers must be in good health in carrying out their work



- Each foreman is responsible for supervising nursing workers.

Based on field observations on spraying activities at Arjuna Estate and Bromo Estate as well as interviews with management, it is known that the company does not employ employees who are not yet 18 years old and female workers in pregnancy or breastfeeding situations and employees with medical limitations will be transferred to manual up keep.

**Status : Comply**

### 7.3

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

#### 7.3.1

The company shows the waste management and monitoring procedure version 2.0 effective January 10th, 2019, approved by CEO, Director of 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 shows the procedure for the Management of Hazardous Chemicals No.SOP-OTH-F3-007 effective date 10 January 2019. The procedure has included Washing of packaging and equipment contaminated with hazardous materials and used container pesticide.

All hazardous waste kept on temporary hazardous storage at EHP POM and Arjuna Estate. The company has a permit for hazardous and toxic waste storage issued by decree of Kotawaringin Barat regent No.660/6/DLH.IV/TPS//IV/2016 for EHP POM stil valid until 5 years.

Document review shown that company has sent all toxic and hazardous waste to PT Semesta Langgeng Sentosa (licensed collector by decree of national environmental minister) on 9 Desember 2019 (manifest are available and checked by auditors). Observation during audits at temporary hazardous&toxic waste storage shown that all of the hazardous waste are compliant with the periods in permit (< 180 days) accordance goverment regulation Number 101 year 2014.

Base on the interview with land applications operator on Block F31 divisi 3 Arjuna Estate known each flatbed already have to maintenance because of silting up, base on document verification flatbed maintenance program will be done in 2 months constrained sign contract. The company has an opportunity for improvement to ensure a flatbed maintenance schedule on land applications. (OFI number 3).

#### 7.3.2 & 7.3.3

##### **Management hazardous waste**

Evidence observed

Procedure for management and monitoring of waste No. SOP-OTH-F3-004 January 10 2019, the procedure explained that hazardous waste shall store on temporary hazardous waste storage.

Based on the results of the field visit known:

- Used lubrycant drum behind Arjuna Estate fertilizer warehouse.
- Used paint packaging on workshop Arjuna Estate
- Used paint packaging on warehouse Arjuna Estate
- Used lubrycant drum on WTP EHP POM
- Used lubrycant drum on lubrycant warehouse EHP POM
- Used coustic soda drum on lubrycant warehouse EHP POM

The company has not been able to demonstrate implementation of hazardous waste management accordance with procedures SOP No. SOP-OTH-F3-004 January 10, 2019 related waste management and monitoring.

##### **Non-Conformance Description Number 2020.04**

The company has not been able to prove the proper disposal of waste materials according to procedures that are fully understood by workers and managers.

##### **Medical waste**

Before transported by a licensed collector by decree of the national environmental minister, medical waste stored on



temporary storage waste Arjuna Estate. The company also has cooperation with licensed parties such as PT Semesta Langgeng Sentosa, the last transported on 3 March 2020 is 55 kg.

#### **Domestic waste**

- 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.

The company has the opportunity to evaluate employee understanding regarding domestic waste management because not all housing complex resident disposal domestic waste to landfill (OFI Number 4).

#### **POME**

POME is managed by using WWTP and flowed to land application and then used as organic fertilizer. EHP POM have 8 WWTP ponds to manage POME.

Based on field observations of auditors on block F31 division 3 Arjuna Estate, known the company has implemented utilization of POME still accordance with the permits.

The Empty fruit bunch is applied to estate plantation area to substitute chemical fertilizer. Based on field visit EFB application is well managed. Shell and fiber are reused for engine fuel of boiler. It reduce the carbon emission from the combustion of fossil fuel. Base on-field visit during audit ASA-1 known no waste resulting from operational activities with open burned.

<b>7.3.2</b>	<b>Status: Non-Conformance Description Number 2020.04 with minor category</b>	<b>Open</b>
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#### **7.4**

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

##### **7.4.1;7.4.4**

The company has fertilization procedures listed in the MAN-UOM Document 001ver.1 effective January 2019. The procedure explains, among other things, related to fertilization based on the results of soil and leaf analysis.

The factors considered in determining the fertilizer dosage are:

- Soil (soil type, physical and chemical properties)
- Climate (rainfall, rainy days, and distribution)
- Fertilization research results
- Age of plants
- Plant productivity achieved
- Results of leaf and soil nutrient analysis. The leaf and soil analysis period is carried out every year.
- Visual observations in the field.

These procedures establish many strategies for maintaining and increasing long-term fertility, by combining efficient and measurable organic fertilization, taking into account the age of oil palm and soil nutrients by taking leaf and soil samples.

In 2019 the company did not apply inorganic fertilization due to limited operational costs. Therefore, the company in carrying out nutrition for plants by streamlining the application of recycling strategies, namely the application of EFB and POME. For example, in 2019 EFB applications were carried out at Arjuna Estate 38,069 tons and Semeru Estate 131,389 tons. The new company will conduct fertilization in Mid-March 2020 with proof of delivery orders for Kieserit fertilizer totaling 14,500 kg, Urea totaling 734,400 kg, Morieate of potash (MOP) totaling 1,184,400 kg, Zinop totaling 8,175 kg, Dolomite 94,550 kg.

The company also has fertilizer recommendations for 2020 including:

1. Urea: dose 1.24 kg / pkk, total 615.60 tons
2. MOP 1: dose 1.49 kg / pkk, total 743.85
3. RP: dose 1.08kg / pkk, total 537.85 tons
4. Kieserit: dose 0.01 k / pkk, a total of 7.05 tons
5. HGFB: dose 0,1kg / pkk, total 49,68 tons
6. Zincop: dose 0.05kg / pkk, total 23.55 tons

7. Urea: dose of 1kg / pkk, a total of 497.90 tons
8. MOP: dose 1.32kg / pkk, total 659.95 total

**7.4.2**

The company has the SOP-EHP-R & D-02 procedure effective on March 3, 2013. The procedure states that leaf sampling is every year while soil samples are every three years.

The results of recording soil and leaf samples shown by the company include the following:

- **LSU**  
Test Report Ref.No.008 // LEAVES / LAB.RISET-KALTENG / X / 2019 from the EHP Central Research laboratory on June 23, 2019. The parameters tested include Moist, N, P, K, Ca, Mg (Element Major) ) and B and Cu (Element minor)
- **SSU**  
Test Report Ref.No.03 / LAND / LAB.RISET-KALTENG1 / VII / 2019 from the EHP Central Research laboratory on July 10, 2019. Tested parameters include N, P, pH, Moisture, C-Organic, C / N, H, Al, and acidity

**7.4.3**

The company has a recording strategy for nutrient recycling which includes the use of EFB applications, soil applications and the use of leaves. Based on the results of the document review, it is known that the application of EFB in 2019 for Arjuna Estate plans 32,605 tons and the realization of 38,069 tons, Semeru Estate plans 114,286 tons and the realization of 131,389 tons.

The results of the field visit to F41 block Division 3 Arjuna Estate and Block K40A Division 3 Bromo Estate are known to be applied to the EFB between plants. In addition EFB is also used as mulch for the planting of beneficial plants. Application dosage is between 250 - 300 Kg / plant

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

Practices minimise and control erosion and degradation of soils.

**7.5.1**

The company presented the 2014 PT Bumilanggeng Perdanatrada Land Survey and Land Suitability Document, which was conducted by the Research team and the Department of Eagle High Plantation Group. The document stated that there was a peat area of 5488.45 ha or an area of 50.8% of the total area.

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

**7.5.2**

At the time the assessment was carried out, the company had not yet carried out a replanting activity. The oldest age of oil palm plantations in the company's operational area is 1997. In accordance with EHP Group agronomic technical guidelines, it is known that the age of plants to be replanted is between 25-30 years according to plant height and productivity is less than 15 tons / ha / year. In accordance with the achievement of productivity and the distribution of the actual planting years the management unit stated that replanting activities will be carried out in 2024.

**7.5.3**

At the time of the audit activity, there were no new planting activities in the area of the company's management. Based on the topographic map shown also concluded that there is no steep slope land in the company area. The dominant corporate management area is flat and undulating.

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

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

**7.6.1;7.6.2;7.6.3**

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

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

As explained in the PT BLP land survey and land suitability class, it is known that peatlands are 50.8% or 5,488.45 ha. While the identified slope is 0 - 8% with a flat to bumpy criterion.

The existence of a land map that contains information about soil classification, texture, drainage, limiting factors and suitability information for the development of oil palm plantations has helped companies to manage blocks, roads, drainage, bridges, etc. The company also has a Road Maintenance Program that is equipped with adequate infrastructure and facilities to carry out the work. According to the results of the field visit, roads are in good condition and harvested FFB is transported smoothly to the factory. Palm oil in operational areas is the first cycle, not replanting or new planting activities

**Status: Comply**

**7.7**

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

**7.7.1**

Based on the results of the document review it can be seen that currently there are no new planting activities, the last planting was carried out in 2014. In addition, the company has planted above January 2010 without the New Planting Procedure (NPP) process. So the company is penalized for not being able to claim as a certified product for 3 years after issuance, from these areas.

**7.7.2**

The company has carried out an inventory of peatlands in accordance with the RSPO peat inventory template and a report was made to the RSPO as evidenced by an email sent by Devaladevi Sivaceyon (devaladevi@rspo.org) to Melani (melani.tantr@rajawali.com) on March 12, 2020 with email subject: RSPO's PT Bumilanggeng Perdanatrada Peat Inventory and it has been stated correct.

**7.7.3**

The company has a SOP of Peat Management and Peat Subsidence Monitoring with SOP-33 Version 2.0 effective date September 1, 2014. The procedures include explaining the time period for measuring and marking material subsidies.

Based on the results of the document review, the company has shown the results of monitoring subsidies for one year in 2019. For example, monitoring of peat subsidence at the poles of the E32 subsidies in Arjuna Estate in January 2019 to February 2020 the reduction in peat subsidence decreased by 2.5 cm / year with a peat water level from January to December 2019 of 61.70 cm, the follow-up carried out by the company was to regulate the floodgates on Block E32 and E31 B to be opened so that the surface of peatlands rose.

Based on the company's soil type and soil survey documents the company showed that there was a peat area of 5,488.45 ha, and had 6 monitoring points for peat subsidence. There are 2 units in Arjuna Estate block E32 and CB, and 2 more units in Semeru Estate in the QC and J46 blocks and 2 units in Bromo Estate in blocks K32 and H178. Each monitoring point represents 914.74 ha. based on the 2018 RSPO Guidance for Peat is that each subsidence stake represents 120 ha. the company has the opportunity to make improvements to ensure that the number of subsidized pegs is back in accordance with the 2018 RSPO Guidance for Peat (OFI).

Based on the results of the field visit to the Arjuna Estate Block, Bromo Estate and Semeru Estate it is true that monitoring of peatland subsidence was found.

**7.7.4:7.7.6**

The company shows SOP-OTH-F3-014. Version 2.1 Date 2 January 2020 concerning Peat Area Water Management effective date February 1, 2014. Procedures include explaining the manufacture and installation of piezometers, the construction of dams, and the maintenance / washing of trenches mechanically. Water level is maintained between 50 - 70 cm.

The results of the field visit to the Arjuna Estate Division 4 block EA, Semeru Estate L30 Block and the FD Arjuna Estate block revealed that the water level at the watergate was +20 cm (flood). The high water level was 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 go down to the level of 50 - 70 cm. Observation of routine water level is carried out every day by one special officer. Based on the field visit, also most of the land cover was *Nephrolepis bisserata* pakiasan plants that grow naturally in dead glands and between the main points in the plant rows.

Based on the results of the interview the water management officer has been able to explain well about water management in the peat area such as when the water gate is closed and when it is opened.

The company also has a fire prevention and control plan in document SOP-OTH-F3-031 regarding Land and Building Fire Control, version 1.0, effective date 3 March 2016 This procedure document contains the scope, definitions used, references, monitoring facility policies and fire fighting equipment, dissemination and marking of fire-prone areas, fire emergency response organization policies, fire patrols, fire prevention and handling procedures (prevention, fire-prone maps, duty of each team, danger signs, training and fire simulations)

Based on the results of field observations, it is known that the company has an emergency response system that has been socialized, for example the company has provided training to workers to deal with emergencies, facilities and firefighting infrastructure has been equipped and there are warnings and simulations have been carried out to handle emergencies.

The company also routinely conducts fire patrols such as fire patrols conducted on 31 September 2019 in Block F / G Arjuna Estate. The hotspot can be seen from community Estate and the fire can be extinguished by the fire rescue team.

#### **7.7.5**

Distribution of planting years contained in the company's operational area as stated in the statement area is between 1997 - 2014. In accordance with the EHP Group's agronomic technical guidelines it is known that the age of plants to be replanted is between 25-30 years according to plant height and productivity of less than 15 tons / ha / year. The company shows the replanting program plan for 2024 - 2025. Based on document review and interviews with the management of the replanting program on peatlands, it will start in 2025 with an area of 1,918 ha while in 2024 the replanting plan will be devoted to the mineral area of 713.59 ha. the company will carry out drainability assessment according to the RSPO drainability procedure in 2021 or 5 years before peatland replanting activities begin. The company has the opportunity to make improvements to ensure drainability assessment in the peat area before replanting is done.

#### **7.7.7**

Based on a document review and interview with management, the company does not have any reserves in the peat area and all conservation areas are in the mineral area.

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

#### **Practices maintain the quality and availability of surface and groundwater**

##### **7.8.1**

Planning and implementation of water management have been included in the report *UKL / UPL* second half of 2019, document management of HCV and water use for processing at Mill and domestic in a residential area and office. The plan described the objectives such as water sources including catchment pond, rainfall records, water requirement, current, water quality and contingency plan.

The company also conducted regularly water quality testing every semester for Kumai river (up stream& down stream), Bakung river, Roko river, Seluang river based on UKL/UPL matrix. Document review shown that 2<sup>nd</sup> semester 2019 testing

result for Kumai river (up stream& down stream), Bakung river, Roko river, Seluang river no compliant with standard quality government regulations Number 82 year 2001 class II. The related to that the company has conducted an evaluation, explained that it was caused by community activities, soil conditions (peat) and jetty activities. The company has carried out management for river border areas such as prohibiting spraying pesticide on riparian and reducing erosion with planting cover crops. Especially for the downstream and upstream Kumai rivers, the river is also used by the public and the public as a speedboat track.

Based on workers interview on estate housing shown that drinking water for them originated from refill water and EHP POM also provides clean water access for all workers.

#### **7.8.2**

The company has identified rivers and wetlands inside plantation area. Analysis of HCV containing distribution maps of the river on the area of operational. The company shows the procedure for managing and monitoring conservation area version 2.0 effective date January 10<sup>th</sup>, 2019.

Field visits during the audit, for example on riparian area Bakung river block L30 and Seluang river block FH 1, known information that company shown proper ways for maintaining and protecting the catchment area, for example, manual weeding and marking the chemical boundary border, riparian information signboard. The company opportunity for Improvement for marking of river border areas because still a difference for the distance riparian. (OFI number 7).

#### **7.8.3**

The POME produced by EHP POM processed at waste water treatment plant (WWTP) based on POME management procedures, until it complies with standards before it applied to land application block F31 division 3 Arjuna Estate as land applications based on decree of Kotawaringin Barat regency Number 503/004/LH/DPMPTSP.D March 13 2020 valid 5 years.

Waste water quality testing document review shown for July to December 2019, all of POME testing parameters are compliant to the standards quality, and all of waste water management and monitoring has been reported to related institutions per 3 month regularly. Base on observation on EHP POM, the POME treatment plant during audit found there is no leakage indications and these areas are managed well.

#### **7.8.4**

Base on observations on PKS EHP water treatment plant found monitoring for raw and process water usage was done by WTP officer periodically, and flowmeters at inlet/outlet serves normally.

Procedure for Mill water usage and monitoring are provided and has been on procedure number water Treatment. Standards of water usage for FFB process has defined on 2019 budget projected 1.71 m3/mt FFB processed (base on internal memo from Mill Head).

The CH recorded its actual water use. The average water uses per tonne FFB for period of January – Desember 2019 is 1.24 m3/ton FFB, while budget for water consumption for period 2019 is 1.71 m3/ton FFB.

**Status: Comply**

#### **7.9**

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

The company already maximizing the use of renewable energy (fiber & shell) as boiler fuel. For example, use of shells and fiber period January to December 2019 EHP POM has produces 1,123,132 kWh of electricity from turbine. Renewable energy use per ton of palm product in the mill is 11.61 kwh / ton CPO. Result Direct fossil fuel used is 0.23 kWh/ ton CPO.

**Status: Comply**

#### **7.10**

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

##### **7.10.1**

Based on auditor verification result during audit known data pesticides usages monitoring, data diesel fuel monitoring, HCV identification, data POME, total planted area and etc. found that accurate data has been put into the RSPO palm GHG Calculator. Meanwhile this GHG calculation using options No 1 (apply full version).

Fossil fuel reducing on EHP POM have been implemented by fiber/shell usage for boiler. POM Waste water has been monitored every months and monitoring periods January to December 2019 shown that all of waste water testing parameters is compliant to the standards quality.

The company showed a resource inventory of GHG emissions in the 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 consist of CO, CO<sub>2</sub>, CH<sub>4</sub>, and others.

Beside that, 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 document review for examples: pesticides usages monitoring, diesel fuel monitoring, HCV identification and etc found that accurate data has been put into the RSPO palm GHG Calculator.

Calculation of GHG and its monitoring has conducted by sustainability department. GHG emission calculated using RSPO palm GHG calculator 4.0 Summary of GHG emission for EHP POM and its supply base are listed as follows :

**Summary Emission**

Emissions per Product	tCO <sub>2</sub> e/tProduct
CPO	59.99
PK	59.99

Production	t/yr
FFB Process	184,339.23
CPO Produced	50,938.69

Land use	ha
OP Planted area	4,697.37
OP planted on peat	6,580.57
Conservation (forested)	146.57
Conservation (Non-forested)	208.58

**Summary of field emissions and sinks**

Description	Own			Group			3 <sup>rd</sup> Party		
	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e/tFFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e/tFFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e/tFFB
Land conversion	23,416.20	2.58	0.15	12,919.18	5.87-	0.45	0.00	0.00	0.00
CO <sub>2</sub> emission from fertilizer	-26,206.03	-2.89	-0.17	501.93	0.23	0.02	0.00	0.00	0.00
N <sub>2</sub> O emission from Peat	36,976.81	4.07	0.24	12.238	5.58	0.43	0.00	0.00	0.00
N <sub>2</sub> O emission from fertilizer	4,413.80	0.49	0.03	576.59	0.26	0.02	0.00	0.00	0.00
Fuel consumption	796.05	0.09	0.01	0.00	0.00	0.00	0.00	0.00	0.00
Peat Oxidation	2,411,033.65	26.58	15.47	1,181,498.40	537.15	41.54	0.00	0.00	0.00
Crop sequestration	-5,119.74	-6.07	-0.35	-20,591.78	-9.9.36	-0.72	0.00	0.00	0.00
Sequestration	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



in conservation area									
Total	2,395,310.74	263.85	15.36	1,187,188.24	539.74	41.47	0.00	0.00	0.00

Summary of Mill Emissions and Credits		
	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
Emissions Sources		
POME	36,209.99	0.20
Fuel consumption	457.22	0.00
Grid electricity	0.00	0.00
Utilization	0.00	0.00
Credits		
Export of grid electricity	0.00	0.00
Sales of PKS	0.00	0.00
Sales of EFB	0.00	0.00
Total	36,209.99	0.20

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%

**7.10.2 & 7.10.3**  
Until ASA-1 audit conducted, based on area statement there is no land clearing after 2014.

The company has identified pollutions and emissions sources of EHP POM for period 2020, such as CO<sub>2</sub> (boiler, generator, transportation), CH<sub>4</sub> (POME), hazardous waste (WTP, chemical storage), noise (machinery). The sources of pollution and emissions for estate are listed on the identification documents and management plans for pollution sources for the period 2019, such as: emissions (CO<sub>2</sub>, CO), noise, chemical waste, organic and inorganic waste and infectious waste. Plans to reduce or minimize has been implemented and monitored as explained on UKL-UPL semester II year 2019.

Fossil fuel reducing on EHP POM have been implemented by fiber/shell usage for boiler. POME has been monitored every months and monitoring periods July to Desember 2019, shown that all of POME testing parameters is compliant to the standards quality.

<b>Status: Comply</b>	
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<b>7.11</b>
<b>Fire is not used for preparing land and is prevented in the managed area.</b>
<b>7.11.1, 7.11.2 &amp; 7.11.3</b>
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.

The company has prepared fire prevention and control measures as described in the fire management report. The company monitors land fires every day in areas prone to land fires and fire monitoring towers. Based on the results of land fire monitoring from January 2019 to February 2020 in Semeru, Arjuna, and Bromo plantations there were no known land fires in the company's operational area.

The company has involved stakeholders on locations border operational areas as an effort to prevent and control fires through socialization and simulation of land fires on 15 April 2020 involving Sungai Bedaun villages.

**Status: Comply**

#### 7.12

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

#### 7.12.1; 7.12.2 & 7.12.3

Based on document verification, it is known that the span of planting year was from 1996-2014. There is no new planting after 15 November 2018.

Beside that, the Company has been conducted HCV assessment for the entire area of operations which done by the RSPO Approve Assessor on 2013. The process of HCV identification conducted by using HCV identification guides in Indonesia on June 2008. 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.

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.

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.

Base on document submitted by Proforest namely RSPO No deforestation consultancy: high forest cover countrie, Consultancy report on definitions and recommendations to the RSPO June 2018 as known not set HFCL for Indonesia.

#### 7.12.4, 7.12.5, 7.12.6, 7.12.7

The company established HCV management plan to maintain the HCV areas in operation area of PT EHP, listed on Management plan HCV 2019 documents. The integrated management plan is developed in consultation with relevant stakeholder such as training and socialization related HCV, mapping and ensure that there are no areas of HCV-related and affect the local community.

The company has a management/monitoring for implemented HCV on period 2019. The realization such as maintain HCV attributes (HCV boundary, sign board), HCV socialization (community and worker), maintain HCV area, regular patrols for maintain HCV security, species monitoring, enrichment in riparian.

Field visits on Bakung river block L30 Bromo Estate and Seluang river block FH 1 found that companies have marked buffer zone, perform revegetation with vetivergrass, and HCV signboard placement. During field visit also found riparian condition were managed well and there is no chemical activity indications on those riparian that become sampling audit.

Results of the verification documents, field visits and interviews with villagers obtained information that there are no areas of HCV-related and affect the local community.

The 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.

Based on HCV management and monitoring report for 2019 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 on housing complex Arjuna Estate and Bromo Estate, 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 known prohibition on hunting and killing wildlife.

Company have established HCV management plan, and implemented it well. Regularly patrols record shown company has been monitored illegal hunting (especially *Pongo pygmaeus*), and other illegal activities. All of records for daily patrols on each estate are available and verified by auditors. For example patrols summary results on 23 December 2019 for conservation PT EHP area such as *Ictinaetus malayensis*, *Pelargopsis capensis*, and *Gracula religiosa* meanwhile wild species trap is not presence.

PT BLP has efforts to manage the Peatland area by using RSPO Manual on Best Management Practices for existing oil palm cultivation on peat and environment regulation Number 16 the year 2017 and Government regulation number 57 the year 2016.

Management peat ecosystem, the company has shown the results of monitoring subsidies for one year in 2019. For example, monitoring of peat subsidence at the poles of the E32 subsidies in Arjuna Estate in January 2019 to February 2020. Management peat carried out by the company was to regulate the water gates on Block E32 and E31 B for water surface of peatlands

As the results of 2019 HCV management and monitoring output, company has plan feed back into the management plan 2020 i.e conduct water quality testing for Kumai river, Bakung river, Roko river and Seluang river every year for maintain surface water quality. The result of monitoring also reported to government institution every six month in environmental implementation report.

The company shows evidence such as:

- Minutes of the installation of the sign board March 4, 2019, on blocks I22, H16, and J49 by staff sustainability.
- Minutes of the installation of pole March 5, 2019 on riparian and HCV by staff sustainability.
- List of HCV socialization present to Bromo estate division 2 employees March 3, 2020.
- The result of HCV monitoring 12 December 2019.
- Documentation of HCV signboard installation on block J49.
- Documentation of HCV signboard installation on block I22.
- Documentation of HCV signboard installation on block H16.

Based on the evidence of improvement submitted, it concluded NCR Number. 2019.03 is complied.

**7.12.8**

The company has a RaCP summary, that inform concept note was approve in April 25, 2019. There is email from RSPO dated 25 Apr 2019, which mentioned the remediation information provided in the revised concept note has been approved. The full concept note (the proposed conservation project previously approved) has been approved by the Compensation Panel. The company prepare and submit the Compensation Plan. As discussed and as referenced in the RaCP procedures, there will be fixed fee of USD 1,800.

**Status: Comply**
**3.2 Conformity Checklist of Certificate and Trademark Use**

1.	Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client	X or√
ASA-1	EHP POM of PT EHP do not use RSPO Trademark and CB Logo on its product (on-product) and non-product (off-product).	√
	<b>Status: Comply</b>	
2.	Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use	X or√
ASA-1	EHP POM of PT EHP do not use RSPO Trademark and CB Logo on its product (on-product) and non-product (off-product).	√
	<b>S Status: Comply</b>	
3.	Implementation of Certificate and Trademark is not used on product	X or√
ASA-1	EHP POM of PT EHP do not use RSPO Trademark and CB Logo on its product (on-product) and non-product (off-product).	√
	<b>Status: Comply</b>	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.	X or√
ASA-1	EHP POM of PT EHP do not use RSPO Trademark and CB Logo on its product (on-product) and non-product (off-product).	√
	<b>Status: Comply</b>	



### 3.3 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><b>Company Group/Holding Statement:</b> PT Eagle High Plantations, Tbk. had conducting internal audit towards partial certification for its subsidiary companies.</p> <p><b>Auditor Verification:</b> The has shown Internal Audit report for all uncertified management unit as follows:</p> <ol style="list-style-type: none"> <li>1. PT Bumilanggeng Perdanatrada (PT BLP)</li> <li>2. PT Eagle High Plantation (PT EHP)</li> <li>3. PT Bumi Hutani Lestari (PT BHL)</li> <li>4. PT Adiyaksa Dharma Satya (PT ADS)</li> <li>5. PT Jaya Mandiri Sukses (PT JMS – East Kalimantan)</li> <li>6. PT Manunggal Adi Jaya (PT MAJ – East Kalimantan)</li> <li>7. PT Suryabumi Tunggal Perkasa (PT STP – East Kalimantan)</li> <li>8. PT Sawit Sukses Sejahtera (PT SSS)</li> <li>9. PT Prima Cipta Selaras (PT PCS)</li> <li>10. PT Arrtu Plantation (PT APN)</li> <li>11. PT Arrtu Energie Resources (PT AER)</li> <li>12. PT Arrtu Borneo Perkebunan (PT ABP)</li> <li>13. PT Arrtu Agro Nusantara (PT AAN)</li> <li>14. PT Mandiri Kapital Jaya (PT MKJ)</li> <li>15. PT Multikarya Sawit Prima (PT MSP)</li> <li>16. PT Seguri Serasau Sejahtera (PT SGSS)</li> </ol>

		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"> <li>• Primary forest.</li> <li>• Any area identified as containing High Conservation Values (HCVs).</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.</li> </ul>	<p><b>Company Group/Holding Statement:</b>  PT Eagle High Plantations, Tbk is not reporting disclosure of liability but has already deliver LUCA to RSPO through email.</p> <p><b>Auditor Verification:</b></p> <ul style="list-style-type: none"> <li>- PT BLP – EHP Mill <ul style="list-style-type: none"> <li>• HCV assessment has conducted by Tropenbos International Indonesia on September 2012.</li> <li>• 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.</li> <li>• 31 Oct 2018: Submission of the LUCA for PT BLP 562 ha and updated LUCA for PT AAN</li> <li>• 7 Oct 2019: 1st Review (sent to Aksenta for response on 8 Oct 2019)</li> <li>• 20 Nov 2019: clarification submitted</li> </ul> </li> <li>- PT EHP – EHP Mill. <ul style="list-style-type: none"> <li>• 23 Nov 2018: Concept Note was submitted to RSPO</li> <li>• 7 Jan 2019: disclosure of liability</li> <li>• 7 Feb 2019: Preliminary feedback was received from the RSPO</li> <li>• 13 Feb 2019: Updated concept note was submitted to RSPO</li> <li>• 19 Feb 2019: More information was being asked by RSPO</li> <li>• 20 Feb 2019: More information was supplied to RSPO</li> <li>• 18 Mar 2019: more clarification was being asked</li> <li>• 18 Mar 2019: clarifications responded</li> <li>• 25 Mar 2019: environmental remediation issue resolved, the concept note is now forwarded to the Compensation Panel to finalize the review and approval of the concept note</li> <li>• 9 Apr 2019: more information required</li> </ul> </li> </ul>

		<ul style="list-style-type: none"> <li>• 10 Apr 2019: information supplied</li> <li>• 25 Apr 2019: Concept Note approved, Compensation Plan submitted to RSPO.</li> </ul> <p>- PT BHL – BHL Mill.</p> <ul style="list-style-type: none"> <li>• HCV assessment has conducted by Tropenbos International Indonesia on July 12<sup>th</sup> 2012.</li> <li>• LUCA has conducted by Aksenta on July 2017. The LUCA had delivered to RSPO Compensation through email on Oct. 15<sup>th</sup> 2018 and has been reviewed from RSPO Reviewer on March 24<sup>th</sup> 2018 but still need clarification.</li> <li>• LUCA for location permit of PT BLP was completed in May 2016 by Aksenta. Submitted to RSPO on 31 Oct 2018</li> </ul> <p>- PT ADS – ADS Mill.</p> <ul style="list-style-type: none"> <li>• HCV assessment has conducted by Tropenbos International Indonesia on July 12<sup>th</sup> 2012.</li> <li>• 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</li> </ul> <p>- PT JMS – Bangkirai Mill.</p> <ul style="list-style-type: none"> <li>• HCV assessment has conducted by Sonokeling Akreditasi Nusantara on November 2011.</li> <li>• LUCA had conducted by Aksenta on December 2016. The LUCA had been reviewed by RSPO on April 6<sup>th</sup> 2018 and on March 14<sup>th</sup> 2018. The RaCP analysis has stated passed for 27.10 ha by RSPO Compensation, informed through email dated September 18<sup>th</sup> 2018. However, for 113.35 ha was still on going process by RSPO.</li> </ul> <p>- PT MAJ – Bangkirai Mill.</p> <ul style="list-style-type: none"> <li>• HCV assessment has conducted by Sonokeling Akreditasi Nusantara on December 2011.</li> <li>• 7 Jan 2019: disclosure of liability</li> <li>• 30 Apr 2019: LUCA submitted</li> <li>• 12 Nov 2019: Clarification required (sent to Daemeter on 13 Nov 2019) - RSPO sent the MAJ Kalsel file</li> <li>• 29 Jan 2020: Clarification required (sent to Daemeter on 29 Jan 2020)</li> </ul> <p>- PT STP – Bangkirai Mill.</p> <ul style="list-style-type: none"> <li>• HCV assessment has conducted by Sonokeling on December 2011.</li> <li>• 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,</li> </ul>
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		<p>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"> <li>• 15 Oct 2019: 2nd clarification required (sent to Aksenta for response on 16 Oct 2019)</li> <li>• 9 Dec 2019: clarification submitted</li> <li>• 29 Jan 2020: Pass</li> </ul> <p>- PT SSS – SSS Mill.</p> <ul style="list-style-type: none"> <li>• HCV assessment has conducted by Tropenbos International Indonesia on November 2011.</li> <li>• 7 Jan 2019: disclosure of liability</li> <li>• 30 Apr 2019: LUCA submitted</li> <li>• 4 Nov 2019: request for clarification (sent to Daemeter for response on 4 Nov 2019)</li> </ul> <p>- PT PCS – SSS Mill.</p> <ul style="list-style-type: none"> <li>• HCV assessment has conducted by Tropenbos International Indonesia on December 2012.</li> <li>• 7 Jan 2019: disclosure of liability</li> <li>• 30 Apr 2019: LUCA submitted</li> <li>• 4 Nov 2019: request for clarification (sent to Daemeter for response on 4 Nov 2019)</li> </ul> <p>- PT APN – Kelampai Mill</p> <ul style="list-style-type: none"> <li>• HCV assessment has conducted by Sonokeling on July 2012.</li> <li>• 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.</li> </ul> <p>- PT AER – Kelampai Mill</p> <ul style="list-style-type: none"> <li>• HCV assessment has conducted by Sonokeling on July 2012.</li> <li>• LUCA has conducted by Aksenta on April 2018. The LUCA has delivered through email dated October 15<sup>th</sup> 2018 and still under review by RSPO Compensation.</li> </ul> <p>- PT ABP – Kelampai Mill</p> <ul style="list-style-type: none"> <li>• HCV assessment has conducted by Sonokeling on July 2012.</li> <li>• 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 19 Oct 2018, an update of the LUCA was submitted in response to the clarifications.</li> </ul> <p>- PT AAN – Kelampai Mill</p> <ul style="list-style-type: none"> <li>• HCV assessment has conducted by Sonokeling on July 2012.</li> <li>• LUCA has conducted by Aksenta on July 2017. The LUCA has been</li> </ul>
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		<p>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.</p> <ul style="list-style-type: none"> <li>- PT MKJ – Kelampai Mill <ul style="list-style-type: none"> <li>• HCV assessment has conducted by Sonokeling on July 2012.</li> <li>• 7 Jan 2019: disclosure of liability</li> <li>• 8 May 2019: LUCA submitted</li> <li>• 24 Sep 2019: clarifications required (sent to Daemeter on 14 Oct 2019)</li> </ul> </li> <li>- PT JMS – Batu Bulan Mill <ul style="list-style-type: none"> <li>• 7 Jan 2019: disclosure of liability</li> <li>• 29 Sep 2017: LUCA submitted</li> <li>• 26 Sep 2018: Further clarification required</li> <li>• 15 Oct 2018: Revision of the LUCA submitted, FCL is now 101.73 ha</li> <li>• 25 Nov 2019: Furter clarification required (sent to Aksenta on 26 Nov 2019)</li> <li>• 20 Jan 2020: Revision of the LUCA submitted</li> <li>• 3 Mar 2020: Clarification required</li> <li>• 4 Mar 2020: Revision submitted</li> <li>• 12 Mar 2020: pass</li> </ul> </li> <li>- PT STP – Batu Bulan Mill <ul style="list-style-type: none"> <li>• HCV assessment and LUCA still on progress.</li> <li>• 7 Jan 2019: disclosure of liability</li> <li>• 30 Apr 2019: LUCA submitted</li> </ul> </li> <li>- PT SGA – Batu Bulan Mill <ul style="list-style-type: none"> <li>• HCV assessment has conducted by Yayasan Sawit Berkelanjutan on June 2010.</li> <li>• 7 Jan 2019: disclosure of liability</li> <li>• 30 Apr 2019: LUCA submitted</li> </ul> </li> <li>- PT PLS – Safir Mill <ul style="list-style-type: none"> <li>• HCV assessment has conducted by Sonokeling on June 2015.</li> <li>• 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.</li> </ul> </li> <li>- PT SKS – Safir Mill <ul style="list-style-type: none"> <li>• HCV assessment has conducted by Sonokeling on July 2012.</li> <li>• 7 Jan 2019: disclosure of liability</li> <li>• 30 Apr 2019: LUCA submitted</li> </ul> </li> <li>- PT KAPAG – Safir Mill <ul style="list-style-type: none"> <li>• HCV assessment and LUCA still on progress.</li> </ul> </li> </ul>
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2.2.3	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<p><b>Company Group/Holding Statement:</b> 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"> <li>- PT MSP: planting year consist of 2009 – 2016 and not conduct NPP.</li> <li>- PT SGSS: planting year consist of 2008 – 2014 and not conduct NPP.</li> <li>- PT SMS: planting year consist of 2011 – 2014 and not conduct NPP.</li> <li>- PT SMS: planting year consist of 2013 – 2015 and not conduct NPP.</li> <li>- PT AKM: planting year consist of 2011 – 2015 and not conduct NPP.</li> <li>- PT VMA: planting year consist of 2015 and not conduct NPP.</li> <li>- PT WCJU: planting year consist of 2007 – 2014 and not conduct NPP.</li> </ul> <p><b>Auditor Verification:</b> 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"> <li>1. Palms in PT BLP were planted in 1997 to 2014.</li> </ol>

		<ol style="list-style-type: none"> <li>2. Palms in PT BHL were planted in 1998 to 2014.</li> <li>3. Palms in PT ADS were planted in 2006 to 2014.</li> <li>4. Palms in PT JMS (Bangkirai Mill) were planted in 2005 to 2015.</li> <li>5. Palms in PT MAJ (Bangkirai Mill) were planted in 2006 to 2015.</li> <li>6. Palms in PT STP (Bangkirai Mill) were planted in 2007 to 2014.</li> <li>7. Palms in PT SSS (Bangkirai Mill) were planted in 2008 to 2014.</li> <li>8. Palms in PT PCS (Bangkirai Mill) were planted in 2011 to 2014.</li> <li>9. Palms in PT APN (Kelampai Mill) were planted in 2009 to 2017.</li> <li>10. Palms in PT AER (Kelampai Mill) were planted in 2013 to 2016.</li> <li>11. Palms in PT ABP (Kelampai Mill) were planted in 2011 to 2016.</li> <li>12. Palms in PT AAN (Kelampai Mill) were planted in 2011 to 2017.</li> <li>13. Palms in PT MKJ (Kelampai Mill) were planted in 2008 to 2015.</li> <li>14. Palms in PT MSP were planted in 2009 to 2016.</li> <li>15. Palms in PT SGSS were planted in 2015 to 2016.</li> <li>16. Palms in PT SMS were planted in 2011 to 2014.</li> <li>17. Palms in PT BSU were planted in 2013 to 2015.</li> <li>18. Palms in PT AKM were planted in 2011 to 2015.</li> <li>19. Palms in PT VMA were planted in 2015.</li> <li>20. Palms in PT WCJU were planted in 2007 to 2014.</li> <li>21. Palms in PT TSP were planted in 2011 to 2014.</li> <li>22. Palms in PT PLS were planted in 2005 to 2014.</li> <li>23. Palms in PT SGA were planted in 1997 to 2013.</li> <li>24. Palms in PT JMS (South Kalimantan) were planted in 2005 to 2016.</li> </ol> <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"> <li>1. PT EHP is a palm oil processing mill without estates → not applicable.</li> <li>2. Palms in PT MAJ (South Kalimantan) were planted in 2006 to 2008</li> <li>3. Palms in PT KAPAG were planted in 1997 to 2007</li> <li>4. Palms in PT SKS were planted in 2006 to 2008</li> <li>5. Palms in PT STP (South Kalimantan) were planted in 2005 to 2008</li> </ol>
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><b>Company Group/Holding Statement:</b></p> <ol style="list-style-type: none"> <li>1. PT MSP: There are no land conflicts</li> <li>2. PT SGSS: There are no land conflicts</li> <li>3. PT SMS: There are no land conflicts</li> <li>4. PT BSU: There are no land conflicts</li> <li>5. PT AKM: There are no land conflicts</li> <li>6. PT VMA: There are no land conflicts</li> <li>7. PT WCJU: There are no land conflicts</li> </ol> <p><b>Auditor Verification:</b></p> <ol style="list-style-type: none"> <li>1. SIA for PT BLP has conducted by Sonokeling on 2013 and has also included on AMDAL report dated July 22<sup>nd</sup> 1998. Both report informed that there were no land conflict which negatively disturbed company operational activities.</li> </ol> <p><b>However,</b> <a href="http://tanahkita.id/v2/data/konflik/detil/Wldkbw">http://tanahkita.id/v2/data/konflik/detil/Wldkbw</a> 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 19<sup>th</sup> 2013. Last update was Letter from company dated October 17<sup>th</sup> 2018 as response towards claimnant letter dated March 11<sup>th</sup> 2018, which mentioned that it was clear that those dispute area legally owned by PT BLP as stated on BPN Letter dated November 19<sup>th</sup> 2013. However, it was recommended to claimnant to continue the process into Court.</p>

		<p>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.</p> <ol style="list-style-type: none"> <li>2. Land conflict in PT EHP has no exist.</li> <li>3. SIA for PT BHL Mill has conducted by Sonokeling on September 2013 and also included on AMDAL report dated August 26<sup>th</sup> 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 20<sup>th</sup> 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.</li> <li>4. SIA in PT ADS has conducted by Sonokeling on September 2013 and also included on AMDAL report dated August 26<sup>th</sup> 2009. Both report informed that there were no land conflict which negatively disturbed company operational activities. <b>However,</b> <a href="https://kalteng.antaranews.com/berita/242411/perusahaan-sawit-ads-garap-lahan-pertanian-warga">https://kalteng.antaranews.com/berita/242411/perusahaan-sawit-ads-garap-lahan-pertanian-warga</a> 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 22<sup>nd</sup> 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 25<sup>th</sup> 2015.</li> <li>5. SIA in PT JMS (Bangkirai Mill) has conducted by Sonokeling on October 2011 and also included on AMDAL dated June 18<sup>th</sup> 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.</li> <li>6. SIA in PT MAJ (Bangkirai Mill) has conducted by Sonokeling on December 2011 and also included on AMDAL report dated June 18<sup>th</sup> 2007. Both report informed that there were no land conflict which negatively disturbed company operational activities.</li> <li>7. SIA in PT STP (Bangkirai Mill) has conducted by Sonokeling in December 2011 and also included in AMDAL report dated February 11<sup>th</sup> 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 3<sup>rd</sup> 2017. Unit management shows several related documents, such as Police Resort Report from PT STP dated November 3<sup>rd</sup> 2017 and Information Progress Report Letter dated September 21<sup>st</sup> 2018 which informed that the case was still under investigation.</li> </ol>
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		<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 23<sup>rd</sup> 2008 and June 17<sup>th</sup> 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 4<sup>th</sup> 2015. Both report informed that there were no land conflict which negatively disturbed company operational activities.</p> <p><b>However,</b> <a href="http://www.suarakutim.com/safni-kami-sebatas-mengklaim-makam-leluhur-kami-dirusak/">http://www.suarakutim.com/safni-kami-sebatas-mengklaim-makam-leluhur-kami-dirusak/</a> 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 26<sup>th</sup> 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 5<sup>th</sup> 2007. Both report informed that there were no land conflict which negatively disturbed company operational activities.</p> <p><b>However,</b> <a href="https://www.pontianakpost.co.id/sengketa-lahan-pt-aritu-dan-pt-isl">https://www.pontianakpost.co.id/sengketa-lahan-pt-aritu-dan-pt-isl</a> 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 23<sup>rd</sup> 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 27<sup>th</sup> 2010. Both report informed that there were no land conflict which negatively disturbed company operational activities.</p> <p><b>However, according to web information, it was known as follows:</b></p> <p><a href="http://www.mongabay.co.id/2014/11/11/orangutan-ini-terjebak-di-areal-konsesi-perkebunan-sawit-ketapang/">http://www.mongabay.co.id/2014/11/11/orangutan-ini-terjebak-di-areal-konsesi-perkebunan-sawit-ketapang/</a> informed that there was presence of Orang Utan in PT AER. It has respnded through Arrtu Mayak Orangutan Rescue (AMOUR) project. Future plan and progress of project can be accessed through company website in eaglehighplantation.com.</p> <p><a href="https://www.greenpeace.org/seasia/Global/seasia/2016/IOI-Report-Indonesian-lowres.pdf">https://www.greenpeace.org/seasia/Global/seasia/2016/IOI-Report-Indonesian-lowres.pdf</a> informed that there were deforestation due to fire. This mater 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 31<sup>st</sup> 2010. Both report informed</p>
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		<p>that there were no land conflict which negatively disturbed company operational activities.</p> <p>However, according to <a href="http://ketapangnews.com/2017/01/sengketa-lahan-antara-isl-dan-abp-berlanjut-ke-hukum/">http://ketapangnews.com/2017/01/sengketa-lahan-antara-isl-dan-abp-berlanjut-ke-hukum/</a> , 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 14<sup>th</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 (<a href="https://melawinews.com/2018/03/29/warga-tuntut-kebun-plasma-yang-dijanjikan-pt-akm-dan-pt-bsu/">https://melawinews.com/2018/03/29/warga-tuntut-kebun-plasma-yang-dijanjikan-pt-akm-dan-pt-bsu/</a>). 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 (<a href="https://melawinews.com/2018/03/29/warga-tuntut-kebun-plasma-yang-dijanjikan-pt-akm-dan-pt-bsu/">https://melawinews.com/2018/03/29/warga-tuntut-kebun-plasma-yang-dijanjikan-pt-akm-dan-pt-bsu/</a>). 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-BCL/V/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 (<a href="https://awasmiffee.potager.org/?p=853&amp;lang=id">https://awasmiffee.potager.org/?p=853&amp;lang=id</a>) inform that PT TSP give compensation/ <i>Tali Asih</i> 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 (<a href="https://kalsel.antaranews.com/berita/5055/kotabaru-antisipasi-konflik-lahan">https://kalsel.antaranews.com/berita/5055/kotabaru-antisipasi-konflik-lahan</a>) 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 (<a href="https://putusan.mahkamahagung.go.id/putusan/e2429fb7e75126c33faee6deece65504/">https://putusan.mahkamahagung.go.id/putusan/e2429fb7e75126c33faee6deece65504/</a>). Has been resolve in court on 2013.</p>
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		<p>26. PT PLS: land conflict with community based on website (<a href="https://www.infosawit.com/news/3913/selesaikan-masalah-lahan--dprd-kalsel-bentuk-pansus-">https://www.infosawit.com/news/3913/selesaikan-masalah-lahan--dprd-kalsel-bentuk-pansus-</a>) and there issue related to development of smallholder (<a href="https://www.borneonews.co.id/berita/24233-takut-dibui-warga-tiga-desa-mengadu-ke-kapolres">https://www.borneonews.co.id/berita/24233-takut-dibui-warga-tiga-desa-mengadu-ke-kapolres</a>). Company has resolve by extent the plasma area.</p> <p>27. PT SGA: land conflict with community from Mentewe Village (<a href="https://tribratanevstanbu.kalsel.polri.go.id/?p=25000">https://tribratanevstanbu.kalsel.polri.go.id/?p=25000</a>) and has been resolve (<a href="http://www.bidikkalsel.co/2015/10/sengketa-lahan-warga-dengan-pt.html">http://www.bidikkalsel.co/2015/10/sengketa-lahan-warga-dengan-pt.html</a>).</p> <p>28. PT STP (South Kalimantan): compensation issue from customary people (<a href="http://www.aman.or.id/masyarat-adat-dayak-meratus-gugat-perusahaan-sawit">http://www.aman.or.id/masyarat-adat-dayak-meratus-gugat-perusahaan-sawit</a>). EHP management shows document (softcopy) of Court (Pengadilan Negeri of Kotabaru) Verdict No. 02/Pdt.G/2014/PN.Ktb dated 09 February 2015 (Perdata) with conclusion the Court has reject the plaintiff's claim.</p> <p>29. PT JMS (South Kalimantan): land conflict with Cantung Kiri Village (<a href="https://kalsel.antaranews.com/berita/5055/kotabaru-antisipasi-konflik-lahan">https://kalsel.antaranews.com/berita/5055/kotabaru-antisipasi-konflik-lahan</a>) related to plasma. Land conflict with community (<a href="http://sawitwatch.or.id/2015/03/pengambilalihan-kembali-tanah-adat-yang-telah-digarap-oleh-pt-jaya-mandiri-sukses-jms/">http://sawitwatch.or.id/2015/03/pengambilalihan-kembali-tanah-adat-yang-telah-digarap-oleh-pt-jaya-mandiri-sukses-jms/</a>). 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><b>Company Group/Holding Statement:</b> 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><b>Auditor Verification:</b> Based in information from public source and RSPO website informed:</p> <ul style="list-style-type: none"> <li>• Labour dispute in PT BLP has no exist.</li> <li>• Labour dispute in PT EHP has no exist.</li> <li>• Labour dispute in PT BHL has no exist.</li> <li>• Labour dispute in PT ADS has no exist.</li> <li>• <a href="https://www.korankaltim.com/kutai-kartanegara/read/1972/miris-buruh-sawit-hanya-digaji-rp100-ribu-per-bulan">https://www.korankaltim.com/kutai-kartanegara/read/1972/miris-buruh-sawit-hanya-digaji-rp100-ribu-per-bulan</a> 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.</li> <li>• Labour dispute in PT MAJ has no exist.</li> <li>• Labour dispute in PT STP has no exist.</li> <li>• Labour dispute in PT SSS has no exist</li> <li>• Labour dispute in PT PCS has no exist</li> <li>• Labour dispute in PT APN has no exist</li> <li>• Labour dispute in PT AER has no exist</li> <li>• Labour dispute in PT ABP has no exist</li> <li>• Labour dispute in PT AAN has no exist</li> <li>• Labour dispute in PT MKJ has no exist</li> <li>• Labour dispute in PT MSP has no exist.</li> <li>• Labour dispute in PT SGSS has no exist.</li> <li>• Labour dispute in PT SMS has no exist.</li> <li>• Labour dispute in PT BSU has no exist.</li> <li>• Labour dispute in PT AKM has no exist.</li> <li>• Labour dispute in PT VMA has no exist.</li> <li>• Labour dispute in PT WCJU has no exist.</li> </ul>

		<ul style="list-style-type: none"><li>PT TSP: there are dispute related to workers in website (<a href="http://ipom.global/2017/08/29/eagle-high-dan-rajawali-terkena-pelanggaran-hak-asasi-manusia-di-perkebunan/">http://ipom.global/2017/08/29/eagle-high-dan-rajawali-terkena-pelanggaran-hak-asasi-manusia-di-perkebunan/</a>) related to workers right and in website (<a href="https://pusaka.or.id/2016/01/karyawan-sawit-ditembak-perusahaan-harus-bertanggungjawab/">https://pusaka.or.id/2016/01/karyawan-sawit-ditembak-perusahaan-harus-bertanggungjawab/</a>) 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. Company has involving related stakeholder such as Labour Union, Manpower Agency of Papua and Keerom Regency, employees and Police Officials in solving to case. Furthermore, compensation has been given by the company as agreed by the involved workers.</li><li>Labour dispute in PT MAJ (South Kalimantan) has no exist.</li><li>Labour dispute in PT KAPAG has no exist.</li><li>Labour dispute in PT SKS has no exist.</li><li>Labour dispute in PT PLS has no exist.</li><li>Labour dispute in PT SGA has no exist.</li><li>Labour dispute in PT STP (South Kalimantan) has no exist.</li><li>Labour dispute in PT JMS (South Kalimantan) has no exist.</li></ul>																
2.2.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p><b>Company Group/Holding Statement:</b></p> <p>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.</p> <p><b>Auditor Verification:</b></p> <ol style="list-style-type: none"><li>Legal requirement in PT BLP – EHP Mill<ul style="list-style-type: none"><li>According to Decree of Land Title (SK HGU), PT BLP has total area for about 8,941.12 ha.</li><li>Business Permit which covers about ± 7,500 ha; ± 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 4<sup>th</sup> 2017 for area covers 601.39 ha with scale 1:20,000.</li></ul></li><li>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.</li><li>PT BHL has a match IUP and HGU, which totaling for about 12,846.00 ha.</li><li>PT ADS has location permit ± 11,500.00 ha (2000) and ± 7,000.00 ha (2004); IUP-2003 for about ± 11,500.00 ha and HGU for about 5,465.80 ha.</li><li>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</li></ol> <table><tr><th>Estate</th><th>Area (ha)</th></tr><tr><td>Jatimas</td><td>456.29</td></tr><tr><td>Gaharu</td><td>230.59</td></tr><tr><td>Trembesi</td><td>104.31</td></tr><tr><td>Angsana</td><td>259.45</td></tr><tr><td>Bangkirai</td><td>27.09</td></tr><tr><td>Kulim</td><td>552.02</td></tr><tr><td><b>Total</b></td><td><b>1,629.75</b></td></tr></table>	Estate	Area (ha)	Jatimas	456.29	Gaharu	230.59	Trembesi	104.31	Angsana	259.45	Bangkirai	27.09	Kulim	552.02	<b>Total</b>	<b>1,629.75</b>
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		<p>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.</p> <p>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.</p> <p>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:</p> <ul style="list-style-type: none"> <li>• The company has sent request Letter for Kadasteral measurement mapping on July 10<sup>th</sup> 2014.</li> <li>• Extension on location permit.</li> <li>• Inventarisasi on land compensation.</li> </ul> <p>7. PT STP has Location permit (2006) and IUP (2007) for 17,500 ha; but only has HGU for about 5,005 ha.</p> <p>8. PT SSS has a match IUP and HGU, which totaling about 20,220.92 ha.</p> <p>9. PT PCS has IUP totaling for about ± 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.</p> <p>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&gt;Cert.). This is due differences between "<i>Peta Bidang</i>" as mentioned in HGU Decree and "<i>Surat Ukur</i>" as mentioned in Certificate. Detail on hectare statement is presented in the following Table:</p> <table border="1"> <thead> <tr> <th>No. NIB</th><th>Peta Bidang (SK HGU – 2013)</th><th>Surat Ukur (Cert. HGU – 2013)</th></tr> </thead> <tbody> <tr><td>098</td><td>271.04</td><td>190.40</td></tr> <tr><td>099</td><td>5.28</td><td>5.17</td></tr> <tr><td>100</td><td>4.12</td><td>3.95</td></tr> <tr><td>101</td><td>33.07</td><td>32.57</td></tr> <tr><td>102</td><td>110.44</td><td>109.88</td></tr> <tr><td>103</td><td>4,243.09</td><td>4,239.19</td></tr> <tr><td>104</td><td>1,235.90</td><td>1,235.91</td></tr> <tr><td>105</td><td>2,426.30</td><td>2,570.09</td></tr> <tr><td>106</td><td>3,075.43</td><td>3,077.25</td></tr> <tr><td>107</td><td>519.92</td><td>415.50</td></tr> <tr><td><b>Total</b></td><td><b>11,924.48</b></td><td><b>11,879.91</b></td></tr> </tbody> </table> <p>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 16<sup>th</sup> 2011 for area covers 11,650.09 ha with scale 1:40,000.</p> <p>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 29<sup>th</sup> 2017 for area covers 4,295.47649 ha with scale 1:30,000.</p>	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	<b>Total</b>	<b>11,924.48</b>	<b>11,879.91</b>
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		<p>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 30<sup>th</sup> 2011 for area covers 11,944.61 ha with scale 1:30,000.</p> <p>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 7<sup>th</sup> 2016.</p> <p>15. PT MSP: has obtain HGU for 6,527 Ha and IUP for 13,950 Ha.</p> <p>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.</p> <p>17. PT SMS: has obtain HGU decree for an area of 4918.5508 Ha, but HGU certificate not yet issued.</p> <p>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</p> <p>19. PT AKM: has obtain approval for cadastral but not yet conduct measurement. The company will consultation with BPN related to this case.</p> <p>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> <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>
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### 3.4 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

#### 3.4.1. Identification of Findings, Corrective Actions and Observations at 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.			
<b>Evidence observed</b> (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.					
<b>Non-Conformance Description</b> (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.					
<b>Root Cause Analysis</b> (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.					
<b>Correction</b> (filled by organization audited): <ul style="list-style-type: none"><li>PT BLP (unit management) has provide PPE of respirator of NIOSH 95 specification, which in accordance with MSDS of pesticide used.</li><li>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.</li><li>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.</li><li>Unit management has ensure that type of PPE respirator used is in accordance with MSDS of pesticide used through inspection on the field.</li></ul>					
<b>Corrective Action</b> (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.					
<b>Assessor Evaluation and Conclusion</b> (filled by auditor): <b>Verification in 18 March 2019</b> The company shows several evidence of correction as follows: <ul style="list-style-type: none"><li>Purchase order No. 4600083069 dated 04 March 2019 for purchasing of 160 pcs of Respirators with R10 NIOSH 95 (N95) DBS 20x8 spesification.</li><li>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.</li><li>Official Letter of Bromo Estate dated 04 March 2019 about 16 pcs of N95 respirators distribution, withdrawal of the former</li></ul>					

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	: 01 March 2019	Time Limit	: Next Surveillance
NC Grade	: Minor	Date of Closing	: 20 March 2020
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"><li>• The CH has not been able to show that all contractor workers have been protected by Work Accident Insurance.</li><li>• Based on the SPK review with the contractor, it is known that there is a clause stating that the contractor entrepreneur is obliged to protect his workers with Work Accident Insurance.</li></ul>			
Non-Conformance Description (filled by auditor): <p>The CH does not have a mechanism to ensure that all contractor workers are covered by work accident insurance.</p>			
Root Cause Analysis (filled by organization audited): <p>The CH's management has not paid attention to the clauses regulated in the RSPO Certification System (approved by the RSPO Executive Board 26 June 2017) regarding the use of third parties as contractors.</p>			
Correction (filled by organization audited): <p>The CH has prepared a document "Contractor Control / Outsourcing Mechanism" as a guide to enter into / write a Cooperation Agreement with a Third Party.</p>			
Corrective Action (filled by organization audited): <p>In the "Contractor Control/Outsourcing Mechanism" document the clauses requested in the RSPO Certification System (approved by the RSPO Executive Board 26 June 2017) include;</p> <ol style="list-style-type: none"><li>1. Contractor's obligation to fulfill the statutory requirements in the field of labor, K3, environment and other legalities including the contractor's obligation to protect his workforce in work accident insurance.</li><li>2. Adding a clause in the Work Agreement Letter (SPK) made stating that PT EHP / PT BLP must be given access to obtain data on compliance with statutory requirements in the field of labor, K3, Environment and other Legality and can carry out "field inspections" or "audit" relating to the implementation of RSPO Standard compliance requirements.</li><li>3. An evaluation will be conducted to each contractor / Outsourcing to ensure whether the Contractor / Outsourcing can still be extended or not.</li></ol>			



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

**Auditor Verification, 20 March 2020**

- The CH already has a Contractor Control / Outsourcing mechanism which has included the clauses requested in the RSPO Certification System (approved by the RSPO Executive Board 26 June 2017).
- The CH shows the proof of contractor employee insurance payment as follows:
  1. The CH shows proof of CV Sinar Abadi employment insurance payment for the February 2020 period paid on March 10, 2020.
  2. The CH shows proof of UD Manyam Raya employment insurance payment for the period of February 2020 paid on 7 February 2020.

Based on the above it is known that the company has owned and implemented a good mechanism to ensure that all contractor workers have been protected by work accident insurance, so that the non-conformity is stated to be fulfilled by observing notes on the next surveillance.

**Verified by** : **Yudhi Yuniarto Tallutondok**

<i>NCR No.</i>	: <b>2019.03</b>	<i>Issued by</i>	: <b>Brigitta Prita</b>
<i>Date Issued</i>	: <b>1 Maret 2019</b>	<i>Time Limit</i>	: <b>Next Surveillance</b>
<i>NC Grade</i>	: <b>Minor</b>	<i>Date of Closing</i>	: <b>ASA 1</b>
<i>Standard Ref. &amp; Requirement</i>	<b>5.2.4.</b> <b>Jika rencana pengelolaan sudah tersusun, maka harus tersedia dokumentasi dan laporan pemantauan yang terus menerus terhadap status spesies RTE &amp; NKT yang terkena dampak operasional perkebunan dan pabrik kelapa sawit dan hasil pemantauannya digunakan untuk tindak lanjut perbaikan rencana pengelolaan.</b>		

**Evidence observed** (filled by auditor):

- 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):

Officers who monitor HCV management are incomplete in filling out the HCV area monitoring form including HCV identity signboard conditions.

The gap between the procurement of goods (Cat) is not in accordance with the request.

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

Replacement of Information Board for identity of HCV area in Blok J49  
 Change the paint color on the HCV boundaries from white to red according to the HCV management plan.

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

The socialization to officers who monitor HCV areas related to what items must be filled based on the HCV area monitoring form that has been owned.



Provide understanding to the procurement officer so that the specifications of the goods held are in accordance with the requirements of the sustainability department.

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

**Auditor verification ASA 1**

The company shows evidence such as:

- Minutes of the installation of the sign board March 4, 2019, on blocks I22, H16, and J49 by staff sustainability.
- Minutes of the installation of pole March 5, 2019 on riparian and HCV by staff sustainability.
- List of HCV socialization present to Bromo estate division 2 employees March 3, 2020.
- The result of HCV monitoring 12 December 2019.
- Documentation of HCV signboard installation on block J49.
- Documentation of HCV signboard installation on block I22.
- Documentation of HCV signboard installation on block H16.

Based on the evidence of improvement submitted, it concluded NCR Number. 2019.03 is complied.

**Verified by** : **Radytio Puspanjana**

<b>NCR No.</b>	<b>: 2019.04</b>	<b>Issued by</b>	<b>: Mohamad Amarullah</b>
<b>Date Issued</b>	<b>: 1 March 2019</b>	<b>Time Limit</b>	<b>: 29 February 2020</b>
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 18 March 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 6.5.1 Documentation of pay and conditions for employees based on the existing manpower regulations shall be available.</b>		
<b>Evidence observed</b> (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.			
<b>Non-Conformance Description</b> (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.			
<b>Root Cause Analysis</b> (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.			
<b>Correction</b> (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.			
<b>Corrective Action</b> (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 regulations, 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 evaluation to contractors on their ability towards regulation pursuance, as consideration for work extension 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/1st/III/2019 dated 02 March 2019 about contractor/outsourcing control mechanism which mentioned several points or aspects that required to be fulfilled by contractors such as pursuance towards applicable Indonesian Regulations and RSPO standards.
- 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/1st/III/2019 dated 13 March 2019 about revision on contractor/outsourcing 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 Sustainability 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 work agreement if contractor has found could not meet those requirements.

**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**. Consistency of implementation will be further to be observed on the next surveillance audit.

<b>Verified by</b>	<b>: Trismadi Nurbayuto and Mohamad Amarullah</b>
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<b>NCR No.</b>	<b>: 2019.05</b>	<b>Issued by</b>	<b>: Brigitta Prita</b>
<b>Date Issued</b>	<b>: 1 March 2019</b>	<b>Time Limit</b>	<b>: 29 February 2020</b>

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"><li>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 <b>PASS</b> from RSPO.</li><li>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 <math>(260 \text{ ha} \times 0.5) \times 0.7 = 182 \text{ ha}</math>; while for the latter is <math>(220 \text{ ha} \times 2) \times 0.7 = 308 \text{ ha}</math>.</li><li>Concept note for remediation and compensation has been delivered through email to RSPO Compensation on 07 February 2019, which responded by <a href="mailto:khing.suli@rspo.org">khing.suli@rspo.org</a>, 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 <a href="mailto:emir@respo.org">emir@respo.org</a> 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.</li><li>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.</li></ul>					
Non-Conformance Description (filled by auditor):					
The company is not be able to shows evidence that concept note on remediation of PT BLP has been approved by RSPO Compensation.					
Root Cause Analysis (filled by organization audited):					
This is due to the delay in review and approval of the RSPO Compensation Panel.					
Correction (filled by organization audited):					
The company has sent e-mail from RSPO on April 25 <sup>th</sup> , 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.					
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 26 <sup>th</sup> , 2019.					
Based on an email from <a href="mailto:Khing.suli@rspo.org">Khing.suli@rspo.org</a> on April 25 <sup>th</sup> , 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 10<sup>th</sup> 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.

<b>Verified by</b>	<b>:</b>	<b>Brigitta Prita</b>
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**3.4.2. Identification of Findings, Corrective Actions and Observations at ASA-1**

NCR No.	:	2020.01	Issued by	:	Arif Faisal Simatupang
Date Issued	:	20 March 2020	Time Limit	:	19 June 2020
NC Grade	:	Critical	Date of Closing	:	20 May 2020
Standard Ref. & Requirement	:	<b>3.8.16</b> <b>Business Transaction Registration</b> <b>i. Shipping Announcement / Delivery on the RSPO IT Platform must be made by MCC when the product is sold as an RSPO certified product to refineries, crushers and traders no later than 3 months after the date of shipment or the date of shipping documents.</b> <b>ii. ii. Deleting: If RSPO certified volumes are sold through other schemes or in a conventional manner, or if the amount of production is below what it should be, then loss or damage must be removed in the RSPO IT Platform.</b>			
<b>Evidence observed (filled by auditor):</b> <ul style="list-style-type: none"><li>Quota certified volume data for the period 10 May 2019 to 09 May 2020 on palm trace CSPO 38,444 MT and CSPK 7,094 MT</li><li>Current remaining palmtrace period data CSPO: 24,144 MT &amp; CSPK: 5,444 MT.</li><li>CSPO &amp; CSPK sales data for May 1 2019 - February 29 2020:<ul style="list-style-type: none"><li>CSPO is sold as a certified product of 14,300 MT.</li><li>CSPK is sold as a certified product of 1,650 MT.</li></ul></li><li>Based on Delivery Order documents for period 1 May 2019 - 29 February 2020<ul style="list-style-type: none"><li>CSPO sold as conventional products is 22,900 MT.</li><li>CSPK sold as conventional products amounted to 5,050 MT.</li></ul></li><li>Transaction report data (Palm Trace) is known to have no credit sales.</li></ul>					
<b>Non-Conformance Description (filled by auditor):</b> <p>Based on the data above, the company has not been able to show a reduction (removed stock) of CSPO Conventional sales of 22,900 MT and CSPK of 5,050 MT on palm trace or opportunities in selling by claim.</p>					
<b>Root Cause Analysis (filled by organization audited):</b> <p>Understanding of how to input (input data) by the responsible section of the RSPO IT Platform (Palmtrace) still needs to be improved.</p>					
<b>Correction (filled by organization audited):</b> <p>Input sales data of CSPO products sold conventionally on the RSPO IT Platform / Palm Trace (Exhibit Attachment 1)</p>					
<b>Corrective Action (filled by organization audited):</b> <p>Conduct training / re-understanding of officers responsible for data input on the RSPO IT Platform (Palmtrace) as stipulated in the SOP of Raw Material Supply Chain and Production Results Point 7 (SOP No.: SOP-OTH-F3-022, Rev 1.0 dated January 10, 2019).</p> <p>Proof of improvement:</p> <ul style="list-style-type: none"><li>Minutes of data input training implementation at the RSPO IT Platform (Appendix 2)</li><li>Raw Material Supply Chain SOP and Production Results (SOP No.: SOP-OTH-F3-022, Rev 1.0 dated January 10, 2019) (Appendix 3)</li></ul> <p>Evidence of removed stock on Palm Trace, namely: from 33,756 MT to 31,108 MT or 2,648 MT for CSPO and from 8,520 MT to 6,969 or 1,551 MT for CSPK (Appendix 1)</p>					

**Assessor Evaluation and Conclusion** *(filled by auditor)*
**Verification May 20, 2020**

The company has shown evidence including:

- EHP Training Record dated 8 May 2020 related to Raw Material Supply Chain SOP and Production Results Point 7 (SOP No. SOP-OTH-F3-022, Rev 1.0 dated January 10, 2019) with 7 participants.
- Raw Material Supply Chain SOP and Production Results (SOP No. : SOP-OTH-F3-022, Rev 1.0 dated January 10, 2019) (Appendix 3)
- Proof of removal on the palm trace dated 18 May 2020 for CSPO of 2,648 MT and CSPK of 1,551 MT with stock transaction IDs ST-TR-b26504a2-58b2 and ST-TR-b630fd5e-6390.

Related to this, the non conformity No. 2020.01 has been declared fulfilled.

**Verified by** : **Arif Faisal Simatupang**

NCR No.	2020.02	Issued by	Yudhi Yuniarto Tallutondok
Date Issued	20 March 2020	Time Limit	19 June 2020
NC Grade	Critical	Date of Closing	19 June 2020
Standard Ref. & Requirement	6.7.3 Workers use appropriate personal protective equipment (PPE), which is provided free of charge to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.		
Evidence observed (filled by auditor):			
<div>1. Internal COO Memo to all Regional Heads under number 044/COO/Personal Protective Equipment/VI-18 dated June 25, 2018 concerning the Implementation of OHS and Use of Personal Protective Equipment. The document explained the standard of personal protective equipment in estate, mill, workshops, civil and infra. In point 6 it is explained in relation to routine replacement of PPE that is no longer suitable for use.</div> <div>2. Based on field observations and interviews with employees are known to the following matters:<div><div>Semeru Estate Tractor Operators do not use PPE shoes when working. The results of the interviews revealed that the latest PPE administration was in 2018.</div><div>Loose fruit pickers, spray workers, manual workers, grader operators, empty bin operators, land application employees, operators of press station using self-purchased shoe PPE.</div><div>Mill oil warehouse officers do not use PPE gloves.</div></div></div>			
Non-Conformance Description (filled by auditor):			
The CH has not been able to show enough evidence that the implementation of the supply/use of PPE is in accordance with the procedures that it has.			
Root Cause Analysis (filled by organization audited):			
Provision of PPE to workers becomes inconsistent due to less than the maximum supervision of the officer responsible (OHS Expert) for the supply of PPE, as well as delays in procurement / supply from vendors.			
Correction (filled by organization audited):			
<div>1. OHS Expert re-identifies all workers whose PPE is no longer suitable for use (Documents resulting from Damaged PPE identification; Appendix 1)</div> <div>2. OHS Expert submits PPE procurement to Management (Letter of Submission / Request for Goods; Attachment 2)</div> <div>3. OHS Expert distributes PPE to the workers concerned (Minutes of the Handover of PPE to workers; Appendix 3)</div>			

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

1. OHS Expert prepares PPE Procurement Plan for 2020 which includes the type, amount and time frame as an effort to monitor PPE procurement to workers. (Appendix 4)
2. OHS Expert conducts OHS inspections of workers using the OHS and Environmental Inspection Results Form as stipulated in the SOP of the Area Safety Inspection and Working Tools (Document No. SOP-OTH-F3-005, Version 2.0 dated January 10, 2019) (Appendix 5).

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

Auditor Verification June 19, 2020

The company showed some evidence of improvement including:

1. Identify the PPE period 2020 PT EHP and BLP that informs the damage of shoes, helmet straps, rubber gloves, goggles, and buoys for plantation and factory employees.
2. Proof of Request for Use of Goods for types of rubber gloves, boots, helmets, masks, safety shoes, safety goggles, cloth gloves, helmet straps and buoys.
3. Minutes of PPE handover to plantation and factory employees on March 17-18, 2020. Handover documentation is available.
4. PPE procurement plans for estate and mill employees for the 2020 period.
5. OHS Inspection implementation documents by OHS Experts in each unit. In this document, it is known that each worker has used the appropriate PPE when working.

Based on the above, the non-conformity is stated to be fulfilled by observing the notes on the next assessment.

**Verified by** : **Yudhi Yuniarto Tallutondok**

NCR No.	2020.03	Issued by	Yudhi Yuniarto Tallutondok
Date Issued	20 March 2020	Time Limit	Next Surveillance
NC Grade	Non Critical	Date of Closing	
Standard Ref. & Requirement	6.7.4 All workers are provided with medical care and covered by accident insurance. Costs incurred from work- related incidents leading to injury or sickness are covered in accordance with national law or by the unit of certification where national law does not offer protection		
Evidence observed (filled by auditor):			
1. Based on field observations and interviews with daily worker and fertilizer worker of Bromo Estate revealed that daily worker had not been included in the health and employment insurance programs.			
2. Employment insurance receipt of ARJE unit for the period September 2019 with the reference number 191005159515 for 425 employees.			
3. Employment insurance receipt of BRME unit for the period September 2019 with the reference number 191005159597 for 214 employees.			
4. Employment insurance receipt of SMRE unit for the period September 2019 with the reference number 191005159668 for 246 employees.			
5. Employment insurance receipt of EHPM unit for the December 2019 with the reference number 200104395118 for 115 employees.			
6. Employment insurance receipt of BLP units for the period September 2019 with the reference number 191005187352 for 549 employees.			
7. CH communication documents with BPJS Employment via electronic mail on 18 February 2020 stating that the CH can make payments for 1 month in advance and for further payments starting on 1 March 2020. However, until the audit activities take place, it cannot be demonstrated evidence that the CH has paid employment and health insurance contributions for the period October 2019 - February 2020 for PT BLP and the period January - February			



2020 for PT EHP.	
<b>Non-Conformance Description</b> (filled by auditor): The CH has not been able to show enough evidence that all workers are covered by accident insurance.	
<b>Root Cause Analysis</b> (filled by organization audited):	
<b>Correction</b> (filled by organization audited):	
<b>Corrective Action</b> (filled by organization audited):	
<b>Assessor Evaluation and Conclusion</b> (filled by auditor):	
<b>Verified by</b>	:

<b>NCR No.</b>	:	<b>2020.04</b>	<b>Issued by</b>	:	<b>Radytio Puspanjana</b>
<b>Date Issued</b>	:	<b>20 March 2020</b>	<b>Time Limit</b>	:	<b>Next Surveillance</b>
<b>NC Grade</b>	:	<b>Non Critical</b>	<b>Date of Closing</b>	:	
<b>Standard Ref. &amp; Requirement</b>	:	<b>7.3.2</b> Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.			
<b>Evidence observed</b> (filled by auditor): Procedure for management and monitoring of waste No. SOP-OTH-F3-004 January 10 2019, the procedure explained that hazardous waste shall store on temporary hazardous waste storage. Based on the results of the field visit known: <ul style="list-style-type: none"> <li>- Used lubrycant drum behind Arjuna Estate fertilizer warehouse.</li> <li>- Used paint packaging on workshop Arjuna Estate</li> <li>- Used paint packaging on warehouse Arjuna Estate</li> <li>- Used lubrycant drum on WTP EHP POM</li> <li>- Used lubrycant drum on lubrycant warehouse EHP POM</li> <li>- Used coustic soda drum on lubrycant warehouse EHP POM</li> </ul> The company has not been able to demonstrate implementation of hazardous waste management accordance with procedures SOP No. SOP-OTH-F3-004 January 10, 2019 related waste management and monitoring.					
<b>Non-Conformance Description</b> (filled by auditor): The company has not been able to prove the proper disposal of waste materials according to procedures that are fully understood by workers and managers.					
<b>Root Cause Analysis</b> (filled by organization audited):					
<b>Correction</b> (filled by organization audited):					
<b>Corrective Action</b> (filled by organization audited):					

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

**Verified by** :

#### 3.4.3. Opportunity for Improvement

No	Ref. Std.	Description
1	2.1.1	- Ensure the process of extending the license of the heavy equipment operator and OHS Expert. - The company have Opportunity for Improvement for progress waste storage permit PT BLP - Daily worker appointment process
2	3.8.9	Ensure contractor work contracts accommodate access to compliance with RSPO standards
3	7.3.1	Ensure a flat bed maintenance schedule on land applications.
4	7.3.2	The company has the opportunity to evaluate employee understanding regarding domestic waste management.
5	7.7.3	Ensuring peatland management refers to the 2018 RSPO Guidance for Peat
6	7.7.5	Ensuring Drainability Assessment in peat areas before replanting activities
7	7.8.2	Ensure marking of riparian areas

#### 3.4.4. Noteworthy Positive Components

No	Ref. Std.	Description
1		Commitment to sustainable management of palm oil through RSPO certification
2		The company has obtained an ISPO certificate
3		Award from the Ministry of Environment and Forestry (Rating Program for Company Performance in Environmental Management - Green PROPER, period 2018 - 2019).
4		Contribution in local economic development through the development of plasma plantations and partnerships.

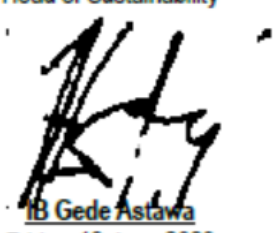

**1.5 Summary of Arising Issues from Public and Auditor Verification**

Public Issues (Institution/ NGO/Community)	Auditor Verification
<b>Plantation Agency of West Kotawaringin Regency</b>  Certification unit has a good relationship with the agency, besides that the company has also complied with applicable regulations, among others: already has a location permit, plantation business permit (IUP), and has routinely sent plantation business reports. Further explained that until now there has never been a land dispute involving the agency or fire incident in certification unit operational area.	There was no negative issue that need further verification. Based on document review and field observations, the company has demonstrated legal compliance regarding plantation legality, and no indications of land disputes or fire incident.
<b>National Land Agency of West Kotawaringin Regency</b>  Certification unit has been complied with applicable regulations related land legality, among others has had location permit, plantation business permit (IUP), land title (HGU), and has routinely sent land use reports. There is no complaints from stakeholder related land disputes.	There is no negative issue that need further verification. Based on document review and field observations, the certification unit has demonstrated legal compliance related land legality, and no indications of land disputes.
<b>Labor Agency of Kotawaringin Barat Regency.</b> <ul style="list-style-type: none"> <li>• The companies have implemented the payment of wages for employees refers to Central Kalimantan Governor Decree.</li> <li>• The company has a company regulation between the company and the Executive Board of Workers Union. The company regulation has been registered to Labor Agency of Kotawaringin Barat District.</li> <li>• All mandatory reports related to employment have reported well.</li> <li>• There are no issues of migrant workers, no child workers, no substitution contracts, no labor trade or forced labor forms.</li> <li>• All employees have employment agreements and there were no issues or violations committed by Companies related to worker welfare included in payment.</li> </ul>	It has been verified and stated in the report
<b>Environmental Agency of Kotawaringin Barat Regency.</b>  Certification unit has been complied with applicable regulations, among others has had license of hazardous temporary warehouse, license of POME Land Application, environment permit, and etc. Every mandatory reports related environmental has been reported to agency. There is no complaints from stakeholder related environmental issue.	There is no negative issue that need further verification. Based on document review and field observations, the certification unit has demonstrated legal compliance related environmental, and no indications of environmental pollution.
<b>Gender Committee</b>  Gender Committee activities include socialization of sexual harassment, complaints, general health and so on. There are no issues related to sexual harassment.	There are no negative issues that need further verification. The company was formed a Gender

<b>Public Issues (Institution/ NGO/Community)</b>	<b>Auditor Verification</b>
<p>Female workers have the right to get menstruation leave (H1) and maternity leave (H2).</p> <p>The gender committee had a religious program every week and public health service.</p>	<p>Committee. Described in Criteria 6.1.</p>
<p><b>Head of Worker Union (SPSI) &amp; Chief of PUK SPSI EHP Mill (PT EHP).</b></p> <p>The worker union is in charge of one company. The last meeting was held in February 2020. The salary implementation is in accordance with the Kotawaringin Barat Minimum Wage, besides that the salary payment is in accordance with the stipulated time and through the transfer.</p> <p>There are no issues related to employment. All the worker had a insurance (Health and Employment). The worker union and Company are in the formulation of a collective labor agreement.</p>	<p>There are no negative issues that need further verification. The company has Worker Union. Described in Criteria 6.2.</p>
<p><b>Local Contractor of FFB &amp; EFB Transportation.</b></p> <p>There is no negative issues in aspects of land tenure, social, employment, and environmental. Good communication and relationship between the company and communities. The unit of certification land did not sourced from individual or customary rights</p> <p>The unit of certification has made efforts to develop the surrounding community through CSR programs in participatory manner, the usage of local labor and local contractor, as well as developed smallholders.</p> <p>When carrying out its work, the contractor always has a work contract as the basis for starting work in the operational scope of the company. In the employment contract, it is explained about the period of work, type of work, work costs, obligations and rights, and other information. The contractor provides facilities in the form of PPE for all workers while working in the company's operational scope. Payment for completion of work is done on time by the company in accordance with what is written in the employment agreement.</p>	<p>There are no negative issues that need further verification. The company has Local Contractor. Described in 5.1, 2.2 and 2.1.</p>
<p><b>Public Figure and official of Sungai Bedaun Village</b></p> <ul style="list-style-type: none"> <li>- The company has CSR program, it has been realized on the last year such as: infrastructure, religious aspect, education and community development.</li> <li>- The company has giving job opportunities</li> <li>- The company has giving opportunity to the local contractor</li> <li>- There are no fire issues.</li> <li>- There are no environment pollution issues.</li> </ul>	<p>There are no negative issues that need further verification. The company has Public Figure and cooperative board of Sungai Bedaun Village.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>- There are no land dispute issues.</li> <li>- The company has socialized about HCV area</li> <li>- The company has realized smallholders with Bedaun Maju Bersama Cooperative.</li> <li>- There is land firefighting training involved local community "Masyarakat Peduli Api" Sungai Bedaun village. The last training conducted February 2020.</li> <li>- The company conducted pesticide management training for Sungai Bedaun Village on February 2020.</li> </ul> <p><b>Previous Land Owners (Sungai Bedaun Village) 5 person.</b></p> <ul style="list-style-type: none"> <li>- The company has been conducted FPIC process on the land compensation.</li> <li>- Field mapping were conducted with involving community leaders, land owner and boundaries land owners as witnesses.</li> <li>- There are no paramilitary using on land compensation process.</li> <li>- The price of land compensation in accordance to negotiation process.</li> <li>- The company has been conducted FPIC process on the land compensation.</li> <li>- Field mapping were conducted with involving community leaders, land owner and boundaries land owners as witnesses.</li> <li>- There are no paramilitary using on land compensation process.</li> <li>- The land compensation in accordance to negotiation process no under pressure by company.</li> </ul>	
<p><b>Kumai Hulu Seberang Cooperative and Previous Land Owner</b></p> <ul style="list-style-type: none"> <li>- The payment of FFB was according to the government arrangement. The company has realized smallholders with Kumai Hulu Seberang Cooperative with member 399 person. There are no issue between cooperative and company.</li> <li>- 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.</li> </ul>	<p>There are no negative issues that need further verification.</p>



4.0	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>
4.1	<b>Formal Sign-off of Assessment Findings</b>
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Eagle High Plantations Head of Sustainability</p>  <p><u>TB Gede Astawa</u> Friday, 19 June 2020</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Leonada</u> Friday, 19 June 2020</p> </div> </div>



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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Plantation Agency	Kotawaringin Barat Regency	-	Direct Interview	16 March 2020	✓	
2	Environmental Agency	Kotawaringin Barat Regency	-	Direct Interview	16 March 2020	✓	
3	Labor Agency of Kotawaringin Barat Regency	Kotawaringin Barat Regency	-	Direct Interview	16 March 2020	✓	
4	National Land Agency of Kotawaringin Barat Regency	Kotawaringin Barat Regency	-	Direct Interview	16 March 2020	✓	
5	Gender Committee	PT EHP	-	Direct Interview	17 March 2020	✓	
6	Local Contractor of FFB & EFB Transportation	PT EHP	-	Direct Interview	17 March 2020	✓	
7	Worker Union of PT EHP	PT EHP	-	Direct Interview	17 March 2020	✓	
8	Kumai Hulu Sebrang Cooperative and Previous Land Owner	PT EHP	-	Direct Interview	17 March 2020	✓	
9	Village Official of Sungai Bedaun	District of Kumai, Kotawaringin Barat	-	Direct Interview	17 March 2020	✓	
10	WALHI	Jakarta	<a href="mailto:info@walhi.or.id">info@walhi.or.id</a>	Questionnaire via email	09 March 2020		✓
11	IARI	Jakarta		Questionnaire via email	09 March 2020		✓
12	AMAN	Jakarta	<a href="mailto:rumahaman@cbn.net.id">rumahaman@cbn.net.id</a>	Questionnaire via email	09 March 2020		✓
13	<b>EHP POM</b> <ul style="list-style-type: none"> <li>- 1 ETP operators.</li> <li>- 1 land application operators.</li> <li>- Security Post : 2 Worker</li> <li>- Weighbridge Operator : 1 worker</li> <li>- Sterilizer Station: 2 Operator</li> <li>- Press Station : 2 Operator</li> <li>- Kernel Station : 2 Operator</li> <li>- Engine Room : 2 Operator</li> <li>- Boiler : 1 operator</li> <li>- Grading Station : 5 worker</li> </ul>	PT EHP	-	Direct Interview	17 March 2020	✓	
14	<b>Arjuna Estate</b> <ul style="list-style-type: none"> <li>- Harvesting : 3 worker and 1 supervisor</li> <li>- Spraying Team : 12 worker and 1 supervisor</li> <li>- Manual Upkeep 6 workers and 1 supervisor</li> </ul>	PT Bumi Langgeng Perdanatrada	-	Field observation and direct interview	17 March 2020	✓	

	<ul style="list-style-type: none"> <li>- Transport : 3 workers and 1 supervisor.</li> <li>- 1 land application operators.</li> </ul>						
15	<b>Bromo Estate</b> <ul style="list-style-type: none"> <li>- Harvesting 5 workers and 1 supervisor</li> <li>- Manual Up keep : 2 worker</li> <li>- Spraying Team : 6 worker and 1 supervisor</li> <li>- Daycare : 1 persons</li> <li>- Generator room: 1 operator.</li> <li>- Housing complex 1 resident.</li> <li>- Generator room: 1 operator.</li> <li>- Storage official 1 person.</li> </ul>	PT Bumi Langgeng Perdanatrada	-	Field observation and direct interview	18 March 2020	✓	
16	<b>Semeru Estate</b> <ul style="list-style-type: none"> <li>- Harvesting 5 workers and 1 supervisor</li> <li>- Manual Up keep : 3 worker</li> <li>- Generator room: 1 operator.</li> <li>- Water pump: 1 operator.</li> </ul>	PT Bumi Langgeng Perdanatrada	-	Field observation and direct interview	19 March 2020	✓	

**Appendix 2. Assessment Program**

Date	16 to 21 March 2020	
PROGRAM	AUDIT PROCESS	AUDITOR
<b>Monday, 16 March 2020</b>		
06.10 – 07.45	<b>Jakarta → Pangkalanbun</b>	<b>All Auditor</b>
08.45 – 12.00	<b>Stakeholders consultation to Related Government in Kotawaringin Barat Regency</b> <ul style="list-style-type: none"> <li>• Environment Agency</li> <li>• Manpower, Transmigration and Social Welfare Agency</li> <li>• Forestry and Plantation Agency</li> <li>• Land Agency</li> </ul>	<b>All Auditor</b>
12.00 – 14.00	<b>Break, Lunch &amp; Travelling to Mess PT Bumilanggeng Perdanatrada</b>	<b>All Auditor</b>
14.00 – 17.00	<b>Opening Meeting &amp; Document Review</b> Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Determine of Field Visit, Transparency and Confidentiality Clarification)	<b>All Auditor</b>
<b>Tuesday, 17 March 2020</b>		
08.00 – 12.00	<b>Field Observation to Arjuna Estate</b> <ul style="list-style-type: none"> <li>• Manuring, Spraying, Harvesting, EFB application, best agricultural practices, Worker Welfare (payments, complaint mechanism)</li> <li>• Hazardous Waste Material (B3) management; Worker facilities (housing, health clinic, clean water, etc), Land fill, Fire fighting facilities, Storage, ect.</li> <li>• Observation to HCV Area and Legal Boundaries</li> </ul>	<ul style="list-style-type: none"> <li>• <b>YYT</b></li> <li>• <b>SAP/LEO</b></li> </ul>
	<b>Public consultation:</b> <ul style="list-style-type: none"> <li>• With previous land owner (if any) and local communities surrounding the plantation area.</li> <li>• Internal and external stakeholder (Cooperative, Labor Union, Gender Committee, Local Contractors, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>RJP/AFS</b></li> </ul>
12.00 – 14.00	<b>Break</b>	<b>All Auditor</b>
14.00 – 17.00	<b>Field Observation to EHP POM</b> <ul style="list-style-type: none"> <li>• Process Station, Safety Aspect and Worker Welfare (Grading – despatch)</li> <li>• Water Treatment Plant, Schedule Waste, Workshop, Chemical Storage, WWTP, Leachate Water management.</li> <li>• Water Intake, Land Application</li> <li>• Security Post, FFB receiving, CPO &amp; PK Sending/SCCS Aspect).</li> </ul>	<ul style="list-style-type: none"> <li>• <b>YYT</b></li> <li>• <b>RJP</b></li> <li>• <b>SAP/LEO</b></li> <li>• <b>AFS</b></li> </ul>
<b>Wednesday, 18 March 2020</b>		
08.00 – 12.00	<b>Field Observation to Bromo Estate</b> <ul style="list-style-type: none"> <li>• Manuring, Spraying, Harvesting, EFB application, best agricultural practices, Worker Welfare (payments, complaint mechanism)</li> <li>• Hazardous Waste Material (B3) management; Worker facilities (housing, health clinic, clean water, etc), Land fill, Fire fighting facilities, Storage, ect.</li> <li>• Observation to HCV Area and Legal Boundaries</li> </ul>	<ul style="list-style-type: none"> <li>• <b>YYT/AFS</b></li> <li>• <b>RJP</b></li> <li>• <b>SAP/LEO</b></li> </ul>
12.00 – 14.00	<b>Break</b>	<b>All Auditor</b>
14.00 – 17.00	<b>Document Review:</b> <ul style="list-style-type: none"> <li>• <b>Verification of Basic Information Mill &amp; Estate</b></li> <li>• <b>Confirmation Time Bound Plan</b></li> </ul>	<b>All Auditor</b>

	<ul style="list-style-type: none"> <li>• Review of Partial Certification</li> <li>• Verification previous NCR</li> </ul>	
<b>Thursday, 19 March 2020</b>		
08.00 – 12.00	<b>Field Observation to Semeru Estate</b> <ul style="list-style-type: none"> <li>• Manuring, Spraying, Harvesting, EFB application, best agricultural practices, Worker Welfare (payments, complaint mechanism)</li> <li>• Hazardous Waste Material (B3) management; Worker facilities (housing, health clinic, clean water, etc), Land fill, Fire fighting facilities , Storage, ect.</li> <li>• Observation to HCV Area and Legal Boundaries</li> </ul>	<ul style="list-style-type: none"> <li>• AFS/YYT</li> <li>• RJP</li> <li>• SAP/LEO</li> </ul>
12.00 – 14.00	<b>Break</b>	<b>All Auditor</b>
14.00 – 17.00	<b>Document Review:</b> <ul style="list-style-type: none"> <li>• Verification of Basic Information Mill &amp; Estate</li> <li>• Confirmation Time Bound Plan</li> <li>• Review of Partial Certification</li> <li>• Verification previous NCR</li> </ul>	<b>All Auditor</b>
<b>Friday, 20 March 2020</b>		
08.00 – 11.00	<b>Closing meeting preparation &amp; Document Review:</b> <ul style="list-style-type: none"> <li>• Verification of Basic Information Mill &amp; Estate</li> <li>• Confirmation Time Bound Plan</li> <li>• Review of Partial Certification</li> <li>• Verification previous NCR</li> </ul>	<b>All Auditor</b>
11.00 – 14.00	<b>Break</b>	<b>All Auditor</b>
15.00 – 17.00	<b>Closing Meeting</b>	<b>All Auditor</b>
<b>Saturday, 21 March 2020</b>		
05.00 – 06.30	<b>Mess - Pangkalanbun</b>	<b>All Auditor</b>
07.35 – 08.45	<b>Pangkalanbun – Jakarta</b>	<b>All Auditor</b>