

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

**[✓] Surveillance**

Name of Management Organisation : Gandaerah Hendana Palm Oil Mill – PT Gandaerah Hendana Subsidiary of S&G Biofuel PTE. LTD

Plantation Name : PT Gandaerah Hendana, Estate 1, Estate 2, and Estate 3

Location : Village of Ukui II, Sub District of Ukui, District of Pelalawan, Province of Riau, Indonesia.

Certificate Code : **MUTU-RSPO/128**

Date of Certificate Issue : 14 May 2019      Date of License Issue : 14 September 2021

Date of Certificate Expiry : 13 May 2024      Date of License Expiry : 13 May 2022

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1 Remote Audit	16 to 17 June 2020	Moh Arif Yusni, Haikal Ramadhan Kharismansyah, Radytio Puspanjana	Ardiansyah	Octo H.P.N. Nainggolan
ASA-1 & ASA-2 Onsite Audit	27 April to 01 May 2021	Satria Adi Putra, Radytio Puspanjana, Briyogi Shadiwa, Sentot Adi Subandono		

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1 & ASA-2	27 August 2021

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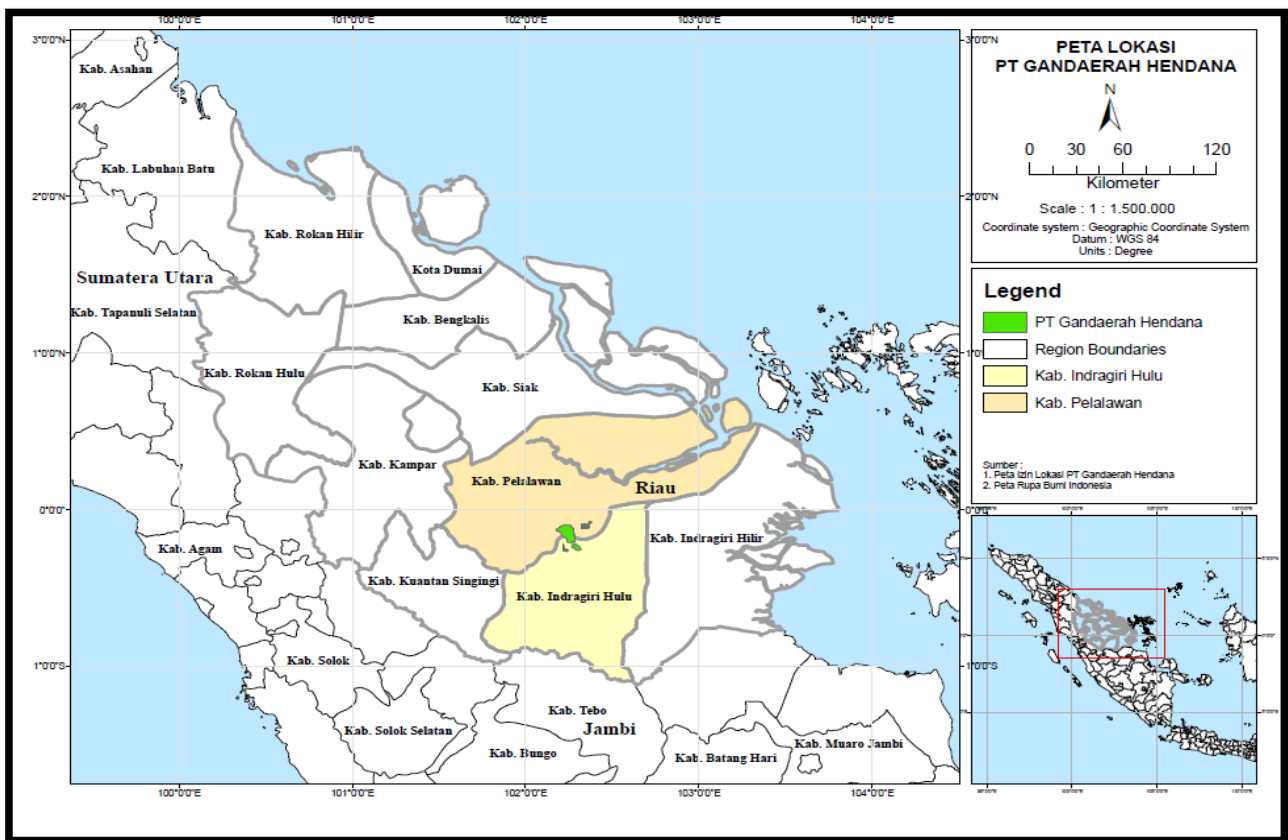
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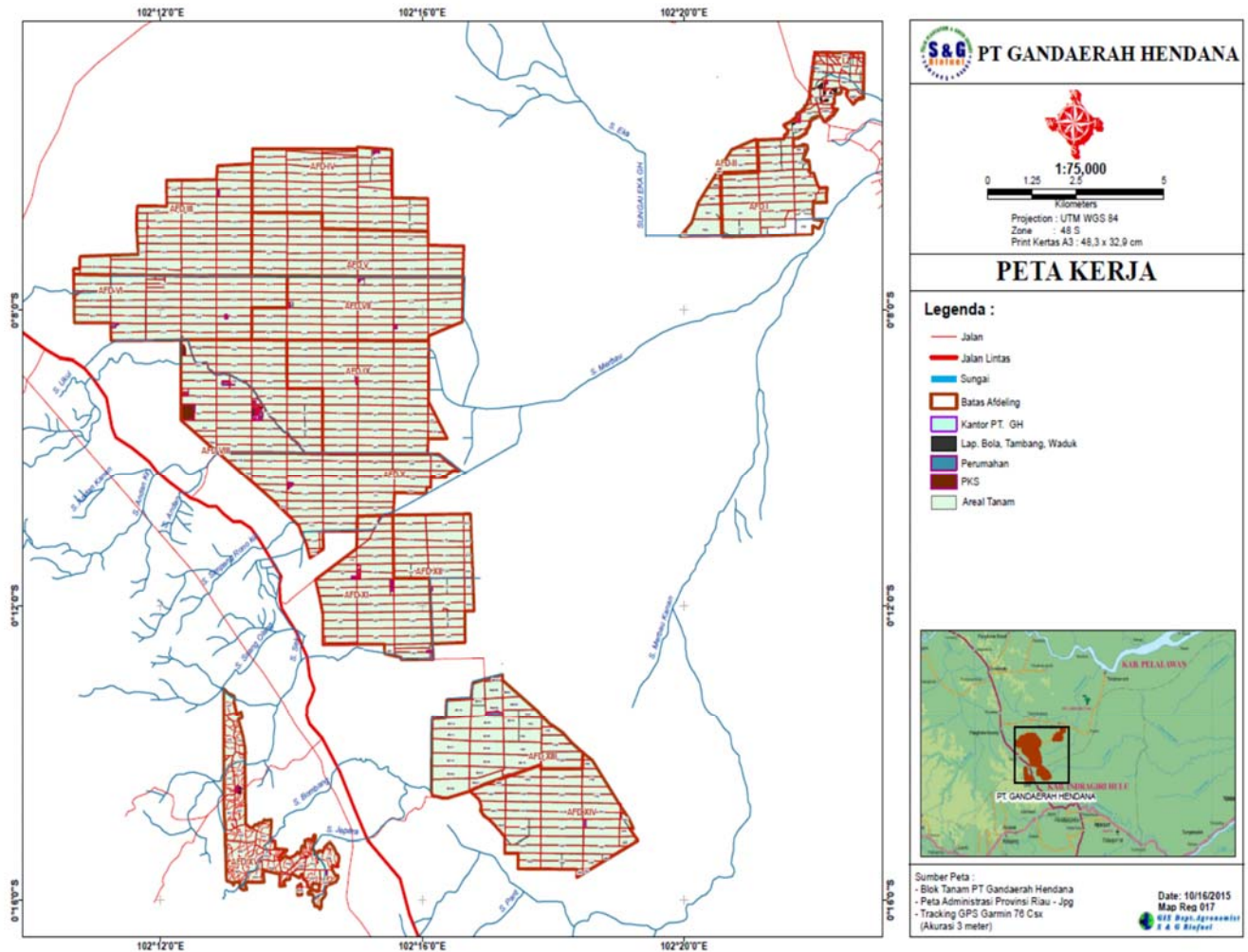
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Figure 1. Location Map of PT Gandaerah Hendana



SPO – 4006a.7

Figure 2. Operational Map of PT Gandaerah Hendana



SPO – 4006a.7

**Abbreviations Used**

ASA	:	Annual Surveillance Assessment	IUCN	:	International Union for Conservation of Nature
BMP	:	Best Management Practices	KER	:	Kernel Extraction Rate
BOD	:	Biological Oxygen Demand	K3L	:	Kesehatan, Keselamatan, Keamanan, dan Lingkungan
BPJS	:	Badan Penyelenggara Jaminan Sosial (Social Security Administrator)	LC	:	Land Clearing
BHL	:	Buruh Harian Lepas (Daily Worker)	LPUP	:	Plantation Business Progress Report
BUS	:	Bangunan Unit Semprot (Spray Unit Building)	LSU	:	Leaf Sampling Unit
CB	:	Certification Body	MCU	:	Medical Check Up
CEO	:	Chief Executive Officer	MM	:	Mill Manager
CFO	:	Chief Financial Officer	MSDS	:	Material Safety Data Sheet
CH	:	Certificate Holder	MUTU	:	Mutuagung Lestari
CITES	:	Convention, International, Threatened, Endangered Species	NGO	:	Non-Government Organization
COO	:	Chief Operating Officer	OER	:	Oil Extraction Rate
CPO	:	Crude Palm Oil	OHS	:	Occupational Health and Safety
CR	:	Collection Road	OHSAS	:	Occupational Health and Safety Assessment Series
CSPO	:	Certified Sustainable Palm Oil	PIC	:	Person In Charge
CSR	:	Corporate Social Responsibility	PK	:	Palm Kernel
CLA	:	Collective Labour Agreement	POM/PKS	:	Palm Oil Mill
EFB	:	Empty Fruit Bunches	POME	:	Palm Oil Mill Effluent
EHS/K3	:	Environmental, Health and Safety	PPE	:	Personal Protective Equipment
EIA	:	Environmental Impact Assessment	P2K3	:	Panitia Pembina Keselamatan dan Kesehatan Kerja (OHS Committee)
EMS	:	Environmental Management System	PKWT	:	Perjanjian Kerja Waktu Tertentu (Specific Time Work Agreement)
FFA	:	Free Fat Acid	QC	:	Quality Control
FFB	:	Fresh Fruit Bunches	QHSE	:	Quality, Health, Safety and Environmental
FPIC	:	Free, Prior and Informed Consent	RKL- RPL	:	Environmental Management and Monitoring Report
GH	:	Gandaerah Hendana	RSPO	:	Roundtable on Sustainable Palm Oil
GHG	:	Green House Gases	RTE	:	Rare, threatened or endangered
HCV	:	High Conservation Value	SCCS	:	Supply Chain Certification System
HGU	:	Hak Guna Usaha (Land Use Title/Right)	SIA	:	Social Impact Assessment
HIRAC	:	Hazard Identification Risk Assessment and Control	SPO	:	Sustainability Palm Oil
HRD	:	Human Resources Development	SOP	:	Standard Operating Procedure
HSE	:	Health Safety and Environment	SSU	:	Soil Sampling Unit
IPM	:	Integrated Pest Management	SKU	:	Syarat Kerja Utama (Permanent Worker)
ISCC	:	International Sustainability and Carbon Certification	WHO	:	World Health Organization
ISO	:	International Standard Organization	WTP	:	Water Treatment Plant
ISPO	:	Indonesia Sustainable Palm Oil	WWTP	:	Waste 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 Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020.</li><li>RSPO Certification System for Principles and Criteria, 12 November 2020.</li></ul>	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT Gandaerah Hendana Subsidiary of S&G Biofuel PTE. LTD	
1.2.2	Contact person	Didik Sugeng Hariyanto	
1.2.3	Organisation address and site address	RSPO registered company: 3 Church Street, # 21-04 SAMSUNG HUB, 049483, Singapore  Liaison Office: Mega Asri – Green Office, Block B2-8 Jl. Arifin Ahmad, Pekanbaru, Riau, 28282, Indonesia	
1.2.4	Telephone	(0761) 859774	
1.2.5	Fax	(0761) 859247	
1.2.6	E-mail	<a href="mailto:didik@gniplantation.com">didik@gniplantation.com</a>	
1.2.7	Web page address	<a href="http://gnipalmoil.com/">http://gnipalmoil.com/</a>	
1.2.8	Management Representative who completed the application for certification	Didik Sugeng Hariyanto	
1.2.9	Registered as RSPO member	1-0238-17-000-00, August 14 <sup>th</sup> , 2017	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	1 Palm Oil Mill (Gandaerah Hendana POM) and 3 supply bases: Estate 1; Estate 2; Estate 3	
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
	Gandaerah Hendana	Village of Ukui II, Sub District of Ukui, District of Pelalawan, Province of Riau, Indonesia	S 00° 09' 28"E 102° 12' 21"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			LatitudeLongitude
	Estate 1	Village of Ukui II, Sub District of Ukui, District of Pelalawan, Province of Riau, Indonesia	S 00° 06' 52"E 102° 13' 57"
	Estate 2	Village of Ukui II, Sub District of Ukui, District of Pelalawan, Province of Riau, Indonesia	S 00° 09' 28"E 102° 13' 29"

	Estate 3	Village of Redang Seko & Banjar Balam, Sub District of Lirik, District of Indragiri Hulu, Province of Riau, Indonesia	S 00° 13' 52"	E 102° 17' 15"
<b>1.5</b>	<b>Description of Area Statement</b>			
1.5.1	Tenure			
	• State		14,386.88	Ha
	• Community		-	Ha
1.5.2	<b>Area Statement</b>			
	• Total area		14,386.88	Ha
	• Mature area		9,634.98	Ha
	• Immature area		739.37	Ha
	• Mill		13.75	Ha
	• Emplishment and Infrastructure		619.69	Ha
	• HCV		52.07	Ha
	• Occupation		3,289.98	Ha
	• Replanting Area		37.04	Ha
<b>1.6</b>	<b>Planting Year and Cycles</b>			
1.6.1	Age profile of planting year			
	<b>Planting Year</b>	<b>Hectarage (Ha)</b>		
		<b>Estate 1</b>	<b>Estate 2</b>	<b>Total</b>
	1993	-	215.86	215.86
	1994	-	298.08	298.08
	1995	-	155.42	191.45
	1996	-	4.65	267.32
	1997	-	74.37	138.65
	1998	37.45	74.47	168.74
	1999	-	569.11	51.54
	2000	75.87	34.32	40.95
	2001	38.97	111.84	121.63
	2002	190.37	666.52	533.74
	2003	853.15	447.86	95.71
	2004	835.13	307.46	282.14
	2005	72.90	340.74	499.81
	2006	57.81	111.18	606.29
	2007	340.98	36.00	82.76
	2008	47.20	54.24	-
	2009	66.05	38.42	-
	2011	-	16.48	-



	2012	-	25.15	-	25.15		
	2013	255.39	-	-	255.39		
	2014	67.48	-	-	67.48		
	2015	-	-	26.02	26.02		
	2016	-	-	7.31	7.31		
	Sub Total Mature	2,938.75	3,582.17	3,114.06	9,634.98		
	2019	-	186.45	98.66	285.11		
	2020	152.25	263.78	-	416.03		
	2021	-	38.23	-	38.23		
	Sub Total Immature	152.25	488.46	98.66	739.37		
	TOTAL	3,091.00	4,070.63	3,212.72	10,374.35		
1.6.2	New Planting area after January 2010		-		Ha		
1.6.3	Planting Cycle		2 <sup>nd</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		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Gandaerah Hendana	60	268,433	49,134.82	18.3	12,469.50	4.6
						*Production data source from 12 months before assessment (April 2020 – March 2021)	
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/ year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Estate 1	3,771.63	2,938.75	45,310.12	15.4	45,310.12	100
	Estate 2	3,986.62	3,582.17	67,412.73	18.8	67,412.73	100
	Estate 3	6,628.63	3,114.06	66,122.50	21.2	66,122.50	100
TOTAL	14,386.88	9,634.98	178,845.35	18.5	178,845.35	100	
						*Production data source from 12 months before assessment (April 2020 – March 2021)	
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)		
	CV Dani Tjahyadi (Uncertified)	Outgrower	-	-	7,422.22		
	Hasrat Sejahtera (Uncertified)	Outgrower	-	-	39,349.78		
	Sawit Alam Permai (Uncertified)	Outgrower	-	-	21,747.31		
Alai (Uncertified)	Outgrower	-	-	5,851.71			



	Estate I Uncertified area	PT Gandaerah Hendana	-	538.17	11,491.27			
	Estate III Uncertified area	PT Gandaerah Hendana	-	227.63	3,679.23			
	TOTAL				89,541.52			
	*Production data source from 12 months before assessment (April 2020 – March 2021)							
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 (14 May 2019 to March 2021) (MT)			
	FFB Processed			376,748	345,682			
	CPO Production			72,874	67,234			
	Palm Kernel (PK) Production			18,113	16,550			
1.8.2	Product selling							
	Type of selling product			Actual selling product for last year (14 May 2019 to March 2021) (MT)				
	CSPO sold as RSPO certified product			64,332.90				
	CSPK sold as RSPO certified product			16,226.66				
	CSPO sold under other scheme			0				
	CSPK sold under other scheme			0				
	CSPO sold as conventional			2,177.74				
	CSPK sold as conventional			0				
1.8.3	Estimate of Certified FFB Claim							
	Name of Estates	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Estate 1	3,771.63	2,938.75	47,000	15.99			
	Estate 2	3,986.62	3,582.17	71,500	19.96			
	Estate 3	6,628.63	3,114.06	68,500	22.00			
	TOTAL	14,386.88	9,634.98	187,000	19.41			
	*Projected FFB production for 12 months of certificate							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO Out put (tonnes)	CPO Extraction (%)	Palm Kernel Out put (tonnes)	Palm Kernel Extraction (%)	Supply Chain Module
	Gandaerah hendana	60	187,000	37,400	20.00	9,350	5.00	MB
	*Projected CSPO and CSPK production for 12 months of certificate							
1.9	Other Certifications							
	ISO 9001:2008			-				
	ISO 14001: 2004			-				
	OHSAS 18001:2007			-				
	ISCC			-				
	Others			ISPO Certified (MUTU-ISPO/074)				

1.10		Time Bound Plan				
1.10.1		Time Bound Plan for Other Management Units				
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status
	Mill	Time Bound				
	Gandaerah Hendana POM (PT Gandaerah Hendana)	2018	Estate 1	2018	Village of Ukui II, Sub District of Ukui, District of Pelalawan, Province of Riau, Indonesia	Certified
			Estate 2	2018		Certified
			Estate 3	2018		Certified
			Non HGU Area Estate 1 (538.17 Ha)	2023		-
			Non HGU Area Estate 3 (227.63 Ha)	2023		-
	Inecda POM (PT Inecda)	2018	Estate 1	2018	Village of Tani Makmur, Sub District of Rengat Barat, District of Indragiri Hulu, Province of Riau, Indonesia	Certified
			Estate 2	2018		Certified
			Area covering 135.65 Ha	2023		-
Source TBP: Area of Plantation Managed in Holding S&G Biofuel PTE. LTD August 2017						
1.10.2		Progress of Associated Smallholders and Outgrowers for Certifiable Standard				
There is no associated smallholder and outgrower for certifiable standard						

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>ASA-1 (Remote)</b>	<ol style="list-style-type: none"> <li><b>Moh Arif Yusni (Lead Auditor).</b> Indonesian citizen. Bachelor of Agriculture, majoring in Plant Protection. Has experience as an operational staff at a private oil palm plantation company in Indonesia on 2010 to 2012. Has attended several trainings, i.e.: ISO 19011, ISO 9001; ISO 14001, SA 8000, RSPO lead auditor, ISPO lead auditor, OHS expert, OHS auditor based on National Government No. 50/2012, SCCS, etc. Has conducting ISPO, RSPO and MSPO audit as an auditor and lead auditor with expertise on best management practices for estate and mill, legality, worker welfare, safety, social, environment, conservation, transparency, long term economic management plan and supply chain for palm oil mill aspects. During the audit, he verified Legality, Social and Worker Welfare.</li> <li><b>Radytio Puspanjana (Auditor).</b> Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training which was held by National GMIT, 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. Aspect audit: Long term management plan, Environment, HCV, GHG.</li> <li><b>Haikal Ramadhan Kharismansyah (Auditor).</b> Indonesian citizen, Bachelor of Agriculture department of plant and pest disease (Agrotechnology). He has 3 years experiences as an Agronomy Staff in private oil palm plantation in Indonesia. Training which had attended including Basic Management Development Program Agronomy, Integrated Urban Pest Management, Integrated Pest Management, ISO 9001 : 2015, Lead Auditor ISPO, Lead Auditor RSPO, ISO 22000, SA 8000, ISO 14001 and SCCS. Has conducting ISPO and RSPO audit with expertise on best management practices, OHS, Worker Welfare, and SCCS. During this audit he verify Best Management Practices, OHS and SCCS.</li> <li><b>Andriobiko (Trainee Auditor).</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.</li> </ol>
<b>ASA-1 &amp; ASA-2 (Onsite)</b>	<ol style="list-style-type: none"> <li><b>Satria Adi Putra (Lead Auditor).</b> Indonesian citizen, Diploma III majoring in Palm Oil Plantation. Have experience of work more than six years since 2009 as the operational staff of private oil palm plantations in Indonesia. Training have been followed including Occupational Health and Safety Expert, Orang Utan and Wildlife Management, ISPO Auditor Training, ISCC Auditor, IHT Potential Mapping and Conflict Resolution in Production Forests, OHSAS 18001, SA 8000, RSPO Lead Training, Lead Auditor Training for ISO 9001, ISO 14001, ISO 17021, ISO 17065, ISO 19011, ISO 22000. During this assessment he was verify the aspect of employment and OHS.</li> <li><b>Radytio Puspanjana (Auditor).</b> Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training which was held by National GMIT, 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. Aspect audit: Long term management plan, Environment, HCV, GHG.</li> <li><b>Briyogi Shadiwa (Auditor).</b> Indonesian citizens. Associate Degree of Oil Palm Plantation. He has work experience since 2009 in several private oil palm plantation companies in Indonesia as Assistant Agronomy and Agronomy Quality Control. The trainings that have been attended include: RSPO Lead Auditor Course by Checkmark, ISPO Auditor Training by LPP, Lead Auditor ISO 9001: 2015, RSPO Supply Chain Certification Training Course by Checkmark, Lead Auditor ISO 14001: 2015, SMK3 Awareness, OHSAS 18001 Awareness: 2007, SA 8000 Awareness, ISO 45001: 2018 Awareness and General OHS Expert Training. In this audit, he verified the Legal and SCCS aspect.</li> <li><b>Sentot Adi Subandono (Trainee Auditor).</b> Indonesia citizen, Bachelor of Agriculture, Department of Agricultural Cultivation. He has five years of experience working since 2005 as Plantation Operational Staff and nine years as Internal Auditor in private oil palm plantations in Indonesia. The training that has been attended includes the Basic Management Development Program of Palm Oil Plantation, Use of Limited Pesticides, Best Practices in Internal</li> </ol>

	Auditing, Fraud Auditing: Prevention, Detection, and Investigation, Operational Risk Approach in Internal Auditing, General Occupational Health and Safety Expert, ISPO, ISO 9001: 2015. During this assessment, he verified the aspects of Best Management Practices under the supervision of the Lead auditor
<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 (Remote)</b>	Number of auditors: 3 auditor and 1 auditor trainee Number of days for audit Remote Audit <b>ASA-1</b> : 2 days Number of working days for audit <b>ASA-1</b> document review : 6 Working days
<b>ASA-1 &amp; ASA-2 (Onsite)</b>	Number of auditors: 3 auditor and 1 auditor trainee Number of days for audit <b>ASA-2</b> : 4 days Number of working days for audit <b>ASA-2</b> document review : 12 Working days
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA 1 (Remote)</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Gandaerah Hendana to the requirements of Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification System for Principles and Criteria, 12 November 2020.</p> <p>For this section (Remote Audit ASA 1) The assessment was conducted in One method: document review, aiming to observe the sufficiency of types or substances from required documents. Improvement of findings from resertification findings were observed by auditors at this assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA 1. Remote Audit report.</p> <p>The assessment program please find Appendix 2</p>
<b>ASA-1 &amp; ASA-2 (Onsite)</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Gandaerah Hendana to the requirements of Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification System for Principles and Criteria, 12 November 2020.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site. Some opportunities for improvement of the results <b>ASA-2</b> delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (<b>ASA-3</b>). Improvement of findings from <b>ASA-1</b> findings were observed by auditors at this <b>ASA-2</b> assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of <b>ASA-2</b>.</p> <p>The assessment program please find Appendix 2</p>
<b>2.2.3</b>	<b>Locations of Assessment</b>
<b>ASA-1 &amp; ASA-2 (Onsite)</b>	<p><b>Gandaerah Hendana POM</b></p> <ul style="list-style-type: none"> <li>• <b>Security</b>. Observation and interview related SCCS implementation, OHS and worker welfare implementation.</li> <li>• <b>Weigh bridge</b>. Observation and interview related SCCS implementation, OHS and worker welfare implementation.</li> <li>• <b>Grading</b>. Observation related to FFB grading and quality, OHS and worker welfare implementation.</li> <li>• <b>WTP</b>. Observations related to procedures, OHS implementation, recording of water usage and chemistry materials.</li> <li>• <b>Solar tank</b>. Observations related to emergency response to fuel storage</li> <li>• <b>Workshop</b>. Observations and interviews with workshop workers related to procedures, machine maintenance and OHS implementation</li> <li>• <b>Hydrant Simulation</b>. Observation related to firefighter equipment.</li> <li>• <b>Sterilizer Station</b>. Observation towards technical work, OHS, emergency handling, special medical check-up and</li> </ul>

- manpower aspects.
- **Press Station.** Observation towards technical work, OHS, emergency handling, special medical check-up and manpower aspects.
- **Boiler Station.** Observation and interview with Operators towards technical work, OHS, emergency handling, special medical check-up and manpower aspects.
- **Engine Room Station.** Observation and interview with Operators towards technical work, OHS, emergency handling, special medical check-up and manpower aspects.
- **Clarification Station.** Observation towards technical work, OHS, emergency handling, special medical check-up and manpower aspects.
- **Mill Drainage.** Observations mill effluent lines, sanitation mill and flow of leaching mill.
- **WWTP.** Observation on WWTP, indication of waste overflow, OHS implementation, and interview with worker about worker welfare, OHS, and company's policies.
- **Solid Waste.** Observation of the management of Solid waste consist of EFB, fiber and shell from the production process of mill.
- **WTP.** Observations and interviews related to water management, recording of water use, health checks, PPE and waste management.
- **Empty bunch area.** Field observations related to empty bunch management.
- **Hazardous Waste Temporary Warehouse.** Field observations and interview related hazardous waste management, OHS and environmental aspect.
- **Sparepart Warehouse.** Field observations and interview related sparepart management, OHS, and environmental aspect.
- **Chemical warehouse.** Field observations and interview related chemical management, OHS, and environmental aspect.
- **Workshop.** Field observations and interview related workshop activity, OHS, environmental and worker welfare aspect.
- **Hydrant simulation.** Observation related emergency preparedness

#### Estate 1

- **Piezometer, Block I19.** Observations and interviews with monitoring officers, monitoring techniques.
- **Sluice gate, Block I23.** Observations and interviews with monitoring officers and methods of monitoring.
- **Subsidence stake, Block I21.** Observations and interviews with monitoring officers and technical monitoring.
- **Owl Cage, Block K25.** Observations and interviews with IPM officers, technical observations, and gupon activities.
- **Peg HGU, Block K27.** Observation of the presence and suitability of HGU stakes.
- **Spray Applicator, Block J29.** Observations and interviews with spray applicators, application doses, application techniques, OHS and labor aspects.
- **Inorganic fertilizer applicator, block F31.** Observations and interviews with inorganic fertilizer applicators, application doses, application techniques, K3 and labor aspects.

#### Estate 2

- **Land application, Block E1.** Observations and interviews with Land application operators, application techniques, OHS aspects and potential for environmental pollution.
- **Spray Unit Building (BUS) and agrochemical mixing facility.** Observations related to the condition of the body shower room, handling of PPE and storage of spray equipment.
- **Nursery, Block G03.** Observations and interviews with nursery workers, seedling technical, and OHS aspects.
- **Harvesting and Transporting FFB, Block H05.** Observations and interviews with workers, technical work, OHS aspects, and Manpower.
- **Immature area, Blocks J07 and J09.** Observation of mechanical maintenance and IPM using paranets in the TBM area.
- **Replanting area, Block J11.** Mechanical observation of chambering.

#### Estate 3

- **Inorganic fertilizer applicator, Block I20.** Observations and interviews with inorganic fertilizer applicators,

	<p>application doses, application techniques, K3 and labor aspects.</p> <ul style="list-style-type: none"> <li>• <b>Harvest Block J28.</b> Observation and interview of harvest workers &amp; quoting loose fruit related to technical harvest activities, K3 and labor aspects.</li> <li>• <b>Block J14 border area.</b> Observation of protected area management in the form of Simpang Rono River Border.</li> <li>• <b>Block L22 border area.</b> Observation of the management of protected areas in the form of the Seko Hilir River Border.</li> <li>• <b>Estate water reserve (Embung) Block I15.</b> Observation of land and water area management.</li> <li>• <b>Spray Unit (BUS) building and agrochemical mixing facility.</b> Observations related to the condition of the body shower room, handling of PPE and storage of spray equipment.</li> <li>• <b>Temporary Hazardous Waste Warehouse.</b> Field observations related to OHS attributes, recording, and implementation of temporary hazardous waste warehouse requirements, and the potential for environmental pollution.</li> <li>• <b>Fertilizer Warehouse.</b> Observations related to agrochemical materials and their management, MSDS, emergency response, and types of fertilizers used.</li> <li>• <b>Pesticide warehouse.</b> Observations related to agrochemical and oil management, MSDS, emergency response and types of pesticides used.</li> <li>• <b>Housing Complex</b> Observations and interviews related to environmental, OHS and labor aspects.</li> <li>• <b>Generator (Genset).</b> Observations and interviews related to worker facilities, electricity, domestic waste, socialization of company policies and complaint mechanisms.</li> <li>• <b>HCV Simpang Rono River Riparian Area, Block J14.</b> Observation the implementation of management in HCV of riparian area.</li> <li>• <b>HCV Seko Hilir River Riparian Area, Block L22.</b> Observation the implementation of management in HCV of riparian area.</li> <li>• <b>Harvesting, Block J28.</b> Observation and interview with Harvesting Supervisor and workers related to harvesting procedure accordance to SOP, PPE implementation, employment aspect, OHS implementation, socialization HCV area, and payment system.</li> <li>• <b>Manuring Block I20.</b> Observations and interviews related to application doses and safe working methods and handling of chemicals.</li> <li>• <b>Reservoir.</b> Observations related water reserves.</li> <li>• <b>Spray unit building.</b> Observation related to management of agrochemical material and waste, PPE, emergency response facilities and the types of pesticides used.</li> <li>• <b>Hazardous Waste Warehouse (Temporary).</b> Field observations related to the compliance of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse, wages and complaint mechanism.</li> <li>• <b>Fertilizer warehouse.</b> Observation related to management of agrochemical material and waste, MSDS, emergency response facilities and the types of fertilizer used.</li> <li>• <b>Generator (Electricity).</b> Observation for waste management, and interviews related to workers facility, electricity, domestic waste, sources offresh water, socialization of company policy and complaint mechanism.</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 &amp; ASA-2 (Onsite)</b>	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT Gandaerah Hendana was held by:</p> <ul style="list-style-type: none"> <li>• Public Notification on website Mutucertification.com.</li> <li>• Public consultation meeting with government institution (28 March 2021)</li> <li>• Public consultation meeting with communities including previous land owner (28 March 2021)</li> <li>• Public consultation meeting with internal stakeholders and contractor (27 &amp; 28 March 2021)</li> <li>• Consultation with relevant NGOs (Walhi, Sawit Watch, WWF, AMAN &amp; JMG Riau ) via e-mail on 22 April 2021.</li> </ul>
<b>2.3.2</b>	<b>Stakeholder contacted</b>



	Please find appendix 1
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit (ASA-3) will be conducted eight (8) months to twelve (12) month after Certificate issued.



### 3.0 ASSESSMENT FINDINGS

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

MUTUAGUNG LESTARI has conducted an assessment of Gandaerah Hendana POM – PT Gandaerah Hendana Subsidiary of S&G Biofuel PTE. LTD operation consisting of one (1) mill and three (3) oil palm estates.

During the assessment, there were two (2) Nonconformities were assigned against Critical Compliance Indicators; three (3) nonconformity were assigned against Noncritical Compliance Indicators and two (2) opportunity 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 action(s) that had been reviewed and accepted by Auditor(s) in form of documentation evidence(s) e.g. (document record/photographic/etc...). Those corrective actions taken that consist of two (2) Critical Nonconformities and three (3) Noncritical nonconformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Gandaerah Hendana POM – PT Gandaerah Hendana Subsidiary of S&G Biofuel PTE. LTD complied with the requirements of **Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification System for Principles and Criteria, 12 November 2020.**

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continue.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY</b>		
<b>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</b>	<p>The company has a letter no. 4 / HMS / GH / ukui / XI / 2017 dated November 17, 2017 regarding the transparency of company documents. The documents that can be accessed based on the letter are:</p> <ul style="list-style-type: none"> <li>• HGU certificate</li> <li>• ANDAL document</li> <li>• RKL-RPL report, hazardous management report and POME management report.</li> <li>• HCV (High Conservation value)</li> <li>• POME permit</li> <li>• Hazardous storage permit</li> <li>• Social Impact Assessment</li> <li>• Vision and mission of the company</li> <li>• Sustainability policy</li> <li>• Environmental Policy</li> <li>• OHS policy, quality and CSR</li> <li>• HCV policy</li> <li>• Environmental work program</li> <li>• OHS work program</li> </ul>	

- Logbook information

Based on Asa-1 and 2, it is known that LPUP Semester 1 & 2 of 2020 the unit of certification has been sent to the Plantation and Livestock Service Office of Pelalawan Regency, Riau Province. The LPUP for semester 2 of 2020 has been sent and received by the Service, on February 17, 2021.

These documents can be accessed by sending a request to management.

#### **1.1.2, 1.1.3, 1.1.4**

Based on Asa-1 and 2, it is known that the certification unit has a Communication, Consultation and Participation procedure with document number 004-SOP-ISP, revised: 00, effective January 2, 2014 with the approval of the COO (Chief Operation Officer). In this procedure, communication is divided into internal communication and external communication. For external communication, HSE Estate Officers, factories, legal / public relations staff are tasked with receiving and submitting input / complaints / communications from outside parties to company management, and related management to provide a response no later than 10 days.

Based on a review of the information logbook document for the period 2019 to 2021 and an example of a response letter from the certification unit, it is known that the language used is the language understood by the parties. For example, the Gebyar Ramadhan Proposal from Air Kuning Village on April 12, 2021 and responded to on April 15, 2021. The results of interviews with several government agencies, community leaders, contractor partners, and other stakeholders revealed that they had understood the communication procedures with the company.

#### **1.1.3,1.1.4**

The company has a SOP of Communication, consultation and participation with document number 004-SOP-ISP revised: 00 with an effective date on January 2, 2014 which was approved by the COO (Chief Operation Officer). In this procedure, communication is divided into internal communication and external communication. The external communication procedures are as follows:

1. The HSE officer identifies each environmental and OHS information that will be communicated to the relevant external parties.
2. The farm manager / factory decides whether communication of information will be communicated to third parties or not.
3. If the environmental or OHS information is decided to be communicated to the company's external parties, then the legal / public relations department will act to communicate with the company's external parties.
4. The HSE officer together with the legal / public relations department staff are obliged to document all records that arise in the implementation of the communication.
5. If there are input / complaints / communication from external parties, the company:
  - Estate / Factory HSE Officer or company legal / public relations staff are in charge of receiving and submitting input / complaints / communication from external parties to the company management.
  - Management forms a team to resolve input / complaints / communications from external parties
  - Management can provide information openly and adequately to the public (stakeholders) matters relating to environmental management, Occupational Safety and Health management systems and management of the company's social environment, as long as it does not involve confidential information that is commercial in nature.
  - Management through the relevant departments provides answers to requests for information to external parties no later than 10 (ten) days from the date of receipt of the information request.
  - HSE Officer / legal / public relations staff are obliged to monitor the resolution of complaints / input or communication from the external party

The company has conducted consultation and communication procedures with all employees of PT Gandaerah Hendana. for example the socialization of consultation and communication procedures to all 4 place afdeling employees on February 5, 2020 where the 4th morning afdeling 4 location was attended by 73 employees.

The company has documented communication with the external in the log book of incoming and outgoing mail. In this document, information about communication is mostly in the form of requests for assistance or donations from community activities around the village. For example, there is an incoming letter from the Ukui Village Health Center related to funding requests for the purchase of hand sanitizers and masks. The company responded to the incoming letter by making a letter of request for PPE assistance to the COO on May 12, 2020.

#### 1.1.5

The company has a list of stakeholders that inform the name of the institution / agency, contact person, position, cell phone number, and address for each unit as follows:

PT Gandaerah Hendana stakeholder list for 2020:

1. Government Services / Agencies: 10 stakeholders
2. District: 3 stakeholders
3. Kapolsek: 3 stakeholders
4. Village / Village: 6 stakeholder
5. Village community leaders: 13 stakeholders
6. Youth Organization: 7 stakeholders
7. Contractors: 18 stakeholders
8. Academic: 2 stakeholders
9. Puskesmas: 3 stakeholders
10. Labor Unions: 3 stakeholders

For example, a list of stakeholders Secretary of the Riau Province Pelalawan Environment Office.

Based on Asa-1 and 2, it is known that the certification unit has shown a list of stake holders update 2021, which contains information on the name of the service / agency, the name concerned, the position, and the telephone number. The names of the services / agencies on the list include the Pelalawan Regency local government service where the company is located and associated with the company, District Heads, Sector Police Heads, Village Heads, Karang Taruna Heads, community leaders, contractors, academics, and the Community Health Center. The unit of certification does not have a previous land owner, because all areas come from state land.

**Status: Comply**

#### 1.2

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

##### 1.2.1

The company has a Gandaerah & Inecda corporate culture campaign consisting of:

1. Culture Work ethics
2. Work safety
3. Protect the environment and maintain health
4. How it works well.

The corporate culture campaign has been socialized through posters in office areas.

The company also has a Sustainable Palm Oil policy which was approved on April 1, 2014 by the Director, which sets the following policies:

1. The company will always comply with all applicable laws and regulations in the Republic of Indonesia relating to the company's operational activities,
2. The company will always implement an environmental management system, occupational health safety, throughout the company's work units, preventing environmental pollution, accidents and occupational diseases.
3. The company will always apply land clearing without burning
4. The company will not conduct new land clearing in areas that are categorized as high conservation areas based on applicable laws and regulations.
5. The company will always provide equal opportunities for everyone to work and develop their careers in accordance with the competition and opportunities that exist and do not tolerate racial, ethnic, religious, and religious discrimination.
6. The company will always provide an opportunity for every employee to organize and associate in accordance with applicable regulations.
7. The company will not employ underage children.
8. The company will always ensure that all employees have been included in the workforce social security program in accordance with applicable regulations.
9. The company supports and facilitates the formation of employee cooperatives in every work unit of the company

The company has socialized the company code of ethics policy to all employees of PT Gandaerah Hendana employees. for example minutes of the socialization of the company code of ethics policy to all staff PT Gandaerah Hendana - the place on February 5, 2020, the location of the Apple Morning Afdeling 4 which was attended by 73 employees.

Based on Asa-1 and 2, it is known that The certification unit has a code of conduct in the form of a CEO Compliance Letter, which contains integrity and anti-corruption issues, and is disseminated to employees of stakeholders related to the company.

One example sent to the vendor includes:

- Have a business license / legal entity
- Meets OHS standards
- Provide a safe and healthy work environment
- Do not employ minors
- Do not practice bribery and other practices that are not in accordance with ethical business practices
- Record all transactions and practices with the company in detail.

### 1.2.2

The company has a system for monitoring compliance and implementation of the policy, as well as overall ethical business practices. Based on the results of the 2019 complaints document review, it was concluded that there were no reports related to violations of ethical business practices. the company also routinely conducts financial audits carried out by external audits or public accountant audits. The company has a financial report of PT Gandaerah Hendana on 31 December 2018 conducted by Tanuredja, Wibisana, Rintis and Partners Public Accountant Firms (Business License Number: KEP-241 / KM.1 / 2015 (Public Accountant License No. Ap.0239). the results of the report note that the financial statements are fairly presented, in all material respects, the financial position and financial performance and cash flows for the year ended on that date, in accordance with Indonesian Financial Accounting Standards. The Company has also conducted audits of public accountants for fiscal year 31 December 2019 carried out by Tanuredja, Wibisana, Rintis and Partners Public Accountants (Business License Number: KEP-241 / KM.1 / 2015).

Based on Asa-1 and 2, it is known that the unit of certification has included a telephone number, wa, and email address for reporting in the CEO's commitment to Compliance Letter, and is committed to keeping the identity of the reporter confidential. One example of implementation is by sending it to the Altrak vendor on March 6, 2020. Feedback from the vendor is one way to ensure that the code of ethics is implemented in the field, in addition to providing a hotline telephone number. In carrying out the work contract, the certification unit also asks for a written commitment from the contractor regarding integrity. The unit of certification follows up on complaints related to this matter by conducting an audit.

**Status: Comply**

## PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS

### 2.1

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

#### 2.1.1

##### Land Legality

The certification scope area has had HGU, and HGU on process, as well as IUP

##### **OHS and Employment**

##### **Deed of Mill Machinery Permit and Periodic Inspection by the government OHS supervisor**

For example it can be shown by:

- Diesel Motor Installation / Use Permit Number: 560 / DTKT-PK / MO / I / 2019/1216 dated January 28, 2019 for diesel motor number 2. Can be shown certificate of inspection Number: 3053 / IER / I / 2020-MD. K14H002895 dated January 14, 2020 from PT Induk Emas Riksa which stated the condition of the no.2 diesel motor was in good condition. The next examination will be carried out on January 14, 2021. There is a diesel motor certificate No. 005 / MD / PK / I / 2020 from the Riau Province Manpower and Transmigration Office that states it has approved the results of the inspection of PT Induk Emas Riksa. The Labor and OHS Supervisor of Riau Province who approves it is NIP 197406132009011006

- Permit No. 27 / TB / 560/2016 dated 28 March 2016 for steam turbines from the Head of the Pelalawan Regency Manpower and Transmigration Office. A certificate of inspection can already be shown Number: 3059 / IER / I / 2020-TU.1098053 dated January 14, 2020 which states that the steam turbine is in good condition and will be re-inspected on January 14, 2021. Furthermore, there is a Steam Turbine Certificate Number 007 / TU / PK / I / 2020 from the Riau Province Manpower and Transmigration Office, which states that it has approved the results of the inspection of PT. The Labor and OHS Inspector who approves is NIP 197406132009011006

#### Operator License

##### Gandaerah POM

- Has 5 lift transport operators who already have license and are still valid until the audit is carried out. For example for Asep Andi (No. 2307 / OPK3 / PAA-OC / V / 2015 on May 25, 2015) and is valid for 5 years. (Permenakertrans No. 09 of 2010)
- Has 4 welders who have a welder certificate, for example for Muhammad Soleh with certificate number: S.328 / JL / PNK3 / VIII / 13, dated August 26, 2013. (Permenaker No. 02 of 1982)
- Has 3 OHS Diesel operators who already have license. For example for Sujono (No. 1491 / OPM.K3 / PTP / IV / 2014 on April 29, 2019) and is valid for 5 years. (Permenakertrans No. 09 of 2010).
- Has 1 electrician who has a OHS electrician technician certificate on behalf of Edi Rianto with certificate number: Reg. P19-2335 / TK3-LIST / XII / 2015-PO, dated January 18, 2019 and is valid for 5 years. (Permenaker No. 12 of 2015).\*
- Has 4 class 1 steamship operators and 4 class 2 steamship operators who already have license. For example for of Dohar Panggabean (No. 1033 / OPK3 / BI / VIII / 2013) the period is valid until 12 September 2023. (Permenakertrans No. 09 of 2010).
- Has 1 licensed first aid officer, namely for Ifaroni (No: Ser. 3706 / P3K / JM-XII / 2018) issued on December 20, 2018. (Minister of Manpower and Transmigration Regulation No. 15 of 2008).

##### Estate

- Has 52 lift transport operators who already have license and are still in effect until the audit is conducted. For example for Binet Mangungsong (No. 34427-OPK3-PAA / IV / 2014, valid until 29 April 2024). (Permenakertrans No. 09 of 2010)
- Has 3 welders who have a welder certificate, for example Herawan with certificate number: S.481 / JL / BINWASK3-PNK3 / VI / 2017, June 9, 2017. (Permenaker No. 02 of 1982)
- Has 22 licensed first aid officers, for example Azman Efendi (No: 3723 / P3K / JM-XII / 2018) issued on December 20, 2018. (Permenakertrans No. 15 of 2008).

#### Aspect Best Management Practice

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.

Based on Asa-1 and 2, in best management practice, it is known that plantation management and factory certification units have implemented some compliance with laws and regulations in Indonesia, for example not using the burning method in the land clearing process and the seeds planted come from seed producers (DxP) which are recognized by the government Indonesia. Each unit in the Certification Unit has implemented integrated pest management, biological control and only uses pesticides that are registered on the Government Pesticide Commission website. Biological control includes the use of Owls for controlling Rats, Turnera plants as predatory hosts for Caterpillars that eat palm leaves, and the use of Paranets to control Horn beetles.

#### Environmental Aspect

- Conduct management and monitoring of environmental impact every semester and reporting to Environmental Agency
- Store hazardous waste in the licensed hazardous warehouse
- POME to Land application permit
- Conduct replanting by a mechanical method not using fire.
- Allocate and give community CSR every year.

#### 2.1.2

Procedure of legal requirement which presented in document, the procedure explaining personnel who have responsibility to update the regulation and law, identification and inventory, evaluation and monitoring Information of regulation from national, provincial and district regulatory bodies, and renewal of any changes to prevailing laws and regulations and monitoring of expired regulations/licenses. List of rules such as related a labor, legality, environment and OHS.

The company presented a report on the RSPO internal audit activity which was carried out on 06-09 January 2020. There were 11 non-conformities and 5 opportunities for improvement. All non-conformities were fulfilled before the RSPO Audit Surveillance-1 activities were carried out. Internal auditors conducting audits are Ismail, Didik S Hariyanto, Lesmana Amiarsa & Christina Nova. Regarding the achievement of the company's annual targets, management review meetings have been held for each unit every month. For example, a management review of the company was carried out on March 10, 2020 attended by 20 people including: CEO, COO, Purchasing Manager, Civil Manager, Workshop Manager, Audit Manager, GM GH, EM. For management reviews in May and June related to the COVID 19 virus pandemic, the company imposed restrictions on management reviews, management reviews were only conducted via e-mail by sending data on the monthly progress of the plantation.

### 2.1.3

The company has a mechanism related to the management of boundary markers according to the cadastral map contained in the HGU certificate owned by the company in the Boundary Marking Procedure (Document No.: 040-SOP-AGR). The procedure aims to:

- To ensure the actual boundaries of the estate per land cover.
- To mark all estate block boundaries.
- To ensure that all HGU stakes are monitored and maintained.

The unit of certification also had a boundary pole monitoring. Monitoring is carried out at intervals of every 4 months and the last time is in March 2021, based on the results of monitoring of all stakes (59 stakes) in good and well-maintained condition. Beside that, based on field visit to Block K27, Estate 1, it is known that the company has carried out the maintenance of the HGU pole in addition to the condition of the pole being in good condition and well-maintained.

Based on the results of consultations with several villages, information was obtained of indications of cases of boundary violations or excess planting.

**Status: Comply**

## 2.2

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

### 2.2.1

List of all contractor parties been maintained by the unit of certification. Based on document verifications there are 38 contractors who have cooperation with the unit of certifications for activities in transportation (CPO, kernel, FFB, school bus, and operational car). In monitoring the use of contractors for plantation and mill activities, the certification unit has well documented the list of contractors, contact persons, work agreements, and ensuring other matters related to compliance with laws and regulations in Indonesia. Based on document verifications there are no contractors related workers recruitment agencies or operational activity in plantations

In managing the contractor, the certification unit has a copy of the cooperation agreement in each unit. For example, for agreement between two parties such as Work Agreement 07/ATBS/KBN-GH/BS/XII/2019 about transporting of FFB. Based on the explanation above can be concluded that the company has managed and documented the list of contractors along with supporting documents.

On ASA-2, the unit of certification has a list of contractor for estate and mill on 2021. Information on list related of contractor name, company name, type of work, address and telephone number. Based on document, it is know that there are 24 contractors on estate and 11 contractors on mill. The types of contractors include fruit sortation, rad watering, security, FFB Supplier, FFB transporter, replanting contractor, preparation of empty bunch dan pruning, material (stone and soil) contractor and etc.

### 2.2.2



The unit of certification can presented commitment and compliance contractors or FFB supplier towards regulations in Indonesia that described in work agreement, for instance in Work agreement with FFB Supplier (CV Dani Tjahyadi) and or Agreement 07/ATBS/KBN-GH/BS/XII/2019 about transporting of FFB there are clausal that ruled if the second party (contractors or FFB Supplier) able and willing to comply to government and company regulation. Furthermore in work agreement there are clauses related to fulfilling legal obligations in force in Indonesia as one of the obligations that must be fulfilled by the contractor. Some of these obligations are related to disallowing child, forced and trafficked labour to be employed by the second party.

As the implementation, the unit of certification can present several efforts to ensure the fulfilment of the legal aspect for contractors for example:

- Conduct evaluation and coaching for local contractors on 25 April 2019, with aspects discussed regarding OHS, Covid Protocol and the provision of PPE
- Evidence if there are no child labour (id card of workers)
- Agreement about safety aspect, environmental aspect for contractors
- Registered and pay off the Insurance and Social Security program (BPJS), for example for period of for CV Sinar terang Engineering

On ASA-2, The unit of certification has showed work agreement between PT Gandaerah Hendana and PT Sati Makmur Bersaudara (No. 123/ATBS/GH-PT.SMB/AFDII/XII/2020), on article 11 was state that :

- The second party is able and willing to comply with the rules that apply in the Republic of Indonesia and other rules that apply in the first party company which at any time can show evidence of compliance.
- the second party is prohibited from employing minors, performing forced labor and practicing human labor trading

Based on field observation, it was found that there was no indication that the contractor used child labour, forced labor and workers from human trafficking. The company has the opportunity to ensure documentation of the provision of health insurance for contractor workers (OFI).

### 2.2.3

On ASA-2, The unit of certification has showed work agreement between PT Gandaerah Hendana and PT Sati Makmur Bersaudara (No. 123/ATBS/GH-PT.SMB/AFDII/XII/2020), on article 11 was state that :

- The second party is able and willing to comply with the rules that apply in the Republic of Indonesia and other rules that apply in the first party company which at any time can show evidence of compliance.
- the second party is prohibited from employing minors, performing forced labor and practicing human labor trading

Based on field observation, it was found that there was no indication that the contractor used child labour, forced labor and workers from human trafficking.

**Status: Comply**

## 2.3

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

### 2.3.1; 2.3.2

The Mill has directly sourced FFB from the outsider, which is CV Dani Tjahyadi and uncertified area in estate 1 and estate 3. The unit of certification can present FFB from direct suppliers are from legal sources that evidenced with cultivation certificate (Surat Tanda Daftar Budidaya), freehold title from relevant authorities, and maps with geolocation information. Furthermore, to identify the FFB legality, the company was in cooperation with PT Koltiva – an IT vendor has been conducted identification by the computerized application, of smallholders who supplied the FFB to the Mill In the application, variable of identification covers of smallholders ID, name, age, telephone number, smallholders address, and geolocation, ha area, annual production, number of oil palm, land title status, average tree age, etc..

Based on ASA-2, The results of verification of documents such as weigh tickets, letters of introduction to fruit (SPB), basic info and interviews with management representative are known that FFBs that enter the Gandaerah Hendana Mill are sourced from own estates (Estate 1, 2 & 3) and independent smallholders and local outgrower (CV DaniTjahyadi, Hasrat Sejahtera, Sawit Alam Permai).

**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, 3.1.2, 3.1.3**

PT Gandaerah Hendana has a five-year production projection contained in the 2018-2022 Long Term Plan approved by the Director. The document contains the projected production, CPO prices, PK, CPO and PK Revenue, cost estates, mill costs, and profitability.

The long-term plan is then elaborated in the form of an annual plan, a monthly work plan in each division for each activity. Every month an evaluation is carried out on the achievement of the specified budget. The last evaluation was carried out on March 10, 2020 attended by 20 people including: CEO, COO, Purchasing Manager, Civil Manager, Workshop Manager, Audit Manager, GM GH, EM.

The company shows the documents related to replanting plans at PT GH, as follows:

Replanting year	Estate 1 (ha)	Estate 2 (ha)	Estate 3 (ha)
2020	-	21.,91	156.40
2021	150.23	263.58	173.31
2022	263.67	229.06	163.00
2023	186.87	253.24	179.23
2024	219.04	337.03	154.18

Regarding the achievement of the company's annual targets, management review meetings have been held for each unit every month. For example, a management review of the company was carried out on March 10, 2020 attended by 20 people including: CEO, COO, Purchasing Manager, Civil Manager, Workshop Manager, Audit Manager, GM GH, EM. For management reviews in May and June related to the COVID 19 virus pandemic, the company imposed restrictions on management reviews, management reviews were only conducted via e-mail by sending data on the monthly progress of the plantation.

Based on Asa-1 and 2, it is known that the certification unit has a five-year business projection in the Long Term Plan for the period 2018 - 2022, which is approved by the Director. The document contains projections of production, prices for CPO, PK, CPO and PK revenues, plantation costs, factory costs, profitability, and replanting (2020 to 2024 period). The long-term plan is then outlined in the form of an Annual Plan and Monthly Work Plan in each division for each activity. Each month an evaluation is carried out on the achievement of the specified budget.

The last evaluation was carried out on April 12, 2021 with participants including: CEO, CFO, COO, Plantation Manager, Mill Manager, Agronomy Manager, and related staff. Some evaluations include cost reduction idea contest, harvest system, efficiency, yield, FFA, fertilization performance, repair of damaged vehicles and heavy equipment, pest control, and replanting.

**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**
**Internal audit**

The company presented a report on the RSPO internal audit activity which was carried out on 06-09 January 2020. There were 11 non-conformities and 5 opportunities for improvement. All non-conformities were fulfilled before the RSPO Audit Surveillance-1 activities were carried out. Internal auditors conducting audits are Ismail, Didik S Hariyanto, Lesmana Amiarsa & Christina Nova.

**management review**

Regarding the achievement of the company's annual targets, management review meetings have been held for each unit every month. For example, a management review of the company was carried out on March 10, 2020 attended by 20 people including: CEO, COO, Purchasing Manager, Civil Manager, Workshop Manager, Audit Manager, GM GH, EM. For management reviews in May and June related to the COVID 19 virus pandemic, the company imposed restrictions on management reviews, management reviews were only conducted via e-mail by sending data on the monthly progress of the plantation.

The contribution to the development of the local economy through the development of the realization of CSR programs.

Based on Asa-1 and 2, it is known that The results of document review, observation, and interviews show that the certification unit has consistently used technology in carrying out field operations, including:

- Drones for main census activities, mapping, security surveillance, hotspot monitoring (with night vision).
- Mechanization of transporting FFB using a grabber when transporting FFB from the TPH, and put it in the truckbin.
- Paranet for mechanical control of Horn beetle (Observation Blok J07, Afdeling 09, Estate 2).
- Digital traceability using the Koltiva application.

### 3.2.2

As long as the RSPO template has not available this indicator is not applicable, but the company has reported the RSPO Annual Communication of Progress 2019. The latest ACOP for period of 2019 has been submitted on 16 April 2020.

Based on Asa-1 and 2, RSPO metrics template is not available. It will be running on June, 2021.

**Status: Comply**

### 3.3

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

#### 3.3.1, 3.3.2, 3.3.3

The company shows the SOP master list document explaining the Agronomy SOP, Factory SOP, HRD SOP, Legal SOP and CSR SOP. As for the SOP Agronomy - revision 00 includes 42 items with a valid date May 5, 2014. In addition, SOP related to Factory - Rev 00 with a valid date since May 5, 2014 (inter alia: Factory consists of 14 items, with numbering starting from 001-SOP-POM - 014-SOP-POM (TBS reception) up to 014-SOP -POM (Supply Chain).

#### Internal audit

The company presented a report on the RSPO internal audit activity which was carried out on 06-09 January 2020. There were 11 non-conformities and 5 opportunities for improvement. All non-conformities were fulfilled before the RSPO Audit Surveillance-1 activities were carried out. Internal auditors conducting audits are Ismail, Didik S Hariyanto, Lesmana Amiarsa & Christina Nova.

Based on Asa-1 and 2, it is known that the company shows the SOP master list document that explains the SOP for Agronomy, Factory, ISPO, HRD, Legal and SOP for CSR. The SOP for Agronomy includes land suitability surveys, Nurseries, LC, Planting, Maintenance of Immature and Mature, Control of Pests and Diseases, Peat Management, and Harvesting. Factory SOP contains starting from FFB Receiving, Processing, to Supply Chain.

The implementation monitoring mechanism is carried out during work implementation through the supervision of the Foreman, Assistant, and Manager. The certification unit also conducts routine and specific audits, according to the needs of both sustainability and operational audits. One example shown by the certification unit is the ISPO and RSPO Internal Audit which was carried out on March 22-24, 2021 with 5 critical discrepancies and has been corrected with the status closed on March 30, 2021. Beside that the company has a monitoring to ensure performance of contractor to compliance the company procedure, for example contractor audit from CH to contractor related using of PPE and insurance of contractor worker (BPJS).

**Status: Comply**

### 3.4

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

#### 3.4.1

##### ASA 1 and 2

##### Environmental document.

EIA document of Oil Palm and Rubber Plantation and Palm Oil Mill of PT. GANDAERAH HENDANA has obtained approval from the Secretary General / Chair of the AMDAL Commission at the Ministry of Forestry and Plantation Center No. 636 / Menhut-II / 2001 dated May 1, 2001. Scope of AMDAL studies covering the area of PT Gandaerah Hendana's plantation 13,884 Ha based

on No. HGU 1 covering 1,360 Ha, No. HGU 2 covering an area of 6,437 Ha and No. HGU 16 covering an area of 6,087 Ha. Besides that, PT Gandaerah Hendana will collaborate with the planting of oil palm covering an area of 5,500 Ha with a Cooperative Village Usaha Damai located in Pangkalan Kuras District, Pelalawan Regency, Riau Province. For a total plant capacity of 60 tons FFB / hour.

Environmental Management Document 503 Ha Oil Palm Plantation Activities PT Gandaerah Hendana Afdeling XV Redang Seko Village, Lirik District, Indragiri Hulu Regency in 2015, has been ratified by Decree of the Head of the Environmental Agency of Indragiri Hulu Regency No. 08 of 2015 dated March 9, 2015.

Environmental Management Document (DPLH) Conversion Activities for Rubber to Palm Oil Plantations covering 689.56 Ha in Kerumutan District and Lyrics Sub district (HGU No.1 & No.2) and Core Oil Processing (Kernel Oil) with a capacity of 3.5 Ton / Hour PT Gandaerah Hendana in 2014. Scope of study includes Pelalawan Regency and in Indragiri Hulu Regency.

The environmental document (DPLH) for the rubber to oil palm plantation conversion activities covering 689.56 ha and Kernel Oil (PKO) plant with a capacity of 3.5 tons/hour by PT Gandaerah Hendana, acquire endorsement accordance decree of the head integrated licensing office Province Riau Number Kpts.26/DPMPSTSP/2019 date December 2019.

#### **Social Impact Assessment document.**

The Social impact assessment conducted PT. Sonokeling Akreditas Nusantara in September 2017. Results of social impact assessment presented in social impact assessment report, describing the social issues, negative and positive impacts, scope of assessment, assessment methods. The results of these studies have included all the potential impact factors such as access, the use of rights, economic livelihood, working conditions, culture and religion as well as health and education.

SIA appendix on year 2017 describes the evidence of participatory activities that have been conducted, i.e register of attendance, photos, maps and a list of participants during the assessment including from all the surrounding villagers and employee representatives. This is consistent with the results of interviews with local people from Village of Banjar Balam, Village of Redang Seko (Sub district of Lirik), Village of Ukui 2 (Sub district of Ukui), Village of Kerumutan (Sub district of Kerumutan) and internal stakeholders when public consultation.

#### **3.4.2 & 3.4.3**

The Implementation of environmental monitoring and management plan are documented on periodical report of environmental monitoring and management implementation report (RKL-RPL) report for PT Gandaerah Hendana. The company are consistently done the environmental management and monitoring as outlined in the Report of the Environmental Management and Monitoring per semester regularly. The significant impacts that are managed and monitored based on AMDAL Documents (KA, ANDAL, RKL and RPL) include the new environmental documents.

Meanwhile, the plan of social monitoring and management included The Social impact assessment conducted in 2017. The results of these studies have included all the potential impact factors such as access, the use of rights, economic livelihood, working conditions, culture, and religion as well as health and education.

Based on verification, RKL-RPL report semester 2 year 2019 has already contained adequate environmental management and monitoring component such as noise, air quality, soil fertility, land fire, hazardous & domestic waste, aquatic biota, groundwater levels, water quality, vegetation, wildlife, plant pests and diseases, complaints and public unrest, acceptance of labor and community income, and public health problems.

As explained in the results of the ASA-1 audit on ASA-2 activities, the company also has an environmental impact assessment document as well as a management and monitoring plan, evidence of environmental management and monitoring is explained in the RKL-RPL report for semester 2 of 2020, significant impacts that are managed and monitored still the same as ASA-1 activities. While the development of management and monitoring plans for the impact of complaints and public unrest, acceptance of labor and community income, and public health problems, methods for monitoring carried out are interviews and questionnaires to affected communities.

The Evaluation for environmental monitoring / management plans have been developed on June 2020 and as the feedback of review, company has included land fires monitoring land applications, and public health problems (included pandemic of covid19) has been evaluated on 2nd semester 2020 monitoring report.

The company has shown the evaluation/review related to the previous period's social impact program in a participatory, the last evaluation for the year 2020, involved village are Ukui Dua, Banjar Balam, Redang Seko Village, Seko Lubuk Tigo Village and Pasir Ringgit Village, as well as the development plans and management of social monitoring for the period 2021 also prepared in a participatory. The components managed and monitored consist of 8 components of natural capital, 3 components of human capital, 3 components of financial capital, 3 components of social capital, 1 component of physical capital.

On ASA-2 Evaluation/review related to the previous period's social impact program in a participatory. The company showed a document of the planned Social Impact management (SIA) activities for the period 2020-2021 which included internal and external social impacts. The components managed and monitored consist of 8 components of natural capital, 3 components of human capital, 3 components of financial capital, 3 components of social capital, 1 component of physical capital.

The company is consistently done the environmental management and monitoring as outlined in the Report of the Environmental Management and Monitoring per the sixth month regularly. This report described the realization of monitoring and management of the environment in accordance with environmental parameters in the RKL/RPL base on document verification semester 2 the year 2020 no negative effect arising from the monitoring result. Public consultation with the Environmental agency of Pelalawan indicates that the company has made environmental management and there is no issue of pollution caused by the company's operational activities.

The company shown the Management and Monitoring program SIA on Social Impact Report for period January to December year 2021. For example the realization Social Impact Management and Monitoring plan Funding for local arts namely Gambus on Kayu Ara village, Honorarium on kindergarten on Ukui village, Logistic funding for pandemic covid 19 on Public facility Lirik village etc.

The 2021 SIA program evaluation document that explains the evaluation of each SIA management activity, for example the management of external social impacts, namely for natural resources, human resources, economic resources, physical resources, social and cultural resources, while for management social internal includes recruitment, OHS, recruitment, health, OHS guidelines and OHS implementation, PPE, payroll, housing complex, transportation, work equipment, education, worker competence, discrimination and worker unions. External parties involved on evaluation of the 2021 SIA program were 1 village office and 5 villages namely village office Kerumutan, Ukui Dua Village, Banjar Balam Village, Redang Seko Village, Seko Lubuk Tigo Village and Pasir Ringgit Village.

Based on issue in online media related of road blocking, this problem has been explained by CH, until this ASA-2 audit the problem-solving stage has been in the Kerumutan sub-district. Based on the SIA document, the villages mentioned in the news are not included in the villages directly adjacent to CH, the villages directly adjacent to the village are Ukui Dua, Banjar Balam, Redang Seko Village, Seko Lubuk Tigo Village and Pasir Ringgit Village. However, the company also continues to provide CSR assistance at the sub-district level, namely the Kerumutan sub-district which is the topic of the news. for example, for infrastructure donations for the period July to December 2020 of 548.300.000 IDR.

Based on interview with Ukui Head village 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. No negative issues raised during interviews via telephone with communities surround the plantation such as interviews with community leaders, women's communities, local contractors, and the nearest community.

Status: Comply

### 3.5

#### A system for managing human resources is in place.

##### 3.5.1

Human Resources management system shown by the company include the following:

- Employee Recruitment Procedure

No. Document 001-SOP-HRD was endorsed by the Chief Operation Officer (COO) on January 2, 2014. This SOP aims to ensure that the recruitment process runs well in order to meet the quality needs of HR as expected by the company. This SOP provides several forms related to the process of hiring employees

There are examples of employee recruitment such as a letter of application dated 24 November 2019 from prospective workers with the initials VA. Application letter along with the complete application addressed to the leadership of the company. Then an interview was conducted in accordance with the FRM-HRD-P001 / 03 format. The worker was accepted as a *PKWT* employee in accordance with a work agreement for a certain time on December 23, 2019. The employment agreement is valid for 6 months from January 2, 2020 to July 1, 2020 and has included workers' rights and obligations

*PKWT* workers have been registered with the local Manpower Office, for example, indicated by evidence of recording in the form of a Decree of the Head of the Manpower Office of Indragiri Hulu District Number: KPTS.44 / Disnaker.o2 / PKWT / IX / 2019 dated 17 September 2019 concerning the registration of a Specific Time Work Agreement for PT Gandaerah Hendana

ASA-2

#### Recruitment Procedure

Employee recruitment procedure (Document No. 001-SOP-HRD) which was approved by Chief Operation Officer (COO) Hendry Tan on January 2, 2014. This SOP aims to ensure that the recruitment process is good in order to meet the needs of qualified human resources in accordance with what the company expects.

The company has shown that employee recruitment documents have been carried out according to procedures, such as an example of an employee recruitment document for 2018 with initial HH (employee number 1102118) based on a job application dated December 21, 2018 by completing the requirements in the form of a photocopy of KK, KTP, recommendation from the Head of the Environment, information from the police, a health certificate and a passport photo.

#### Payroll System

The payroll system is regulated in Chapter VI (Collective Labor Agreement) regarding Wages. In addition, there is a compensation procedure (Document No. 002-SOP-HRD) which was approved by Chief Operation Officer (COO) Hendry Tan on January 2, 2014. This SOP aims to ensure that employees (a) receive compensation in accordance with the prevailing laws and regulations, (b) attracting, retaining and motivating employees to contribute and work for the company and (c) providing compensation in accordance with the work function, position or rank of the employee.

#### Career Path System and Work Performance Appraisal

Employee Performance Assessment Procedure (Document No. 003-SOP-HRD) which was approved by Chief Operation Officer (COO) Hendry Tan on January 2, 2014. This SOP aims to (a) ensure that all employees receive a performance appraisal every year, (b) provide guidance to HRD and department heads in providing employee performance appraisals, and (3) carry out regular employee performance appraisal activities.

#### • **Collective Labour Agreement**

Legalized on December 14, 2018 by the Head of the Riau Province Manpower and Transmigration Office in accordance with the Decree of the Riau Province Manpower and Transmigration Office Number KPTS.578 / XII / 2018 concerning registration of a Collective Labour Agreement between PT Gandaerah Hendana and *PUK SPP-SPS*/PT Gandaerah Hendana. In its ratification, the CLA elapsed period is 2 years from the date of stipulation. The document already contains the rights and obligations of workers, wages, leave, until termination of employment

#### • **Career Path and Performance Assessment System**

Employee Performance Evaluation Procedures are regulated in document 003-SOP-HRD which was approved by the Chief Operation Officer (COO) on January 2, 2014. This SOP aims to (a) ensure that all employees get a performance appraisal every year, (b) provide guidance to HRD and the head of the department in providing employee performance appraisals, and (3) carrying out employee performance appraisal routinely. Besides that, in the Collective Labor Agreement CHAPTER III concerning work relations also has discussed the Movements, Demotions, Promotions, and Classifications of Employees.



There are examples of annual performance appraisal for 2019 for example for employees with NIK 0810220 Date of Entry to Work on October 13, 2008 with a score of 3.48 Category B (Good). The assessment results will be one of the basic components of determining the increase in workers' wages as explained in the payroll system

### 3.5.2

The company has shown the Collective Labor Agreement document between the company and the PT Gandaerah Hendana labor union with the decision number KPTS.578/XII/2018 which is valid on December 14, 2018 (valid for 2 years). The Collective Labor Agreement has now expired and is in the process of being extended in accordance with the agreement between the company and the SPPP - SPSI labor union as shown in the minutes of the meeting on December 2, 2020. These documents are regulated about company and worker responsibilities, recruitment process, promotion and demotion, work time management, payment system, social insurance, contract termination, and so on. Based on interview with the workers, it is known that they understood about worker's rights and obligation as written in agreement.

Based on document review, the employment procedure has been implemented and documented. For instance, the company has a personal file for each employee. Each personal file covering the detail of recruitment and appointment letter, Medical Check Up, Employee Data, Employee Record Maintenance, Employee Biography, Work Agreement/Contract Worker, Job Description and OHS Requirement for employee.

**Status: Comply**

## 3.6

**An Occupational Health and Safety (H&S) plan is documented, effectively communicated and implemented.**

### 3.6.1

#### OHS Policy

The Certification Unit shows the Sustainable Palm Oil Policy document which was approved on 1 April 2014 by the Chief Operational Officer, Chief Financial Officer and Chief Executive Officer. The policy, among others, states that the Company will always implement an environmental, health and safety management system in all work units of the company, preventing environmental pollution, accidents and occupational diseases.

#### OHS Program

Unit of certification have an OHS program for the 2020 period such as P2K3 monthly meetings, routine P2K3 reporting to the Manpower Office, safety inspection, periodic medical checkup, work accident records, first aid check, PPE examination, OHS training, Simulations once a year such as an emergency response simulation and socialization on OHS every 1 years such as SOP socialization, hazardous material handling, fire hazard, use of Fire Extinguisher, MSDS and Hazardous material symbols, and others.

#### Hazard Identification, Risk Assessment and Control

The Hazard Source Identification, Risk Assessment and Control forms are shown for the period of 2020 which describe activities, identification of potential hazards (sources / events, impacts), existing controls, initial risk analysis (probability level, severity, risk level). The activities identified include all activities in PT Gandaerah Hendana mill and estate

#### P2K3 Quarterly Report.

The company routinely sends P2K3 quarterly reports to the Manpower Office, namely:

- Gandaerah POM : Letter No. 134 / SUS / GH-PKU / IV / 2020 dated April 8, 2020 for the first quarter of the year 2020 to the Riau Provincial Manpower Office
- Gandaerah Estate: Number: 6 / P2K3 / KBN-GH / I / 2020 for the fourth quarter of 2019 to the Manpower Office of Indragiri Hulu Regency and Pelalawan Regency

#### OHS Inspection

Can be seen in the P2K3 Estate and Mill report which includes explaining about:

- Demonstrated monitoring of Fire Extinguisher and First Aid boxes in Estate I, Estate II and Estate III which are routinely carried out every month for example for the period of January to March 2020
- A recording of the examination of Fire Extinguisher, first aid kit and hydrant is shown in Gandaerah POM for the period January 2019 to December 2019 and the period January - March 2020

- Examination of the completeness and eligibility of PPE conditions which is carried out every month both in the Mill and the Estate
- OHS warning checks include evacuation route conditions, collection points and Fire Danger Index every month

#### Periodic Medical Check-Up

- Gandaerah POM

There are medical checkup results for 142 Gandaerah POM employees. Examinations conducted include General Medical Checkup, Audiometry, and Spirometry in accordance with the identification of work risks. From the health examination there were 32 people who received indications of health problems such as urine in the blood, very mild hearing loss, and respiratory problems. The company has made a referral and re-examination of the 32 people and in its medical recommendations it is stated that all are fit to work as usual and must always be orderly in using PPE

- Estate

Can be demonstrated the results of periodic medical check-up for 1,038 employees. The examination carried out is in the form of General Medical Checkup. And audiometry and spirometry checks for heavy equipment operators and generator sets. From the results of the examination, it was found that there were 9 people who indicated that their health condition was not normal. The 9 people have done MCU phase II and in their conclusion the recommendations stated that they are fit to work

#### Accident Work Report

Based on P2K3 reports in the first quarter of 2020 it is known that the number of work accidents is 0 for Mill and 13 moderate work accidents and 15 minor work accidents for Estate. The work accident does not result in lost work days so no work accident investigation is carried out. The results of the communication with the P2K3 secretary found that the dominant accident was hit by a thorn for the mild category and sharp objects for the medium category.

ASA-2

#### Identification of Potential Hazard/Risk

The company can show the OSH work program in 2021 made by the P2K3 Secretary (OHS Expert), which is contained in the training matrix document consisting of identification of potential hazards (sources/events, impacts), existing controls, initial risk analysis (level of likelihood, severity, risk level). The activities identified have included all activities in the plantation and factory of PT Gandaerah Hendana.

Based on the review of these documents, it can be concluded that the certification unit already has documents related to occupational safety and health such as OHS policies, OHS programs, identification of hazard sources and risk control and OHS procedures.

The company has also disseminated the results of the risk analysis identification, including:

- Minutes of toolbox meeting activities on December 21, 2020 with submissions regarding the discipline of using PPE, potential hazards at work and smoking culture in the workplace (photo and attendance attached).
- Minutes of the socialization of SOPs and Basic OHS activities to sorting employees discussed the responsibilities of workers, SOPs for sorting work and basic OHS (photo and attendance attached).

#### 3.6.2

##### OHS Programme

PT Gandaerah Hendana (Plantation and Mill) has a OHS program for the 2021 period such as monthly P2K3 meetings, regular P2K3 reporting to the Manpower Agency, safety inspections, periodic health checks, recording of work accidents, first aid checks, PPE checks, OHS trainings, simulations 1 once a year such as emergency response simulations and socializations on OHS every 1 year such as socialization of SOPs, handling of hazardous waste, fire risk, use of Light Fire Extinguisher, MSDS and hazardous waste symbols.

##### OHS Training

The company has shown documents for the realization of OHS training, including:

- Minutes of toolbox meeting activities on December 21, 2020 with submissions regarding the discipline of using PPE, potential hazards at work and smoking culture in the workplace (photo and attendance attached).
- Minutes of the socialization of SOPs and Basic OHS activities to sorting employees discussed the responsibilities of



- workers, SOPs for sorting work and basic OHS (photo and attendance attached).
- Minutes of socialization of the use of PPE on February 9, 2021 to foremen, harvesters, maintenance operator and PKWT employees (photo and attendance attached).
- Minutes of socialization of PPE management procedures on January 11, 2021 to office, maintenance, warehouse, civil, laboratory and process employees (photo and attendance attached).

Based on the results of interviews with WWTP workers, it is known that workers have been given socialization related to OHS such as the use of PPE, socialization related to risk identification, socialization related to covid and so on. Submissions related to OHS have also been delivered through briefing activities before work is carried out.

**Status: Comply**

### 3.7

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

#### 3.7.1 & 3.7.2

The certification unit has compiled a training program for 2020 which was established by TC and HRD Manager including the following:

- Management of oil palm management
- Leadership
- soil and water conservation
- OHS and Sustainable Palm Oil
- HCV
- First aid kit
- SIA training
- Management of the environment
- Hazardous material management
- Emergency response

The realization of the training carried out in 2020 include

- Domestic waste management training which was held in March 2020 and attended by 40 employees
- The socialization of healthy lifestyles and handling covid-19 was carried out in the month of March 2020 followed by a total of 1,376 people including contractors, staff and employee representatives
- Regular agronomic technical training which is held every month for each foreman

#### ASA-2

The company has showed the programme of training on 2020 and 2021. The training programs are available to all staff, workers, relevant stakeholders and including contractor worker.

The realization of training on 2021 such as :

- Workshop Cipta Kerja Regulation for employee, company and labor agency. The training was held on February 26, 2021.
- Air pollution control operator competency certification program for boiler and sterilizer operators in January 2021. The realization of the program is carried out on January 16-18, 2021.
- The socialization program for the prohibition of underage worker, driver assistants and daily workers in February 2021. The realization of the program is carried out on 10-11 February 2021.

Based interview with harvesting operator, it is known that the company has carried out socialization including harvest work safety, use of PPE and harvesting techniques. In addition, it was conveyed that during the morning briefing, they always reminded about the use of PPE at work.

Beside that, based on interviews with contractors, it is known that training has been provided such as on the code of ethics, OHS and the environment.

#### 3.7.3

The company showed the latest SCCS training records which were conducted on 18 February, 2020. On that training, all personnel given all knowledge about supply chain (especially the newest regulation from RSPO). The training attended by securities, grading officer, analyst and administration head.

Regarding the competence of the officer concerned, auditor conducted interview with officer who responsible to supply chain (Weighbridge operators and security). Based on interview it is known that the PIC could demonstrated supply chain procedures from FFB receiving and documentation of delivery of certified products.

**Status: comply**

### 3.8

#### Supply Chain Requirements for Mills

##### 3.8.1

The Mill do not implement the IP Module, since it received FFB from certified and uncertified source, and mix the FFB processing in one single line without separation.

##### 3.8.2

Based on document verification, the Mill implements the MB Module, which is received both FFB from certified and uncertified sources (own Estates and third party FFB suppliers). Verification of Mass Balance record, the Mill has been recorded well the separation of FFB and products (CPO and PK) from certified and uncertified sources. The Mill only claims certified products from certified sources.

Sighted the FFB supplier list of Gandaerah POM between since obtained certificate, in the following table:

Supplier	Certified	Uncertified
Kebun / Estate 1	✓	
Kebun / Estate 1	✓	
Kebun / Estate 1	✓	
CV Dani Tjahyadi		✓
Hasrat Sejahtera		✓
Sawit Alam Permai		✓
Alai		✓
Uncertified area estate 1		✓
Uncertified area estate 3		✓

##### 3.8.3

Estimated certified product recorded in the last Assessment Report and Certificate, and updated in the RSPO Palm Trace. Actual certified produced has been verified during this assessment, and not exceed the estimate. The estimates of certified production for the next license period also have been set, in reasonable amount taking into account the last year's production. The data are shown in the following table:

Product	Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (14 May 19 – March 2021) (MT)	Estimate of Certified Product for 12 months of certificate
FFB	376,748	345,682	187,000
CSPO	72,874	67,234	37,400
CSPK	18,113	16,550	9,350

There additional volume on last year projected certified volume due to over production

##### 3.8.4

The parent company S&G Biofuel is RSPO member since 14 August 2017 with registration number 1-0238-17-000-00.

Gandaerah Hendana 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                      CB86129  
Member Name                      GANDAERAH HENDANA PALM OIL MILL

Member ID	RSPO_PO1000004138
RSPO Membership Number	1-0238-17-000-00 (S&G BIOFUEL PTE. LTD))
Issued On	27-05-2019
Issued By	PT Mutuagung Lestari
Start Date	15-05-2019
End Date	14-08-2020
Total Certified Area (Ha)	14387

### 3.8.5

The Mill has had supply chain procedure no. 016-SOP-POM rev 03 dated 1 January 2020 that has been authorized by CFO and COO of PT Gandaerah Hendana. The procedure rules all element related SCC aspect for example:

- Inform flow chart of mill business process starting from FFB acceptance to CPO dispatch, assigned PIC, internal audit, document retention period, certified CPO selling, logo and trademark use, business communication, product complaint mechanism and management review.
- Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements
- procedures for receiving and processing certified and non- certified FFBs

However, related the standard reference for the procedure the company has the opportunity to evaluate the standard references used in the SOP of RSPO supply chain its due to the standard that used is has been obsolete or using older version for example 4.2 RSPO Supply Chain Certification Standard(SCCS),14Juni2017 and RSPO Rules on Market Communications and Claims, November 2016 (OFI 01)

Based on ASA-2 verification results related to OFI on last assessment (ASA-1 Remote) the company has revised and readjusted SCCS procedures (rev. 04) with the latest provisions. The Procedures established and covering all elements of the supply chain model requirements such as , records and reports of compliance with supply chain requirements including responsibilities of each key personnel involved, definition, the FFB reception process, weighing, checking quality, processing, monitoring refined products, mass balance calculations, delivery of the product. The procedure already referred to RSPO Supply Chain Certification Standard 2020 endorsed by the RSPO Board of Governors on 1 February 2020 (has been updated from last assessment).

### 3.8.6

Internal audit for the company is ruled in Supply Chain Procedure No. 016-SOP-POM dated 1 January 2019 clausal 6.10 about mechanism of internal audit of SCCS, that held once a year.

On period 2020, audit carried on 06 – 09 January 2020 by sustainability team in line to with the RSPO P & C audit. There is no NC related SCCS implementation.

That latest Internal audit was held on 22 to 24 February 2021 for all business unit (Estate and Mill) and there is no non-conformity related to supply chain indicators.

### 3.8.7

The Mill has maintained the record of Mass Balance data, that informed amount and sources of FFB certified and uncertified received from May 2019 to March 2021, as well as the certified products (CSPO and CSPK), shown as follows :

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
14 - 31 May 2019	7,153	4,041	11,194
Jun-19	13,764	5,548	19,312
Jul-19	13,223	10,837	24,060
Aug-19	17,053	9,689	26,742

Sep-19	19,245	4,071	23,315
Oct-19	19,774	7,948	27,722
Nov-19	17,386	4,594	21,980
Dec-19	17,310	6,536	23,846
Jan-20	16,152	5,655	21,808
Feb-20	13,725	3,758	17,483
Mar-20	12,050	4,765	16,815
Apr-20	12,583	5,458	18,041
May-20	12,682	4,825	17,507
Jun-20	12,517	7,310	19,827
Jul-20	14,491	8,824	23,315
Agu-20	17,273	8,312	25,585
Sep-20	20,077	9,795	29,872
Okt-20	16,704	10,406	27,111
Nov-20	17,341	11,341	28,681
Des-20	14,802	6,940	21,743
Jan-21	14,884	8,595	23,480
Feb-21	11,633	3,737	15,369
Mar-21	13,860	3,998	17,858
<b>Total</b>	<b>345,682</b>	<b>156,983</b>	<b>502,666</b>

Estimated certified product recorded in the certificate annex of initial certification, actual certified produced has been verified during this assessment (surveillance-1 and surveillance-2), that describes in the following table:

<b>Product</b>	<b>Last Year Projected Certified Volume (MT)</b>	<b>Last Year Actual Certified Volume (14 May 19 – March 2021) (MT)</b>	<b>Estimate of Certified Product for 12 months of certificate</b>
FFB	376,748	345,682	187,000
CSPO	72,874	67,234	37,400
CSPK	18,113	16,550	9,350

There additional volume on last year projected certified volume due to over production

Related for handling non-conforming oil palm products, has been set in the SOP no. 016-SOP-POM in clausal 6.4.7 about the mechanism of handling inappropriate documents and products in the supply chain process.

### **3.8.8; 3.8.16**

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

Documentation for the Sustainable Palm Kernel (Sustainable PK), consist of: FFB dispatch record, which further will be counted the daily production of the Sustainable PK, daily production record of the PK, which classified as the Sustainable PK, monthly recapitulation of the Sustainable PK's sale, stock record

The CSPO and CSPK from the Mill were sold has met the requirements of certified product information. Supporting documents shown were contract agreement, delivery order, delivery ticket, report of loading, weighing minutes, weighing card, and delivery note. Those documents cover information's of delivery date, description of product and supply chain model, product quantity, identification number, certificate number, sender's name and address of the seller.

Based on document verifications, during license period 14 May 2019 until June 2020, there are CSPO and CSPK products sold as RSPO Scheme covering 36,305.22 MT and 8,849.20 MT respectively. Furthermore, CSPO and CSPK products that are sold noncertified or conventional are 2187.64 MT and 330.64 respectively. For the product that sold as RSPO Scheme the mill can presented evidence if he following minimum information for RSPO certified products is made available in document form, for example

- Shipping Announcement for CSPK volume 100.19 MT dated 05 February 2020, with transaction ID TR-4a72309f-f393, Seller Contract Number 12/PK/GH/I/2020, shipping date on 27 January 2020 with buyer PT Sari Dumai Sejahtera (RSPO\_PO100000400), with the supply chain module is MB
- Shipping Announcement for CSPO volume 250 MT dated 28 January 2020, with transaction ID TR-97ce0658-6f2e, Seller Contract Number 06/CPO/GH/I/2020, shipping date on 20 January 2020 with buyer PT Nagamas Palmoil Lestari (RSPO\_PO1000002300), with the supply chain module is MB

Furthermore, the unit of certification can present document related claim product such as delivery order and weighbridge slip that informed CSPO products that sold.

For the products that's sold as conventional the unit certification can present evidence if the product has been remove or allocated to credit in the RSPO IT Platform (Palm Trace), that described in the following table:

Stock Transaction ID	Date	Product	Transaction Type	Volume (MT)
ST-TR-31ec1c8b-5d8a	14-04-2020	CSPO	Credit Allocation	2,197
ST-TR-6f478294-15b6	02-06-2020	CSPK	Remove From Certified Stock	331

On ASA-2, based on document verification its known that there's CSPK and CSPO transaction on licenses period. The company shows documentation of certified products, such as sales contracts, shipping announcements, delivery orders, etc. These documents describe the names and contacts of the buyers and sellers, delivery dates, product descriptions, quality, quantity, member ID, and others. For example: CSPK transport record to PT WNI Pelintung with Delivery Order Number (Number 118/DO/PK/GH/XII/2020), Product Weight 7,780 kg, Quality of product and address of buyer, shipping date on 31 December 2021.

### 3.8.9

Gandaerah Hendana POM has imposed provisions that must be applied by contractors as contained in the work agreements or supply chain procedure. In the Supply chain procedures clausal 6.18 described about contracts for CPO, PK, and CPKO Certified transports must ruled clause regarding:

- Clause granting access to company audit activities both internal and external
- The contractor's commitment clause to follow the General COC RSPO Supply Chain Standard

However, based on the results of documents of agreement with CPO and PK transporter (ie Work agreement No. 357 / KPPCPO / GH / VI / 2019) the clause regarding granting access for audit purposes and the transporter's commitment to follow the General COC of the RSPO Supply Chain Standard has not been regulated. **Based on that's explanation raised Non Conformity No 2020.02 With Major Category**

When ASA-2 onsite audit conducted, certificate holder already had clause regarding granting access for audit purposes and the transporter's commitment to follow the General COC of the RSPO Supply Chain Standard on SCPK and CSPO transporter agreement. For examples on CSPK contract No. 32/KPPPK/GH/MKT/CV.MSS/VI/2020 between company and CV Mitra Sarana Sejahtera, specially on Clause 6 Rights and Obligations.

Related to the consistency of improvement in the findings of non-conformance in the previous assessment (Remote Audit ASA-1), the company has shown evidence in the work agreement with the contractors which must comply with the general COC has been informed, especially in Article 6 Point 10.

**3.8.10**

The Mill has the record of details of the contractor, covers the contractor's company profile, address, contact person, email and phone number, contract agreement and period.

**3.8.11**

Based on ASA-2 verification, there is no new contractor added. There are 7 outsourcers which physical handling of RSPO certified oil palm products. It will be verified on next surveillance, if any new contractor.

**3.8.12**

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

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:

**PK production and Dispatch for Gandaerah Hendana POM**

Period	PK production (MT)		Total	Cert PK Dispatch (MT)		
	Cert	Non Cert		RSPO	Other scheme	Non Cert
May-19	369.26	581.59	950.85	-	-	400.00
Jun-19	633.13	273.68	906.81	550.00	-	345.89
Jul-19	605.18	513.52	1118.70	1100.00	-	-
Aug-19	756.71	447.15	1203.86	511.23	-	727.65
Sep-19	934.60	187.64	1122.24	635.13	-	500.00
Oct-19	1009.15	365.31	1374.47	995.03	-	250.00
Nov-19	914.25	224.42	1138.68	1064.18	-	100.00
Dec-19	831.12	319.80	1150.92	867.45	-	2627
Jan-20	775.42	268.34	1043.77	785.90	-	300.00
Feb-20	670.17	188.74	858.91	617.16	-	200.00
Mar-20	597.45	231.78	829.23	600.00	-	200.00
Apr-20	594.62	264.43	859.06	657.91	-	200.00
May-20	571.08	230.91	801.99	542.09	-	300.00
Jun-20	537.12	352.59	889.71	600.00	-	300.00
Jul-20	664.16	414.74	1078.89	500.00	-	400.00
Agu-20	822.30	385.97	1208.28	781.80	-	400.00
Sep-20	945.12	454.93	1400.04	1094.04	-	400.00
Okt-20	702.46	436.24	1138.70	685.97	-	500.00
Nov-20	889.80	472.12	1361.92	799.34	-	467.03
Des-20	781.02	288.00	1069.02	898.25	-	333.07
Jan-21	741.41	362.36	1103.78	741.18	-	269.92
Feb-21	537.87	171.64	709.51	500.00	-	260.73
Mar-21	666.68	181.93	848.61	700.00	-	169.35



<b>Total</b>	<b>16,550.08</b>	<b>7,617.83</b>	<b>24,167.95</b>	<b>16,226.66</b>	<b>-</b>	<b>4,745.99</b>
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CSPK sold as physical has been informed on RSPO IT Platform as amount as 16,332.06 ton.

**CPO production and Dispatch for Gandaerah Hendana POM**

Period	CPO production (MT)		Total	Cert CPO Dispatch (MT)		
	Cert	Non Cert		RSPO	Other scheme	Non Cert
May-19	1,497.33	2,257.15	3,754.48	-	-	3,500.00
Jun-19	2,638.96	1,016.83	3,655.79	1,945.86	-	2,000.00
Jul-19	2,531.90	1,954.09	4,485.99	4,134.84	-	250.00
Aug-19	3,340.76	1,740.29	5,081.05	3,669.30	-	1,000.00
Sep-19	3,913.47	740.57	4,654.04	1,736.03	-	3,000.00
Oct-19	3,968.25	1,426.75	5,394.99	4,059.14	-	1,489.06
Nov-19	3,763.26	833.87	4,597.12	3,704.83	-	1,010.94
Dec-19	3,446.46	1,179.00	4,625.46	3,500.00	-	1,000.00
Jan-20	3,324.45	992.02	4,316.47	3,367.89	-	1,109.74
Feb-20	2,812.10	709.10	3,521.20	2,828.02	-	753.22
Mar-20	2,449.12	866.36	3,315.48	2,304.09	-	887.04
Apr-20	2,476.05	982.39	3,458.44	2,500.00	-	997.96
May-20	2,407.13	856.62	3,263.75	2,555.22	-	780.52
Jun-20	2,431.94	1,301.64	3,733.58	2,407.46	-	1,250.00
Jul-20	2,671.76	1,552.61	4,224.37	2,709.26	-	1,500.00
Agu-20	3,109.04	1,457.35	4,566.40	2,828.06	-	1,500.00
Sep-20	3,692.51	1,722.75	5,415.25	3,864.43	-	1,750.00
Okt-20	3,081.00	1,770.17	4,851.17	3,135.57	-	1,750.00
Nov-20	3,116.64	1,982.05	5,098.69	2,500.00	-	1,951.88
Des-20	2,888.16	1,208.34	4,096.50	2,887.42	-	1,200.29
Jan-21	2,581.73	1,466.98	4,048.71	2,606.51	-	1,555.75
Feb-21	2,337.28	620.60	2,957.88	2,313.48	-	657.03
Mar-21	2,754.97	665.09	3,420.07	2,775.49	-	586.93
<b>Total</b>	<b>67,234.27</b>	<b>29,302.62</b>	<b>96,536.89</b>	<b>64,332.90</b>	<b>-</b>	<b>31,480.36</b>

CSPO sold as physical has been informed on RSPO IT Platform as amount as 64,720.14 ton.

**3.8.13; 3.8.14; 3.8.15**

The conversion rate of production of CPO (OER) and PK (KER) were determined in the SCCS procedure clausal 6.11 and 6.12  
Mass balance calculations for CPO, PK, and CPKO are:

a. RSPO Certified CPO Formula (Kg)

Total CPO production (kg) — [Uncertified FFB (kg) x OER Uncertified FFB (%)]



- b. RSPO Certified PK Formula (Kg)  
Total PK production (kg) — [uncertified FFB (kg) x uncertified TBS KER (%)]
- c. CPKO Certified Formula (Kg)  
Total Certified CPKO = Total CPKO Production - Total Non-Certified CPKO

For the conversion factor, the amount of CPO OER, PK KER, and CPKO KOER for not certified is in accordance with the mill management's decision and analyzed at least every 3 months by the mill. As the implementation of that procedure, the mill can show the calculation was presented in the document minutes of the determination of OER and KER FFB non certified for the period April - June 2020 on 20 April 2020 with the result of OER and KER is 17.71% and 4.85% respectively.

Based on ASA-2, there is no change related to the determination of the extraction value by the company.

### 3.8.16

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

- Member Name: Gandaerah Hendana Palm Oil Mill
- Membership No.: 1-23-17-000-00 (S&G BIOFUEL PTE.LTD)
- Member ID: RSPO\_PO1000004138
- License ID: CB86129

Whole transaction of CSPO/CSPK has been declared in RSPO IT Platform.

From shipping announcement verification, known that shipping announcement carried out not more than 3 months after dispatch. For example Shipping announcement of CSPK as much as 99.77 MT, with shipping date 17 December 2020 and confirmation date on 29 December 2020.

### 3.8.17

The products are claims as mass balance. The Mill does not use RSPO trademark on product or off product and its will be verify during onsite assessment.

Based on ASA-2, the mill not use trademark on its sales activities and communication.

**Status: Comply**

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

### 4.1

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

#### 4.1.1 & 4.1.2

The company has policy on human rights authorized by company COO on 30 July 2018. The policy covering community right protection, respect to company employee human right and how to handle human right issue. The human policy has been socialized to the company for example for employee in Estate II Afdeling XI, XII and XIV on 1 August 2018.

The contents of the policy include:

- Commitment to respect all internationally recognized human rights based on the 1945 Constitution article 18B, article 28F, article 28H (paragraphs 1,2,3 and 4), article 28I (paragraphs 2,3 and 4) and article 33.
- The company respects the rights of employees, complies with labor laws and regulations, prohibits workers under 18 years of age, follows the minimum wage in the plantation sector as a guide in setting the initial employee salary, additions, bonuses, benefits and others in a transparent manner.

Based on interview with worker (Estate & Mill), the company has carried out socialization related to human rights, the prohibition of employing child labor (under age) and so on. There is no paramilitary uses for all company operational.

**Status: Comply**

### 4.2

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

#### 4.2.1

The company has demonstrated a policy related to Human Rights which was approved by the Director of Operations on July 30, 2018. The contents of the policy include:

- Commitment to respect all internationally recognized human rights based on the 1945 Constitution article 18B, article 28F, article 28H (paragraphs 1,2,3 and 4), article 28I (paragraphs 2,3 and 4) and article 33.
- The company respects the rights of employees, complies with labor laws and regulations, prohibits workers under 18 years of age, follows the minimum wage in the plantation sector as a guide in setting the initial employee salary, additions, bonuses, benefits and others in a transparent manner.

The procedure for making reference is SOP Communication, consultation and participation with document number 004-SOP-ISP revised: 00 with effective date of January 2, 2014 which was approved by the COO (Chief Operation Officer). The procedure includes explaining the mechanism for requesting information including handling complaints, including if the resolution is not found mutually, the process for complain can be brought to the RSPO Complain System. It was also explained that the response period was 10 days. The officer responsible for responding to stakeholders is the HSE Officer together with the public relations staff and legal department staff. The company has the opportunity to manage verbal complaints from stakeholders (OFI).

Based on interview with worker (Estate & Mill), the company has carried out socialization related to human rights, the prohibition of employing child labor (under age) and so on. There is no paramilitary uses for all company operational.

#### 4.2.2; 4.2.3; 4.2.4

Based on information obtained from the external complaints log book, up to the ASA-1 remote audit was conducted there were no complaints. As explained by the management representative, a mutually agreed system for handling complaints will be established when complaints are found. The procedure for making reference is SOP Communication, consultation and participation with document number 004-SOP-ISP revised: 00 with effective date of January 2, 2014 which was approved by the COO (Chief Operation Officer). The communication procedures are divided into internal communication and external communication.

The procedure includes explaining the mechanism for requesting information including handling complaints. It was also explained that the response period was 10 days. The officer responsible for responding to stakeholders is the HSE Officer together with the public relations staff and legal department staff.

Internal and external stakeholder understanding of the grievance and grievance system will be reaffirmed when the field audit activity is carried out.

On ASA 2, Based on the results of interviews with workers in estates and mills, it is known that the company has disseminated complaints, gender and sexual harassment to employees. Submissions are made during the morning briefing or verbal delivery through the gender committee members, it is equal with explanation the member of Gender Committee. In addition, the company has also installed pictures and information in the form of posters regarding submitting complaints, prohibiting underage workers and so on.

Status: Comply

#### 4.3

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

##### 4.3.1

The results of interviews with management, conveyed that the CSR program was prepared based on the participation of the surrounding community. The company shows examples of Social Visit recordings, such as:

- Records on 22 November 2019 in the village of Kerumutan.
- Records on 27 November 2019 in the village of Ukui.

From the results of meetings with the community, a CSR program was prepared in 2020. For the CSR program in 2020, the company arranged a CSR program in the fields of Economy, Environment, Education, and social culture. The company has also shown the CSR realization record to the communities. For example:

- Honorary teacher assistance is realized on Redang Seko village date 6 January 2020.
- Donation for mosque construction on Redang Seko village date 2 September 2020.

- Donation for Sport Equipment is realized on *Ukui Dua* village date 2 September 2020.
- Etc.

The results of interviews with representatives of Ukui Dua 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.

**Status: Comply**

#### 4.4

**Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their Free, Prior and Informed Consent (FPIC).**

##### 4.4.1

PTGH can demonstrated their legal ownership land of 14,387.00 hectares with land status changed as documents follow:

##### A. Forest area released

Forestry Ministry Decree Ref No. 806/Kpts-II/1993 dated on 20 November 1993 concerning to provision for some forest area released from S. Jelurung – S. Merbau Kanan and S. Merbau forest group located in Kampar District, Riau Province for 14,000 hectares to PT. Gandaerah Hendana.

##### B. Location permit

Land Office Head of Kampar District Decree Ref No. KPTS.04/KP/1994 dated on 16 April 1994 concerning to provision of location permit for oil palm plantation development on behalf PT. Gandaerah Hendana covering area  $\pm$  7,160 Ha located in Ukui satu Village, Ukui Dua and Pangkalan Tampoi, Pangkalan Kuras and Kuala Kampar Sub District, Kampar District, Riau, Indonesia.

Land Office Head of Indra Giri Hulu District Decree Ref No. 03 tahun 1994 dated on 5 Mei 1994 concerning to provision of location permit for oil palm plantation development on behalf PT. Gandaerah Hendana covering area  $\pm$  6,500 Ha located in Redang Seko, Pasir Penyus Sub District, Indragiri Hulu District, Riau, Indonesia.

##### C. Plantation business permit

Integrated License Services Head of Riau Decree Ref No. Kpts.10/BP2T-IR/II/2014 dated on 24 February 2014 concerning to provision of plantation business permit for oil palm plantation on behalf PT. Gandaerah Hendana covering area +/- 6,590 ha in Indragiri Hulu District, +/- 7,797 ha in Kampar District and Mill with 60 tonnes FFB/hour capacity.

##### D. Land cultivation right title (*Hak Guna Usaha/HGU*)

There are 6 certificate HGU as follow:

1. HGU certificate No. 1/1997 dated on 11 December 1997 for 1,360 ha.
2. HGU certificate No. 2/1997 dated on 11 December 1997 for 6,437 ha.
3. HGU certificate No.16/1997 dated on 4 Juni 1997 for 6,087 ha.
4. HGU certificate No. 14/1995 dated on 2 August 1995 for 200 ha.
5. HGU certificate No. 21/2000 dated on 19 Juni 2000 for 103 ha.
6. HGU certificate No. 18/2000 dated on 10 December 2007 for 200 ha.
7. HGU certificate No. 2 refer to measurement letter No. 9120/SLN/1997 dated on 11 December 1997

##### E. Document showing the actual legal use of the land were available for 14,386.88 ha and complete. Based on areal statement document showing the actual legal use as follow:

- a. Planted area : 10,374.35 ha
- b. Emplacements and Infrastructure: 619.69 ha
- c. HCV: 52.07 ha
- d. Mill: 13.75 ha
- e. Replanting Area: 37.04 ha.
- f. Occupation: 3,289.98 ha.

In relation to the occupied area, the company has submitted an application for the release of HGU which was acknowledged by the Head of the Land Office of Pelalawan Regency and Indragiri Hulu Regency in the statement letter for the release of land rights on December 8, 2020, as follows:

- Declaration Letter of Release of Land Rights No. 725/BA-HP.01-14.05/XII/2020 which states that the company releases part of HGU No.1 of 1997 to the State covering an area of 459.74 ha.
- Declaration Letter of Release of Land Rights No. 726/BA-HP.01-14.05/XII/2020 which states that the company releases part of HGU No.2 of 1997 to the State covering an area of 38.75 ha.
- Declaration Letter of Release of Land Rights No. IP.02.01/1777-14/XII/2020 which states that the company releases part of HGU No.16 of 1997 to the State covering an area of 2,791.49 ha.

The auditor consulted with representatives of the Land Agency of Pelalawan Regency, it was obtained information that the release of the HGU was still in the process of mapping integration by the Land Agency Central.

There are difference about scope of certification with previous assessment (Initial Certification) covering 0.12 Ha due to those area has been released to State Electricity Company for very high voltage power lines projects.

Based on documents verifications there are area covering 765.80 Ha that managed by PT Gandaerah Hendana not included in the certification area due to process to obtained land cultivation right title and based on TBP its planned will be certify in 2023

#### 4.4.2; 4.4.4; 4.4.5; 4.4.6

Based on ASA-2, there is no change / new development in the area of PT Gandaerah Hendana. This is evidenced by the results of interviews with related agencies and representatives of the surrounding community.

#### 4.4.3

Based on document review, company has established since 1994. Location of PT. GH come from a part of forest that have released by government refer to Forestry Ministry Decree Ref No. 806/Kpts-II/1993 dated on 20 November 1993 concerning to provision for some forest area released from S. Jelurung – S. Merbau Kanan and S. Merbau forest group located in Kampar District, Riau Province for 14,000 hectares to PT. Handaerah Hendana.

Based on *Risalah panitia B* No. 32/RSL/HGU/1992, 23 Jan 1992 and No. 33/RSL/HGU/1992, 23 Jan 1992 poin c, there were no the legal rights, or customary rights, of other user.

The Certificate Holder has developed a mechanism of Implementation of Free Prior Informed Consent as document SOP *Ganti Rugi Lahan* (land dispute settlement) 001-SOP-LGL rev 00 dated on 2 January 2014 that describes the general policy, mechanism of settlement of border land disputes, land occupation disputes and social issues. In such mechanisms it has explained the procedures and methods of FPIC.

Status: Comply

#### 4.5

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

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

Based on document review and public consultation with related agency there has been no new development and planting by PT Gandaerah Hendana since the previous surveillance. The land compensation process has been completed with a map signed by the village and the land owner. The land compensation process was carried out on 1993.

Status: Comply

#### 4.6

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

#### 4.6.1; 4.6.2; 4.6.4

The company has a procedure for identifying and compensation for legal and traditional rights in the form of Land Acquisition and Compensation Procedure (No. 001-SOP-LGL, dated January 2, 2014). The procedure informs about:

- General policy of land acquisition and compensation.
- Procedure identifies land reserves for plantation development.
- Procedure for identifying the land owners / cultivators.
- Procedure for land acquisition and compensation.
- Conflict resolution procedures / overlapping ownership status / land management.

One of the general policies based on the above SOP is explained that all stages in the land compensation process must be informed, communicated and carried out openly to all stakeholders by prioritizing deliberation and consensus and eliminating the element of coercion on one of the parties.

The results of AMDAL document verification and Social Impact Assessment as well as public consultation with relevant agencies in Pelalawan Regency, it is known that there are no legal or customary rights in the area of PT Gandaerah Hendana.

#### 4.6.3

Based on ASA-2, currently there are no scheme smallholder or out grower managed by the company.

**Status: Comply**

#### 4.7

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

##### 4.7.1; 4.7.2; 4.7.3

Legally formally, the plantation area of PT Gandaerah Hendana came from state forest land which had been released and became APL (*Area Penggunaan Lain*) in 1993 according to the Decree of the Minister of Forestry No.:806/Kpts-II/1993 concerning the release of part of the forest area from the forest group fo S. Jelutung, S. Merbau Kanan and S. Merbau, which are located in the district level II of Kampar, the Province of Riau, covering an area of 14,000, consisting of Location I covering an area of 12,462 ha and location II covering an area of 1,538 ha for the cultivation of rubber, cocoa and oil palm plantations on behalf of PT. Gandaerah dated November 30, 1993.

The results of AMDAL document verification and Social Impact Assessment as well as public consultation with relevant agencies in Pelalawan Regency, it is known that there are no legal or customary rights in the area of PT Gandaerah Hendana.

**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 results of verification of incoming documents (external logbook) known, that there are no land claims information from other parties. As well as public consultation results with relevant agencies in Pelalawan Regency, it is known that there are no legal or customary rights in the area of PT Gandaerah Hendana.

**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

Apart from own estate (certified and uncertified area) Gandaerah Hendana POM received FFB from outsider as classified direct suppliers and agents or FFB collectors. The company has got procedure on FFB price with reference to District Plantation Agency Price no. 002 – SOP – POM dated 2 January 2014. The mechanism used for calculating FFB price is determining FFB price for three days period using FFB calculation formula named *Pricing Formula of Outsourcing FFB* and distribute it to the supplier by written announcement and online application. The FFB price announcement is distributed on Sunday for Monday effective price and on Wednesday for Thursday effective price.

##### 5.1.5; 5.1.6

There is sample of agreement between PT Gandaerah Hendana and the FFB Supplier. The agreement determine the scope of agreement, the FFB pricing determination, payment mechanism, FFB quality and contract period. Based on contract agreement verification (PT Gandaerah Hendana and CV Dani Tjahyadi) known that the FFB trading is conducted fairly, transparently and based on both party agreement. Has been observed, the FFB 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 for period 13 – 20 May 2020 where the calculation of payment is in accordance with the amount of FFB acceptance in Mill and the price set. Furthermore, into the local contractor the company can demonstrate that the payment is in accordance with the agreed agreement

#### **5.1.1 – 5.1.6**

Based on Asa-1 and 2, it is known that the FFB for Gandaerah Hendana POM comes from own plantations (certified and uncertified areas) and external FFB, either as suppliers and direct agents or collectors of classified FFB, namely CV Dani Tjahyadi, Hasrat Sejahtera, Sawit Alam Permai, and Alai (has been running since previous surveillance). FFB pricing procedure with no. 002 - SOP - POM which came into effect on January 2, 2014, states that the determination of FFB prices can refer to the Plantation Office. The internal calculation mechanism uses the FFB Outsourcing Price Formula and is informed to suppliers online twice a week by Purchasing Staff. This formula not only considers the price of the Plantation Office, but also considers CPO and PK prices, yields, processing costs, shipping, external FFB needs to meet production targets, and competitor prices. The unit of certification of timely payment records by showing an example of the FFB Outsourcing Price Formula document for the period 19 - 21 April 2021, with a price of Rp. 2,070 per Kg, and payment documents for the same period to CV Hasrat Sejahtera as much as 361,830 Kg on April 23, 2021, through Bank Mandiri.

The FFB Sale and Purchase Agreement is agreed upon and signed with a stamp duty by the Supplier. The following is an example of an agreement with CV Dani Tjahyadi on January 4, 2021, which contains FFB quality standards, delivery of goods, sorting and sanctions, supervision of goods acceptance, FFB prices, payments, K3L requirements, and the agreement period.

#### **5.1.7**

The results of observations and interviews with the weighbridge operators obtained information that the certification unit has routinely calibrated the weighing equipment carried out by the government (Metrology Bodies Pelalawan Regency). The certification unit has also shown documents on the weighbridge calibration carried out in 19 October 2019.

Based on Asa-1 and 2, it is known that The certification unit has regularly calibrated the weigh bridges in Gandaerah POM. The company shows the document of Test Results Description from the Legal Metrology UPTD (Regional Technical Implementation Unit), the Office of Cooperatives for Small and Medium Enterprises, Industry and Trade, Pelalawan Regency, which was tested on October 7, 2020, as follows:

- Number 510.3 / UPTMET / SKHP / 2020/267 - Presica / China - Type 1801 - NFG10218 series
- Number 510.3 / UPTMET / SKHP / 2020/268 - Avery Weightronic / UK - Type J311 / E1205 - Series 141450179

The test parameters are the repeatability test, the truth test, the eccentricity test, and the zero adjustment test, with valid results. Recalculated is scheduled for October 6, 2021.

#### **5.1.8**

Based on Asa-1 and 2, it is known that The IUP document (Plantation Business Permit) for Unit Certification with number Kpts.10/BP2T-IR/II/2014 dated February 28, 2014, does not state the obligation for companies to develop smallholders scheme. However, the unit of certification is currently in the process of licensing the KKPA and providing training to farmers who are suppliers of FFB on traceability on March 30, 2021.

#### **5.1.9**

SOP Complaints Handling No. Documents: 007-SOP- HRD validity date 03 January 2018 has arranged as follows:

- Guidelines for division leaders in an effort to provide guidance to workers who work under their supervision so as to create a conducive work climate
- Ensure that every employee gets proper treatment in accordance with the regulations that apply both in the company and in the government
- Minimizing dissatisfaction felt by employees so that a good cooperative relationship can be maintained
- The company will protect the whistleblower's identity (anonymity) relating to or relating to the security of each complainant and also concerning information - information provided by the complainant to the company against unfair perpetrators, corruption actors and perpetrators who oppose the rules and code of ethics in Company environment
- If the settlement is at level 3 also not yet. the outcome of the settlement is reached, the parties can bring it to the RSPO complaint system (RSPO Complaints System)



On ASA 2, The company has shown a record of workers' complaints which are documented in the Grievance Record Book. This document describes the Grievance/Suggestion (Date, information provider, complaint description, means of delivering information, company response, completion time, information and PIC).

As for examples of complaints and complaints from workers and their handling for 2020, among others, complaints related to the commotion in kindergarten schools on June 17, 2020, were submitted verbally and resolved peacefully on June 18, 2020.

<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 & 5.2.5

Based on the results of interviews with the FFB supplier (CV Dani Tjahyadi) and also representatives of the Ukui II Village management, it was found that the company carried out socialization related to the RSPO Traceability program to the community and FFB suppliers around the company. Where the company explains the RSPO certification system, the requirements to join and also the benefits of joining the RSPO certification system. The socialization done on March 30, 2021.

### 5.2.4

Based on ASA-1 and 2 assessment, it is known that the certification unit does not have a smallholder scheme, but is currently in the process of licensing the formation of the KKPA. The company shows the program and realization of training for independent farmers who become FFB suppliers in 2021. An example of the training that has been implemented in 2021 is on traceability on March 30, 2021 at Gandaerah Hendana POM.

<b>Status: Comply</b>
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## PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

## 6.1

**Any form of discrimination is prohibited.**

### 6.1.1

The policy on equal opportunities and treatment in employment opportunities is available in the Sustainable Palm Oil Policy signed by the Chief Executive Officer, Chief Financial Officer and Chief Operational Office, April 1, 2014 in point 5 which states that the company will always provide the same opportunities for everyone to work and develop a career in accordance with the competencies and opportunities that exist and do not tolerate discrimination of race, ethnicity, religion and belief.

Based on the results of verification of estate and mill employees, it is known that the composition of workers comes from a variety of tribes and backgrounds without discrimination. As explained in the recruitment procedure, recruitment is always based on company needs. Everyone has the right to apply for a job and follow the selection process. Thus it can be concluded that the company has implemented a policy of equal opportunities and treatment to get job opportunities.

### 6.1.2

The company has demonstrated an employee recruitment procedure (Document No. 001-SOP-HRD) which was approved by Chief Operation Officer (COO) on January 2, 2014. This SOP aims to ensure that the recruitment process is carried out properly in order to meet the needs of human resources and qualified human beings as expected by the company. The procedure also explains that costs arising from recruitment activities are borne by the company. The terms and conditions regarding this fee are further stipulated/regulated in company regulations and policies.

Based on the results of interviews with harvester and fertilizing workers, it is known that the recruitment process is carried out transparently, without any recruitment fees and there is no retaining of any documents or discrimination.

### 6.1.3

There are examples of employee recruitment such as a letter of application dated 24 November 2019 from prospective workers with the initials VA. Application letter along with the complete application addressed to the leadership of the company. Then an interview was conducted in accordance with the FRM-HRD-P001 / 03 format. The worker was accepted as a PKWT employee in

accordance with a work agreement for a certain time on December 23, 2019. The employment agreement is valid for 6 months from January 2, 2020 to July 1, 2020 and has included workers' rights and obligations

*PKWT* workers have been registered with the local Manpower Office, for example, indicated by evidence of recording in the form of a Decree of the Head of the Manpower Office of Indragiri Hulu District Number: KPTS.44 / Disnaker.o2 / PKWT / IX / 2019 dated 17 September 2019 concerning the registration of a Specific Time Work Agreement for PT Gandaerah Hendana

On ASA 2, The company has shown that employee recruitment documents have been carried out in accordance with procedures, such as an example of an employee recruitment document in 2018 with initial HH (employee number 1102118) based on a job application on December 21, 2018 by completing the requirements in the form of a photocopy of Family Card, ID card, recommendation from the Head of the Environment, a statement from the police, a health certificate and a photo.

Based on the list of employees, information regarding recruitment is also available, such as employees with initial HS with employee number 1912014, where the person concerned entered work on December 28, 2019 and became a permanent employee on March 28, 2020. Based on the recap of the employee list, job application documents are available, work agreement, appointment letter (based on skill, capability, quality and health condition), photocopy requirements (KK, KTP, etc.), photo of participation in BPJS Health and Employment.

#### **6.1.4**

Based on the results of interviews with female workers and the gender committee, it is known that chemical handlers (fertilizers and pesticides) are subjected to periodic pregnancy tests. This is done as a basis for early identification so that the worker is not at risk of being exposed to chemicals. Workers also stated that this was not a form of discrimination but as a means of early protection for pregnant women workers from the risk of exposure to chemicals. For workers who are identified as pregnant, other work alternatives are offered that are lighter and free from the risk of exposure to chemicals.

#### **6.1.5**

The certification unit already has a gender committee in accordance with the decree of operational directors: no. 301 / LGL / GH-PKU / V / 2018 concerning the formation of suspended committees; May 30, 2018. The composition of the management of the gender committee itself consists of the chairperson, deputy chairperson, secretary, counseling / outreach section, complaints section, and women empowerment section.

In the work program of PT GH gender committee in 2020, it is known that other forms of activities include outreach and socialization on gender and prevention of sexual harassment, ways to complain to the gender committee, to meetings to discuss productive efforts.

Records of activities that have been carried out include:

- HIV / AIDS socialization (held in January 2020)
- Socialization of healthy living in order to break the co-19 pandemic (Held March 2020)
- Socialization of criminal and sexual harassment and acts of violence against children (March 20 2020)

On ASA 2, the company has a program of gender committee on 2021. The program such as socialization of health living, socialization related gender and preventing of sexual harassment. Based on the results of interviews with the gender committee, it is known that in the range of 2020-2021 there were no issues or complaints related to harassment, threats, abuse both physically and mentally from fellow workers or plantation business actors.

#### **6.1.6**

Based on employee payrolls, it is known that payment of wages is equivalent to the same scope of work. For example, it can be seen from the evidence of May 2021 employee salary payments as follows:

- EMPID: 0611142
- Basic Salary: IDR 3,319,067  
Overtime: Rp. 201,446  
Premi : IDR 75,000  
Total Income: Rp 3,595,513

Deduction :

BPJS Ketenagakerjaan (worker) : IDR 66,381  
 BPJS Kesehatan (worker) : Rp. 33,191  
 Worker pension insurance: Rp. 33,191  
 Total duction: IDR 132,763  
 Net salary: Rp. 3,62,751.00

- EMPID: 0702029
- Basic Salary: IDR 3,368,000  
 Overtime: Rp. 204,416  
 Premi : IDR 75,000  
 Total income: Rp 3,674,416

Deduction :  
 BPJS Ketenagakerjaan (worker): IDR 67,360  
 BPJS Kesehatan (Worker): Rp.33,680  
 Pension guarantee; Rp 33,680  
 Total Reduction: Rp. 134,720  
 Net salary: Rp. 3,512,696

The difference in basic salary is because the company has set the structure and scale of wages for the level of workers including taking into account the length of working period.

On ASA 2, the company already has a standard payment system that has been set, including:

#### Implementation of the Payroll System

Workers with permanent employee status with initial S Employee Number 0003032 have a basic wage of IDR 3,559,000. There is overtime payment of IDR 1,714,883. BPJS Employment allowance of Rp. 132,238. BPJS Health allowance of Rp. 142,960. BPJS Employment discount of Rp. 132,238. BPJS Health discount of 142,960. The total wages paid were IDR 5,220,733. The company has also shown details of overtime calculations, where payments and calculations are in accordance with applicable regulations.

Based on the data above, it can be concluded that the company has paid wages in accordance with applicable regulations. Beside that, it can be proven that the payment of equal wages for the same scope of work. Beside that, based on interview with harvesting Operator at Estate 2 and Estate 3, the worker with same grade is equal to received the wages.

**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; 6.2.2; 6.2.3

The rules regarding employment are included in the following documents:

- Employee Recruitment Procedure  
No. Document 001-SOP-HRD was endorsed by the Chief Operation Officer (COO) on January 2, 2014.
- Collective labor agreement  
Legalized on December 14, 2018 by the Head of the Riau Province Manpower and Transmigration Office in accordance with the Decree of the Riau Province Manpower and Transmigration Office Number KPTS.578 / XII / 2018 concerning registration of a Joint Work Agreement between PT Gandaerah Hendana and PUK SPP-SPSI PT Gandaerah Hendana. In its ratification, the PKB elapsed period is 2 years from the date of stipulation.
- Temporary Work Agreements  
The agreement has explained the rights and obligations of workers, the wage system up to the period of the work agreement.

A description of the procedures for recruiting employees and PKWT is explained in more detail in 3.5.1

- Payroll and Incentives

Among them are in *PKB* CHAPTER VI chapters 27-38 which have discussed the components of wages, wage reviews, THR, Bonuses, to the debts of employees. In addition, there is also a Procedure for granting compensation (Document No. 002-SOP-HRD) which was approved by the Chief Operation Officer (COO) on January 2, 2014.

The wage reference used by the company is the Agricultural / Plantation Sector Minimum Wage according to:

- Riau Governor Decree number: Kpts.661 / III / 2019 dated March 25, 2019 concerning Riau UMSP in 2019 amounting to Rp. 2,820,000.00
- Riau Governor Decree number: Kpts.599 / III / 2020 dated March 18, 2020 concerning Riau UMSP in 2020 amounting to Rp. 3,020,000.00

2020 wages themselves will begin to apply to salaries in April and underpaid period January to March will be in rapel. The company also shows a Director's Decree concerning the determination of the structure and scale of wages as follows:

- SK No 229A / HRD / GH-PKU / IV / 2019 dated April 1, 2019

Grade	Class	Min (Rp)	Mid	Max
G1	1	2,820,000	2,830,500	2,841,000
	2A	2,841,000	2,954,001	3,067,000
	2B	3,067,000	3,187,501	3,308,000
G2	2C	3,308,001	3,426,501	3,545,000
	2D	3,545,001	3,768,651	3,992,01

- The determination of the Salary Increment in 2020 from the HR Manager includes informing:

Non staff salaries (*BHL and SKU*) up to 1 year work period: Rp. 3,020.00.00; For *SKU* over one year: Basic salary + periodical Increment 2020 + working period; Payroll system for non staff with service periods above 1 year: Basic salary + Periodical increment 2020 + increment by performance evaluation 2019 + work period. The 2020 periodical increment value is Rp 200,000 while the increment value based on the evaluation ranges from Rp 10,000 to Rp 25,000. The increment for work period is set at Rp 7,000 per number of years of work

There are examples of payment of wages that are in accordance with labor law for example for payment of salary EMPID 0008062 (Boilerman) as follows:

- Basic Salary: Rp 3,499,000.00
- Overtime: Rp 3,954,072
- Premi : 173,672
- Total income : Rp 7,626,742

It has been shown the daily recap of the relevant worker's overtime. During the period 21 April - 20 May 2020 with a total overtime 103 hours and overtime paid 194.5 hours. The overtime hourly wage itself is IDR 20,226 so that overtime wages are paid IDR 20,226 x 195.5 = IDR 3,954,072. Overtime pay has also taken into account the short workdays on Friday.

On ASA 2, The company already has a standard payment system that has been set, including:

#### Determination of Workers' Wages

The company has shown the Salary Increment-Year 2021 document provided by the HR Department to the Management of PT Gandaerah Hendana. The reference for giving salaries refers to the Decree of the Governor of Riau No. Kpts.1581/XI/2020 regarding the Minimum Wage for Indragiri Hulu Regency in 2021, which is IDR 3,082,808.81. In addition, the company operational areas are located in 2 districts, namely Pelalawan and Indragiri Hulu districts where in the Pelalawan district the minimum wage in 2021 is set at IDR 3,002,383.89. The company sets the highest wage standard, namely the minimum wage for Indragiri Hulu district.

The company has also considered and set wages referring to the Regulation of the Minister of Manpower Number 1 of 2017 concerning the structure and scale of wages. The calculation is based on the results of the performance evaluation and work period. The increase in wages with the results of a Grade A performance evaluation is a maximum of Rp. 25,000 and the result of a grade C performance evaluation is Rp. 10,000. In addition, the increase in wages based on the period of work is Rp. 7,000/year (wage scale).

#### Payroll and Incentive System

The company has shown a Collective Labor Agreement document which reviews wages, among others, is contained in CHAPTER VI (Wages) articles 27-38 which have discussed the components of wages, wage review, holiday allowance, bonuses, to employee debt. In addition, there is also a compensation procedure (Document No. 002-SOP-HRD) which was approved by the Chief Operation Officer (COO) on January 2, 2014. Related the penalty, this has been written in the collective labor agreement such as not being given wages if workers are absent.

#### Implementation of the Payroll System

Workers with permanent employee status with initial S Employee Number 0003032 have a basic wage of IDR 3,559,000. There is overtime payment of IDR 1,714,883. BPJS Employment allowance of Rp. 132,238. BPJS Health allowance of Rp. 142,960. BPJS Employment discount of Rp. 132,238. BPJS Health discount of 142,960. The total wages paid were IDR 5,220,733. The company has also shown details of overtime calculations, where pay ments and calculations are in accordance with applicable regulations. Based on interview with worker and contractor worker, it is know that the employee was paid in accordance with the minimum wage of Indragiri Hulu district, in addition to the structure and scale of wages applicable.

Based on the data above, it can be concluded that the company has paid wages in accordance with applicable regulations.

#### Legal Compliance for Working Condition

The company has shown evidence of legal compliance related to employment, including paying overtime in accordance with regulations, providing leave to workers in accordance with regulations, granting maternity leave and menstrual leave for female workers. In addition, the company regulations have also regulated the retirement period, permission to leave work, payment of wages and so on.

#### **6.2.4**

Based on field visits, it is known that the certification unit has provided decent housing, sanitation facilities, water supplies, medical needs, education and public facilities. The facilities were in good condition and properly.

#### **6.2.5**

Based on interview with worker at estate and mill, it is known that the worker had an access to adequate and affordable food. Workers can access their food needs through the nearest shop or market.

#### **6.2.6**

The wage eligibility standard referred to by the certification unit is *UMSP*. A detailed explanation of the *UMSP* can be found in indicator 6.2.2. The DLW Benchmark for Indonesia has not been established yet, however, the company has done a simulation of the calculation of Prevailing Wage. The components included in the calculation of decent living wages include the following:

No	In Kind of Benefit	Local Worker (Rp)
1	Housing	354,327
2	School transport	208,633
3	Medical Insurance	135,209
4	Social Insurance	232,897
5	Extra Fooding	43,300
6	Rice	394,460
7	Bonus	221,311
8	Holiday Allowance	310,630
	Total cost of In kind Benefit	1,900,768
	Average wage	3,020,000
	Total cost of benefit	4,920,768

\* The calculation above is for monthly

On ASA 2, the company has demonstrated the calculation of the Decent Living Wage (DLW) given to all workers. The total calculation of in kind benefits at PT Gandaerah Hendana is Rp. 5,785,479, which is above the regency minimum wage of Rp.



3,082,808.81. The indicator indicators that are taken into account in the DLW are housing, school transportation costs, health insurance, labor insurance, extra fooding costs, in-kind grants, employee bonuses and holiday allowances.

#### 6.2.7

Based on the results of field visits and document verification, it is known that:

- Based on the results of the field visit on the FFB sorting activity in Gandaerah Hendana POM, it is known that the worker has the status of being a contractor employee (PT Pandawa Satria Nusantara).
- Cooperation Agreement for the Provision of Sorting Workers between PT Gandaerah Hendana and PT Pandawa Satria Nusantara No.029/PSN/II/2021 dated February 25, 2021.
- SK GAPKI No: SK/002/PPG/II/2013 dated February 8, 2013 regarding the Work Implementation Process Flow in the Oil Palm Plantation Business Sector, decided that harvesting and processing fruit into CPO is the main activity.
- Law No. 13 of 2003 concerning Manpower Articles 64 and 65 regarding the submission of part of the implementation of work to other companies.

The company has not been able to demonstrate that permanent workers have been employed for all the main work performed by the unit of certification. This is a nonconformity No. 2021. 01 with non critical category.

#### 6.2.7 Status: Non Conformity No. 2021.01 with Non Critical Category

#### 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 policy on organization and association is available in the Sustainable Palm Oil Policy which was signed by the Chief Executive Officer, Chief Financial Officer and Chief Operational Office, on April 1, 2014 in point 6 which states that the company will always provide an opportunity for every employee to organize and associate in accordance with applicable regulations

Based on the results of verification of documents, it is known that currently the active trade union is PUK SPPP-SPSI PT Gandaerah Hendana, which has been registered with the Social, Manpower and Transmigration Office of Indragiri Hulu Regency through No. Evidence of Recording 40 / Disosnakertrans.04 / PHH.PSP / V / 2016 dated August 25, 2016 as stated by the Head of the Social, Manpower and Transmigration Office of Indragiri Hulu Regency No. 274 / Disosnakertrans.04 / VIII / 2016 dated August 25, 2018 concerning Registration and Giving No. Evidence of Registration of Trade Unions.

Besides that, it can also be shown that the validation of PT Gandaerah Hendana PUK SPP-SPSI management for the period of 2016 - 2021 is in accordance with the Decree of the SPP-SPSI Regional Governor of Riau Province No. Kep.038-A / PD-FSP.PP / SPSI / R / 11/2016 dated November 2, 2016. Based on the results of interviews with workers in plantations and factories, it is known that the company has encouraged the formation of a trade union/bipartite, where in practice there is no intervention from the company for the selection of representatives of workers.

#### 6.3.2

The company has shown documents for union meetings. As for the realization of these activities, among others, a meeting was held on December 2, 2020, with discussions on the extension of the collective work agreement.

#### 6.3.3

The company has a policy on organization and association which is available in the Sustainable Palm Oil Policy which was signed by the Chief Executive Officer, Chief Financial Officer and Chief Operational Office, dated April 1, 2014 at point 6 which states that the company will always provide opportunities for every employee to organize and associate in accordance with applicable regulations.

The company has also demonstrated its management structure in accordance with the evidence of registration Number 40/Disnakertrans.04/PHI.PSP/V/2016 dated 25 August 2016. In this regard, it can be concluded that the company does not interfere and limit the formation of organization/labor union activities.

#### Status: Comply



**6.4**
**Children are not employed or exploited.**
**6.4.1, 6.4.2 & 6.4.3**

The company has a policy regarding the age of workers explained in the Sustainable Palm Oil Policy signed by the Chief Executive Officer, Chief Financial Officer and Chief Operational Office, April 1, 2014 on point 7 which states that the company will not employ children under the age of 18.

Based on the results of verification of the list of employees, it is known that the youngest worker was born in 2001 and when he started working he was 18 years old. The policy on minimum age for workers has also been included in the SPK with contractors, for example SPK No: 01 / SPK / SJ / KA/VII / 2019 dated August 1, 2019 which is valid until July 31, 2020.

On ASA 2, there is no change related of policy and based on verification of the employee list, it is known that the youngest employee was born in 2001 and at the time he started working he was 19 years old (Employee Number 2009008). In addition, based on the results of field visits, information is available (on information boards/banners) stating a prohibition on the use of underage workers. Beside that, there is no underage worker during auditor field visit to all estate sampling and mill.

**6.4.4**

The company has shown evidence of socialization policy related prohibition of child labor along with the socialization of OHS, Environment and HCV areas which was carried out on January 22, 2021. In addition, based on the results of field visits at the Plantations and Mills, it is known that the company has also installed related banners/posters. prohibition of child labor in strategic places.

<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 & 6.5.2**

The certification unit has a policy on the Protection of Decency and Sexual Harassment which was approved on December 16, 2017 by the Director of Operations, the Director of Finance and the President Director. In addition, there is also a statement that it is prohibited to prohibit employees if they want to breastfeed a child as stipulated in the Employee Health Check SOP (Document No. 005-SOP-HRD). Furthermore, Article 24 and 25 of the Collective Labor Agreement also regulates about maternity and menstrual breaks

The realization of the policy includes the formation of a gender committee as described in indicator 6.1.5 and granting menstrual and maternal leave as stipulated in the *PKB*. Interviews with women workers regarding the realization of the policy will be carried out during the field visit.

On ASA 2, there is no change related policy, based on field visit it is known that the worker (female) has a granting granting menstrual and maternal leave. In addition, based on the results of interviews with fertilization workers and the gender committee, it is known that female workers are given the right not to work during menstruation and are also given 3 months maternity leave. Based on this, it can be concluded that the company has implemented rest and leave periods in accordance with applicable regulations.

**6.5.3**

Based on the results of interviews with female workers and the gender committee, it is known that the company provides time flexibility regarding breastfeeding mothers who have babies and it is stated that this does not reduce income if it is done during working hours. Beside that, the company has conducted an assessment of the needs of new mothers such as the provision of child care, providing flexibility of time while working to breastfeeding and providing time for leave after giving birth according to the applicable regulations.

**6.5.4**

The company has demonstrated procedures related to complaints, in that procedure also regulates the protection of whistleblowers/anonymity. The company has shown a record of workers' complaints and complaints which are documented in

the Grievance Logbook. The document describes the Grievance/Suggestion (Date, information provider, complaint description, means of delivering information, company response, completion time, information and PIC).

As for examples of worker complaints and complaints and their handling for 2020, among others, complaints related to the commotion in kindergarten schools on June 17, 2020, were submitted verbally and peacefully resolved on June 18, 2020. In general, complaints were dominated by internal companies and related parties. housing maintenance aspects such as leaking gutters/roofs, damaged closets, damaged bathtubs and bathroom floors. The turnaround time regarding responses to complaints ranges from 1-6 days. This is still in accordance with the procedures related to the response time to complaints.

Based on the data above, it can be concluded that the company has documented and monitored the complaint and complaint process.

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

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

#### 6.6.1 & 6.6.2

There are no migrant workers working in the company's operational area. All workers come from within one country (although from various regions). In addition, each worker has been equipped with a clear employment contract. Workers rights and obligations are also clearly stated in company regulations

Employment procedures for contract workers can be seen in the work agreement attached to each worker. Examples of work agreement can be seen in indicator 3.5.1. *PKWT* workers have been registered with the local Manpower Office, for example, indicated by evidence of recording in the form of a Decree of the Head of the Manpower Office of Indragri Hulu Regency Number: KPTS.44 / Disnaker.o2 / PKWT / IX / 2019 dated 17 September 2019 concerning the registration of a Specific Time Work Agreement for PT Gandaerah Hendana

As stated in the regulation, the maximum period of *PKWT* is 3 years. Implementation of compliance with these regulations will be ensured at the time of the field visit.

On ASA 2, Based on the results of the review of the employee list document for March 2021 and field visit, it is known that there are no foreign workers in the area managed by PT Gandaerah Hendana. The use of foreign workers is at the structural/managerial level (6 people) including the General Manager, President Director, Finance Manager, Information Technology/Manager and Plantation Manager. The company has also shown the document of Legalization of the Plan for the Use of Foreign Workers (No. Kep 04223/PPTK/PTA/2021) dated 19 February 2021 and permission to use foreign workers. Based on the data above, it can be concluded that the company has complied with regulations related to the use of foreign workers.

<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

##### OHS Organization

The form of company commitment in carrying out OHS activities is by forming a *P2K3* team as the person in charge of OHS activities.

##### - Gandaerah POM

In accordance with the Decree of the Head of the Riau Province Manpower and Transmigration Office with number KPTS.560 / Disnakertrans.PK / SK-P2K3 / III / 2019/07 concerning Ratification of the PKS Gandaerah Work Safety and Health Supervisory Committee. Dated March 27, 2019. There is a General AK3 SKP on behalf of Suhendri Alputra under number: KEP.P.12787 / NAKER-BINWASK3 / V / 2018 dated May 25, 2018 and is valid for 3 years

##### - Estate

In accordance with the Decree of the Head of the Riau Province Manpower and Transmigration Office with number KPTS.560 / Disnakertrans.PK / SK-P2K3 / III / 2019/08 concerning Ratification of the PT Gandaerah Hendana Kebun Ukui Committee for Occupational Safety and Health. Dated March 27, 2019. There is a General AK3 SKP on behalf of Suhendri Alputra under number: KEP.P.12787 / NAKER-BINWASK3 / V / 2018 dated May 25, 2018 and is valid for 3 years.

- OHS Facilities and Infrastructure

- Gandaerah POM

Has 9 First Aid boxes in offices and housing, 56 Fire Extinguisher in the mill and housing areas, and hydrants in the mill area.

- Estate

First Aid Box: 46 Pieces

First aid bag: 45 pieces

Fire Extinguisher: Estate I 70 tubes; Estate II 72 tubes; Estate III 86 tubes; Main Offices 102 tubes

Fire truck: 2 units

Central clinic: 1 unit

Doctors: 1 person

Medics: 3 people

Pharmacists: 1 person

Ambulance: 1 unit

The company also conducts routine inspections of the completeness of the OHS facilities and infrastructure which are carried out every month and included in the *P2K3* quarterly report

On ASA 2, the company has shown evidence of the person in charge of Occupational Health and Safety (OHS) as well as recordings of regular meetings between the person in charge and the workers.

#### **Gandaerah Mill**

In accordance with the Decree of the Head of the Riau Province Manpower and Transmigration Office with the number KPTS.560/Disnakertrans.PK/SK-P2K3/III/2019/07 concerning the Ratification of the Gandaerah Mill Occupational Health and Safety Supervisory Committee. Dated March 27, 2019. There is a OHS expert on behalf of Ifaroni with the number: Ser.18.139991/AK3/U/III/2018 dated March 5, 2018 and is valid for 3 years. The company has shown documents related to the OHS Expert license extension letter with the training provider, namely PT Jesindo Mandiri, but due to the Covid-19 pandemic, there are problems in issuing the extension (the letter related to the extension is attached).

#### **Gandaerah Estate**

In accordance with the Decree of the Head of the Riau Province Manpower and Transmigration Office with the number KPTS.560/Disnakertrans.PK/SK-P2K3/III/2019/08 concerning the Ratification of the Occupational Health and Safety Supervisory Committee of PT Gandaerah Hendana Ukui Estate, dated 27 March 2019. There is a OHS expert in the name of Suhendri Alputra with the number: KEP.P.12787/NAKER-BINWASK3/V/2018 dated 25 May 2018 and is valid for 3 years.

#### **6.7.2**

The Emergency Response Team as stated in the Decree of the PT Gandaerah Hendana Operational Director No. 692 / LGL / GH-PKU / XII / 2019 dated December 23, 2019 is as follows:

Patron → Advisor → Chair of the Task Force → Deputy Task Force 1 and Deputy Task Force 2 → Secretary and Deputy Secretary. Next, there is a person in charge of each part as follows:

- Person in charge of preventive matters: Supervises Patrol Team and Early warning detection team
- Person in charge of logistics
- Person in charge of medical affairs
- Responsible for blackout: In charge of 4 core teams; 5 support teams; and 5 support teams
- Person in charge of DAMKAR equipment affairs
- The person responsible for maintenance and repair of DAMKAR equipment
- Person in charge of transportation affairs

Facilities and Infrastructure for emergency management owned by the company include:

- Warnings about danger
- Evacuation route
- Fire Extinguisher
- Visitor line
- Fire Danger Index
- Watch Tower

Whereas for emergency response systems, for example, it is regulated in procedures for handling and preventing land fires as well as Emergency Preparedness and Response Procedures, document number 024-SOP-ISP, revision number 00, effective date January 2, 2014, examined and authorized by the Chief Operational Officer and Chief Financial Officer .

#### First Aid Training

- First Aid socialization to all foremen of Estate I, II and III which was carried out on February 12, 2020 and was followed by representatives of foremen of Estate I, Estate II, and Estate III
- First Aid socialization to Gandaerah POM process and maintenance operators which was held on March 15, 2020 and was attended by 15 employee representatives

On ASA 2, the company has shown a list of emergency response facilities and infrastructure (natural disasters and fires) that have been checked regularly and placed in an easily accessible place. As for examples of routine inspections of facilities and infrastructure, namely monitoring of fire prevention facilities and infrastructure for the December 2020 period at Mill (PT Gandaerah Hendana. Based on the monitoring results, it was found that there is still progress in the improvement and procurement of first aid room facilities in the first aid room area (Mill Parking Area).

In addition, based on the results of field visits to mill and estate, it is known that the company has provided first aid kits in strategic and easily accessible places and provided supplies to the foreman in the form of first aid kits. The foreman has also been given training and can explain how to use the contents of the first aid kit. In addition, there are evacuation routes in the mill area and plantation offices.

#### 6.7.3

The company has shown documents related to the provision of PPE to workers in each unit. The form of realization is as follows:

- Giving of 42 units of PPE (gloves) to harvesters at Afdeling 1B
- Giving of PPE was carried out to 41 harvesting employees in Afdeling 10. The type of PPE provided was boots.

Based on the results of field visits and interviews with workers, it is known that workers have been given PPE in accordance with risk identification. On spraying activities, PPE is given in the form of spray clothes, aprons, face shields, boots and gloves. In addition, workers have also been provided with a rinse house and special PPE storage for spray and fertilizer workers.

The company also has facilities for pesticide handlers, namely a rinse house. Workers are provided with facilities for storing clean clothes, a place to store PPE and a place to rinse after doing spray work. Based on the results of the visit to the rinse house, it is known that the condition of the rinse house is in good condition, there is a place to collect water used for washing pesticide tools and lockers are provided for each worker's personal clothes.

#### 6.7.4

The company has shown policies and documents for the realization of employee participation in health and employment insurance programs. The realizations include the following:

##### Employment Insurance

Proof of transfer of Employment Insurance payments for the period 21 February – 20 March 2021 which was paid on 15 March 2021 for 1361 workers (the proof of transfer is divided into 8 receipts).

##### Health Insurance

Proof of transfer of Health Insurance payments for March 2021 paid for 1309 workers (transfer proof is attached).

Based on the data above, there is a difference of 52 workers who have not been included in the membership of Health Insurance, related to this the company has provided justification, among others, there are employees who are still members of Contribution Assistance (*Penerima Bantuan Iuran*), invalid identification numbers and are still members of other companies. Related to this, the company has also taken follow-up actions, including improving membership data that is still active in other companies and re-registering employees who experience problems.

Based on the data above, it can be concluded that the company has shown evidence of facilitating employee participation in health and employment insurance programs.

#### 6.7.5

The certification unit already has work accident statistics that record the incidence of work accidents as follows:

- January - May 2020 period
- Gandaerah POM
- Total Normal Business Hours: 126,392
- Total Overtime Hours of Work 66,975
- Number of hours worked people: 192,366.75
- Number of Employees: 148 people
- Work Accidents With Missing Workdays: 0
- Work Accident No Missing Day: 0
- Total Lost Work Days: 0
- FR: 0
- SR: 0

#### Estate

- Total Normal Business Hours: 1,208,375
- Total Overtime Hours: 283,542
- Number of hours worked people: 1,491,917
- Number of Employees: 1,365
- Work Accidents With Missing Workdays: 34
- Work Accident No Missing Day: 0
- Total Lost Work Days: 78
- FR: 22.78
- SR: 52.28

On ASA 2, The company has shown a loss time accident calculation document for the last 12 months. Based on the document, it is known that during the 2021 period, there was no lost time accident.

**Status: Comply**

### 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 shows SOP for observing and controlling pests listed in:

Pest and Disease Procedure (Document No. 023-SOP-AGR) Revision 1 was passed on September 5, 2018. This SOP aims to:

- Know the basic principles of pest and disease management.
- Understand the life cycle of pests that can help in their control strategies.
- Understand the infestation of the disease needed to respond to its control.
- Helps understand pests / diseases, identify their location and spread.

Biological Control Procedures with Tyto Alba and Beneficial Plant (Document No. 024-SOP-AGR). This SOP aims to:

- Effective pest control.
- Creating conservation of the presence of natural enemies in the field by propagating useful plants and predators.

Observation of pests is mandatory every month for netter caterpillars dan rats.

The company shows the documents implementing the observation of pest control and the use of pesticides including: Pest Observation, for example:

- Observations in block K07 Afdeling IX dated March 5, 2020 with a population of 2.6 caterpillars / midrib midribs per midrib above the economic threshold so that chemical control is carried out. The company also showed the document Daily Reports on the Control of Pests Caterpillars in Afdeling 9 March 2020 with the amount of HK 18 with Antong 75 SP 49 Kg, and 10 liters of gasoline and application area

- Observation in block G08 Afdeling 10 dated June 2, 2020 with a population of 1.75 caterpillars per midrib caterpillar is below the economic threshold so no chemical control is carried out.
- The company also showed a recap of the May 2020 census that showed the results of the rat pest census were still below the economic threshold of 5%, so no chemical control was carried out.

### Integrated Pest Management

The company has tried to conduct biological control to reduce pest population diseases, such as planting and maintaining beneficial plants to suppress netter caterpillars, installing barn owl boxes and monitoring barn owls box to suppress rat pest populations. For example, the company has also installed an active barn owl box in Gandaerah Hendana as many as Estate 1: 138, active barn owl box: 101, Estate 2: 208, active barn owl box: 134, Estate 3: 174, active barn owl box 149.

#### 7.1.2

Based on document review and interviews with the company, the company applies several biological control practices to suppress pest and disease attacks such as *Antigonon leptopus* and (*Tyto alba*) and is well managed for example there are intersections at the intersection of the road to grow *Antigonon leptopus*. The results of verification on the cabi.org website are known that the species was declared not invasive in Indonesia.

#### 7.1.1 – 7.1.3

Based on Asa-1 and 2, it is known that the certification unit has a Pest and Disease Control Procedure (Document No. 023-SOP-AGR Rev. 1 dated 05 September 2018) and a Biological Pest Control Procedure (Document No. 024-SOP-AGR). These two procedures aim to determine the basic principles of countermeasures, life cycle, identification of deployment locations, effective control strategies, and conservation of natural enemies. To determine the condition of pests in the field, detection is carried out routinely, rotating 2 times per month for Fire Caterpillars and Bag Caterpillars, as well as attacking rats and owl cages once a month. The results of field observations on inspection of owl cages that are still in active condition in Block K 25, Afdeling 4, Estate 1, it is known that detection is carried out by special officers who have received training from the Department of Agronomy.

The results of the Rat Census study show that from 2020 to March 2021, the attack of rats is below the economic threshold, which is 5%. The results of the census conducted by officers are reported to the Department of Agronomy to analyze the necessary control measures. Control of rat infestation below the threshold is done biologically using owls. Based on the results of field observations and document studies, it is known that the results of field observations are in accordance with the document studies.

From the results of the study of the 2019 - 2020 beneficial plant Plan and Realization document and field observations in CR Block G2 and G4, it is known that the certification unit has planted *Turnera subulata*, *Turnera ulmifolia*, *Antigonon leptopus*, and *Casia coganensis* as predators of Fire Caterpillars. According to the Minister of Environment and Forestry Regulation number P94 / 2016 on Invasive Species, the company has developed and maintains *Turnera ulmifolia* which is an invasive species. The results of field observations in weed control activities in Block J12, Afdeling 4, Estate 1 and interviews, also showed that the company did not use fire in the process of controlling pests and diseases

Status: Comply

### 7.2

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

#### 7.2.1

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

The company has documented the Toxicity Monitoring of Pesticides and Chemical Materials in Estate 1, Estate 2 and Estate 3. The document details the type of material used, registration number, control target, acute oral toxicity (oral LD50), dose / ha, LD50, active ingredient (%) and active ingredient / ha.

Integrated pest control is carried out based on predetermined methods, such as biological, mechanical and chemical, where chemical control is the last method based on the results of detection and census that exceeds economic threshold values. Biological control is done as a preventive measure to suppress or control pest populations naturally (using natural enemies).



**7.2.8**
**ASA-2**

The Company established procedure for Toxic and Hazardous waste handling including ex agrochemicals management listed on SOP 014-SOP-ISP, 02 January 2014. These procedure stated that all ex chemicals containers were kept on temporary hazardous storage at mill/estates.

The record management Hazardous Waste, included in reporting management hazardous waste quarterly to environment agency. The Training And socialization to spraying workers, about ex pesticide container disposal. All discarded containers of chemicals from by Estate and Mill, placed in hazardous waste warehouse.

Based on interview with worker on Block Block J29 Estate 1 (Pesticide Applicator) and Pesticide warehouse officer Estate 3 they understand the mechanism well. In housing complex, ex pesticide waste has been handled well and observation on plantation block and workshop show that there is no agrochemical ex-container in the plantation working area.

**7.2.5**

Based on document verification, PT Gandaerah Hendana has stopped using pesticides with paraquat active ingredients and the pesticides used are pesticides with class II and III

**7.2.6**

Pesticide Management Procedure (Document No. 025-SOP-AGR). This SOP is intended as a guide in handling work related to pesticides including storage, mixing, application, handling of pesticide containers, handling of pesticide poisoning and the obligation to use PPE (personal protective equipment).

Procedure for Agrochemical Used Packaging and Agrochemical Contaminated Water (Document No. 014-SOP-ISP, January 02, 2014) approved by CFO and COO. In the procedure described include:

- Administration, warehouse officers receive fertilizer bags and pesticide packaging and do the counting and recording received from the foreman or assistant. After the used sack is cleaned, the used sack is bound per 10 sheets or in accordance with a certain amount and neatly arranged in a designated storage area. Whereas the packaging of used pesticides is submitted to the Temporary Hazardous Waste Warehouse in Mill and recorded in the Hazardous Waste balance.
- Implementation of Agrochemical Form Packaging Washing
  - Washing place  
Wash basin with a three-tier design (Body 1, Body 2 and Body 3) each measuring 1x1x1 meter.
  - How to wash used chemical packaging (Pesticides). The used chemical packaging is put into Bak No. 1 until the packaging is filled up to  $\pm 20\%$  of the volume of the package and do the shaking several times then the washing water used in the packaging is removed and discharged in the water that leads to the container of the washing water used in chemical packaging, this activity is carried out 3 times. After washing is complete, the packaging is stored, calculated and recorded according to administrative requirements. Wastewater from wastewater in storage tanks is pumped into tank trucks for mixing chemicals.
  - How to wash the used fertilizer sacks. Packaging of used fertilizer bags into No. tub 1 and wash the sack after that, lift and dip the sack 3 times, followed by tub No. 2 and No. tub 3 with the same treatment as tub No. 1. After washing, dry the used sacks to dry and arrange 10 sheets and roll them up. Used washing water can be applied to the field.

the company has conducted regular training for employees who intersect with chemicals / pesticides in every unit of the company. for example the pesticide applicator training at PT Gandaerah Hendana on 22-24 February 2019. The training was conducted for 73 pesticide applicators. In addition, the company also socialized the management of toxic hazardous waste on December 27, 2019 at PT Gandaerah Hendana, which was participated by 103 employees.

**7.2.9**

The results of the document review, interviews with management revealed that the company did not apply pesticides by air.

**7.2.10**

The company has shown documents for the realization of periodic checks for workers and special health checks for workers with certain/special risks. The realization of the examination is listed in the document Recapitulation of Medical Check Up Results for

Gandaerah Hendana Employees in Semester II 2020. The examination includes cholinesterase examination, spirometry, medical check-up (general) and audiometry. The number of employees who took part in the medical examination was 220 people including pesticide application workers, fertilizer application workers, chemical handlers, generator operators and environmental personnel. From the results of the examination, it was found that there were 25 people who needed follow-up. The results of the follow-up are listed in document number 11/Klinik/GH/U/IV/2021 dated April 16, 2021, based on the results of the follow-up it is stated that all workers (25 people) are declared able to work as usual.

#### 7.2.11

Based on the results of interviews with spray workers, it is known that pregnant and lactating women are not allowed in spraying activities. This has been socialized to workers through morning briefings or socialization provided by the gender committee.

#### 7.2.1, 7.2.2, 7.2.3, 7.2.4, 7.2.5, 7.2.6, 7.2.7, 7.2.9

Based on Asa-1 and 2, it is known that the certification unit has justification for the use of selective pesticides according to pest specifications, both in pest, disease and weed control procedures, as well as 2021 update management commitments. The document contains the types and names of pesticides, physical form, active ingredients, class according to WHO, LD50, working method, selective target, dosage, producer, register number at the Pesticide Commission, and distribution permit. From the review of these documents, it is known that the pesticides used do not fall into the categories 1A, 1B, Stockholm / Rotterdam Convention, and there is no paraquat. The certification unit also has records of pesticide use from 2018 - March 2021, and already has an application LD50 / Ha analysis. From these records it is known that the use of pesticides has decreased, for example the use of acephate for the control of caterpillars from 19,977 Liters (2019) to 12,291 Liters (2020). This reduction is one of the benefits of applying biological control by using beneficial plants as predatory hosts for Fire Caterpillars. From the results of document review and interviews with representatives of the certification unit, it was also found that no pesticides were applied from the air.

This is in accordance with the Management commitment in the Pesticide Use Policy dated 10 July 2018, which includes stopping the purchase and use of paraquat; limiting the use of pesticides in WHO class 1A, 1B, Stockholm or Rotterdam conventions; prioritizing biological and non-chemical controls that are environmentally friendly and efficient; handling of pesticides properly from procurement, handlers, storage of tools and materials, distribution, application, post-application, B3 waste, medical supervision, and prohibitions for pregnant and breastfeeding mothers to become pesticide applicators. All pesticide applications must be based on the recommendation of the Department of Agronomy, which makes decisions based on field observations and analysis of detection results.

In accordance with the management commitment that pesticide handling officers are provided with training and infrastructure in handling pesticides. The results of the study of the pesticide handling training documents, field observations and interviews at the dish spray job and the pick-up market using Glyphosate and Methyl Metsulfuron, in Estate 1, Afdeing 3, Block J29, as well as RP fertilization at Estate 1, Afdeling 3, Block F31, Spray and fertilizer workers are able to carry out safe work practices and understand handling procedures after work. The results of interviews and observations at the BUS (Spray Unit Building) facility in Estate 2, Housing F5, Afdeling 8, show that the certification unit already has PPE cleaning and storage facilities and spray work equipment, as well as laundry waste management. Observation results to the Fertilizer and Pesticide Warehouse in the main housing estate of Estate 2, it is known that the storage of fertilizers and pesticides is well organized and is equipped with MSDS information, symbols of hazardous waste, and there is a Light Fire Extinguisher

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

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

#### 7.3.1

##### ASA-1 and ASA-2

All waste products and sources of pollution have been identified and documented in the waste management and identification document period of 2019. Based on document verification shown company has implemented waste management accordance with waste identification source and management plan for examples are :

- Estates, waste source: chemist activities, waste type: ex pesticides containers (toxic and hazardous waste), managed by stored in optimalization store and sent to related transporters
- Mill, waste source: FFB process, waste type: shell and fiber (non-toxic/hazardous waste), managed by renewable energy usage for boiler
- Mill, waste source : FFB process, waste type : palm oil mill effluent, managed by the effluent pond and land applications as

nutrient cycle.

- Estates, waste source: pruning activities, waste type: oil palm frond (organic waste), managed by frond stacking.

Based on field visit explain results of field visit related to waste type are no properly disposed of based on toxicity and hazardous characteristics become nonconformity on next indicator.

### 7.3.2

The company has identified the source of waste and pollution source and treat the identified source to reduce emission and pollution. The effort taken by the company are:

- Empty fruit bunch is applied to estate plantation area to substitute chemical fertilizer. Based on field visits EFB application is well managed.
- Shell and fiber are reused for engine fuel of boiler. It reduces the carbon emission from the combustion of fossil fuel.
- POME use for fertilizer, based on field visit the condition of flatbed has been maintained well and no environmental pollution potential.
- The managing for clinical waste, the company also has cooperation with licensed parties such as PT Mitra Jaya Pertiwi.

Evidence observed on ASA-2

- The company has hazardous waste management SOP 012 – SOP – ISP revision 00 effective January 2, 2014 which explains that all hazardous waste generated from hazardous waste generation sites is stored on licensed hazardous waste storage in estate and mill.
- Policy-related hazardous waste management at Mill dated April 28, 2021, explained the PIC who is responsible for managing of the log data hazardous waste generated from the hazardous generation site.
- Minutes of letter the socialization related to domestic waste management, hazardous waste and non-burning activities to employees on Mill housing complex April 29, 2021.
- Management review of interim RSPO audit findings on 28 April 2021 which explains the improvement efforts made regarding the results of field visits at the mill.
- Minutes of hazardous waste transported from Mill housing complex and Mill operation area on April 29, 2021.
- The results of the field visit on ASA-2 audit was carried out obtained information that hazardous waste was located inappropriately, for example:



The side area of the Mill  
fuel tank



Hazardous waste of water purifier used container



- Base on field visit on Estate 2 obtained information that there was hazardous waste used for pesticide packaging, used fertilizer sacks and hazardous waste contaminated with oil which was placed in an inappropriate manner.

It is become non conformity No. 2021.03 with non critical category.

Based on an interview with the manager related to the disposal of domestic waste, by separating organic and inorganic waste. Afterward, fiber and shell are managed by renewable energy usage for boiler and palm oil mill effluent (POME), managed by the effluent pond and land applications as a nutrient cycle.

### 7.3.3

Evidence observed on ASA-2

- The company has SOP for domestic waste management No. 015 – SOP – ISP rev. 00 effective date January 2, 2014 which describes the implementation plan for domestic waste management. In point 6.5 (Implementation) it is explained that the company provides special officers to take garbage from the trash cans located in every housing and office and then transport

it using the tools (tractors, cars) that have been provided. Officers must pick up and clean up spills, if there are spills when quoting and transporting from housing or office to landfill.

- Minutes of socialization related to domestic waste management, hazardous waste management and non-burning activities to employees at Mill housing complex dated April 29, 2021.
- Management review of interim RSPO audit findings on 28 April 2021 which explains the improvement efforts made regarding the results of field visits at the mill.
- Base on field visit ASA-2 audit was carried out obtained information that there were domestic waste management activities using open burning for the destruction of domestic waste in several site, for example:



Lorry side area



Trash can in front of civil warehouse



Trash can in front of healthy facility (Mill housing complex).

- Base on field visit at the estate 2 housing complex (base camp) obtained information that there are domestic waste management activities using open burning for the destruction of domestic waste.

The company has not been able to show evidence that in carrying out domestic waste management it does not use open burning for waste destruction. It is become non conformity No. 2021.04 with non critical category.

<b>Status:</b>	
7.3.2	<b>Non Conformity No. 2021.03 with Non Critical Category</b>
7.3.3	<b>Non Conformity No. 2021.04 with Non Critical Category</b>

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

##### 7.4.1;7.4.2;7.4.3

1. Fertilization Nursing Management Procedure (Document No. 011-SOP-AGR). This SOP aims to:
  - a. Provide sufficient nutritional needs for seedling growth.
  - b. Apply the fertilizer as scheduled.
  - c. Correcting nutritional deficiencies / symptoms of deficiency.
2. Inorganic Fertilization Procedure (Document No. 026-SOP-AGR). This SOP regulates fertilization procedures, including:
  - a. Fertilization planning (fertilizer recommendations according to soil and leaf analysis results).
  - b. Preparation of fertilization programs (purchasing orders, preparation of fertilization programs and fertilizer sampling to be applied).
  - c. Fertilizer application program (tugal, sow and other application techniques).
  - d. Fertilization application monitoring (application standard and fertilizer administration by the foreman and return of fertilizer sacks to the warehouse).
3. Procedure for Fertilizing Organic Blank Long (Document No. 027-SOP-AGR). This SOP aims to:
  - a. Increasing vegetative growth of oil palm and maintaining soil moisture.
  - b. Contribute organic matter to the soil.
  - c. Weed Control.

Land Application Procedure (Document No. 028-SOP-AGR). This SOP aims to ensure the effectiveness and efficiency of using plant waste in the Estate, and to increase vegetative growth of plants and maintain soil moisture in increasing production.

The company has plant maintenance implementation documents, namely:

#### **Soil and leaf analysis results**

Records of land analysis carried out in collaboration with Central Plantation Services Report No. 1081 / CPS / XII / 2017 implementation date of soil analysis on 23 October 2017 - 19 December 2017, the parameters tested are: pH H<sub>2</sub>O; C organic, total N, C / N ratio; P<sub>2</sub>O<sub>5</sub>, Cations can be exchanged for K, Mg and Ca. The company has also conducted a leaf analysis in 2019 in collaboration with Central Plantation. The parameters tested were: N, P, K, Mg, Ca, B, Cu and Zn. The report shows the assessment of fertilizer recommendations, fertilizer demand and dosage per LSU, application time and fertilizer dosage for 2020 palm oil plants, and fertilizer recommendations used.

The company shows the program and the realization of fertilizing plants mature in 2019.

	Plan (mt)	Realization (mt)
Dolomit	995.38	995.38
Kieserit	435.73	435.73
Rock Phosphate	1,838.41	1,838.41
Urea	1,628.04	1,628.04
Mop	2,183.43	2,183.43
HGF Borate	80.25	80.25
CuSo <sub>4</sub>	108.85	108.85
ZnSo <sub>4</sub>	76.05	76.05

For 2020, the company will fertilize dolomite, rock phosphate, urea, MOP, Kieserit, Borate, CuSo<sub>4</sub> and ZnSo<sub>4</sub> with a planned 11,729,511 Kg fertilization realization until May 2020 totaling 4,540,504 kg with a yearly achievement of 39%.

#### **Application of Blank Length and POME**

The company has shown records related to implementation and monitoring, including:

- Application of empty bunches in Block J14 Afdeling 10 Estate-2 covering an area of 34.32 Ha with a dose of 35,000 Kg/ha with a total of 990,120 kg for 2020
- Application of POME in May 2020 in Estate 2 was 155,612 M<sup>3</sup>

#### **7.4.1, 7.4.2, 7.4.3, 7.4.4**

Based on Asa-1 and 2, it is known that the certification unit has fertilization procedures, such as Fertilization Procedures in Nurseries (code 011-SOP-AGR), Inorganic Fertilization (code 026-SOP-AGR), Organic Fertilization (code 027-SOP-AGR), and Land Application (028 -SOP-AGR). The procedure includes, among others, Fertilization Planning based on soil and leaf tissue analysis, program preparation, application, and monitoring. The goal is to meet the nutritional needs of plants, good plant growth, contribute organic matter to the soil, and good production.

The fertilization program is compiled based on the results of the leaf and soil tissue analysis. Leaf tissue analysis is carried out annually, the last being December 2020. Soil tissue analysis is valid for 5 years, the last collection is December 2020. Soil tissue analysis is to check the physical properties of the soil, while leaf tissue analysis is to determine the content of N, P, K, Mg, Ca, B, Cu, Zn.

The certification unit has recycled empty bins and mill effluent, and optimized non-organic fertilizers in 2020 and 2021. In March 2021, the application of land application in Estate 2 was 4,486 m<sup>3</sup>. Meanwhile, empty bed applications until March 2021 were 12,148,750 kg for all estate applications. The results of the review of the Monthly Meeting documents, the COO commented that the achievement of inorganic fertilization up to March was still 21%, which should have been 25% - 30%. The cause of this achievement is due to the factor of fertilizer procurement and delivery which affects the fertilization process.

**Status: Comply**

### **7.5**

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

#### **7.5.1**



Based on RePProt data (1987), the distribution of soil types in the PT GH oil palm plantation area consists of 2 types of classes, namely tropohemis and troposaprist, each of these soil types is presented on the distribution of soil types in the plantation area as follows:

Soil Types	Description	Ha
Tropohemis troposaprist tropofebrist	freshwater oligotropic peat with peat depth of 0.5-> 2 meters	5,430.61
Troposaprist Humitropetts Dystopetss	Flat plain coarse sedimentary rocks (slopes less than 3%)	7,295.15
Paleudults	Plain flat sedimentary rock terrain flat to choppy (slope <8%)	1,508.14
Tropodults	Plain flat sedimentary rock terrain flat to choppy (slope <8%)	153.11
Total		14,387

The company also shows a 1: 120,000 scale map of PT Gandaerah Hendana which explains:

No.	Soil Types	(Ha)	%
1	Deep Peat (> 3 meters)	2,319.04	21.06
2	Shallow Peat (<3 meters)	4,805.45	43.63
3	Mineral	3,889.56	35.31
Total		11,014.05	100

#### 7.5.1, 7.5.2, 7.5.3

Based on ASA-1 and 2, it is known that the results of field observations at Estate 2, Afdeling 9, Blok J07, J09, and land preparation for replanting J011 showed that replanting was carried out in a flat area. This is in accordance with the study of the PT Gandaerah Hendana Topographic Map document at a scale of 1: 90,000, update April 27, 2021, that the slope class is 0 - 8%. The unit of certification states there is no new planting, but replanting.

**Status: Comply**

#### 7.6

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

##### 7.6.1

Based on RePProt data (1987), the distribution of soil types in the PT GH oil palm plantation area consists of 2 types of classes, namely tropohemis and troposaprist, each of these soil types is presented on the distribution of soil types in the plantation area as follows:

Soil Types	Description	Luas
Tropohemis troposaprist tropofebrist	freshwater oligotropic peat with peat depth of 0.5-> 2 meters	5,430.61
Troposaprist Humitropetts Dystopetss	Flat plain coarse sedimentary rocks (slopes less than 3%)	7,295.15
Paleudults	Plain flat sedimentary rock terrain flat to choppy (slope <8%)	1,508.14
Tropodults	Plain flat sedimentary rock terrain flat to choppy (slope <8%)	153.11



Total		14,387

The company also shows a 1: 120,000 scale map of PT Gandaerah Hendana which explains:

No.	Soil Type	Coverage (Ha)	%
1	Deep Peat (> 3 meters)	2,319.04	21.06
2	Shallow Peat (<3 meters)	4,805.45	43.63
3	Mineral	3,889.56	35.31
Total		11,014.05	100

### 7.6.2, 7.6.3

Based on ASA-1 and 2, it is known that the results of field observations at Estate 2, Afdeling 9, Blok J07, J09, and land preparation for replanting J011 showed that replanting was carried out in a flat area. This is in accordance with the study of the PT Gandaerah Hendana Topographic Map document at a scale of 1: 90,000, update April 27, 2021, that the slope class is 0 - 8%. The unit of certification states there is no new planting, but replanting. The results of field observations also showed that planting was carried out with the best cropping pattern, by making chambering and trenches according to the hydrological aspect, planting legumes as natural mulch. in the TBM area, and maintain the factory in the TM area according to GAP.

**Status: Comply**

### 7.7

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

#### 7.7.3;7.7.4

The company shows SOPs for planting on peatlands listed in:

- Stake, Hole and Planting Procedure (016-SOP-AGR) dated May 5, 2014, which describes the technical of piling, planting hole planting in peatlands, transportation and distribution of seedlings and planting techniques.
- Water Management Procedure (018-SOP-AGR) on May 5, 2014, which explains:
- Water level markings are mounted on culvert boxes or using wooden / iron stakes or parallels with diameters of 10-15 cm equipped with water depth measurements
- Peat diarrhea water level is maintained at 50 -70 cm from the ground level
- A piezometer to monitor the water level in peat areas is placed at a ratio of 1: 25 - 50 ha

Decreases in ground level are monitored at several points representing peat species and depth. Measurement of the rate of decline is done once a month using a peat subsidence monitoring form. The company shows records of monitoring subsidence. The company has 15 subsidence points, namely in Afdeling I: 2 units, Afdeling IV: 1 unit, Afdeling V: 2 units, Afdeling VII: 2 units, Afdeling IX: 2 units, Afdeling X: 1 unit, Afdeling XII: 1 unit, Afdeling XIII: 1 unit, and Afdeling XIV: 3 units. The peat subsidence stake is installed from the east side of the 5th 5th main line.

The first measurement of peat subsidence was conducted in October 2014. The company also showed the results of peat subsidence measurements for these 15 points, for example

- Measurement of peat in block I Y33 block 2019 and January 2020, dated 25/01/2019 measurement results 15 cm, date 27/4/2019 results measured 15 cm, date 25/7/2019 measurement results 16 cm, date 25 / 10/2019 measurement results 16.5 cm and on January 23, 2020 measurement results 16.5
- Measurement of peat in block XIV N44 block 2019 and January 2020, dated 25/01/2019 measurement results 22 cm, date 27/4/2019 results measured 23 cm, date 25/7/2019 measurement results 23.5 cm, date 10/25/2019 measurement results 27.5 cm and on January 23, 2020 the results of measurements 28 cm

The company has recorded the implementation of water management using a piezometer once a week. Monitoring is carried out by the Afdeling Overseer. For example for Estate 3 Afdeling XII there are 11 piezometers, Afdeling XIII there are 14 piezometers,

Afdeling XIV there are 18 piezometers. Estate 2 Afdeling VI there are 13 Piezometers, Afdeling VII there are 21 Piezometers, Afdeling VIII there are 29 Piezo Meters; Afdeling IX there are 26 piezometers and Afdeling X there are 12 Piezometers. Example of monitoring piezometer results in March 2020:

Monitoring Date	Block					
	V37	V35	V33	V31	V29	W39
6/03/2020	59	52	50	65	70	51
13/03/2020	57	52	48	63	68	50
20/03/2020	55	51	48	60	65	48
27/03/2020	55	48	44	56	60	46

Monitoring the water level on the canal March 31, 2020:

- Observation in Block W39 / 41 afdeling 1 Estate 1 with measurement results of 72 cm.
- Observation in block W35 / 37 afdeling 2 Estate Kebun 1 with measurement results of 97 cm.
- Observation in Block D / E 11 / 13 afdeling VI Estate 2 with measurement results of 25 cm.
- Observation in block E / E 03/05 afdeling VIII Estate 2 with measurement results of 20 cm.
- Observation in block I / J 20 Afdeling XI Estate 3 with the measurement results of 65 cm.
- Observation in block J / K 22 afdeling XI Estate 3 with measurement results of 35 cm.

Peat soil subsidies have been attempted to be minimized by regulating water levels with regular monitoring using a piezometer and making dams with sand bags as a barrier and waster of water (with overflow).

The company has shown the recapitulation document for planting ground cover in 2019 and 2020 with the types of *Mucuna bracteata*, *Peuraria javanika* and *Colopogonium caeruleum*. 37 ha.

#### 7.7.1, 7.7.2, 7.7.3, 7.7.4, 7.7.5, 7.7.6, 7.7.7

Based on ASA-1 and 2, it is known that based on document review and interviews with the management of PT Gandrah Hendana, the company is no longer carrying out new planting in existing plantation areas or in new development areas. At ASA-2, there is a replanting on Estate 2 with area 38.23 Ha.

The certification unit has reported back the peat inventory to the GHG RSPO unit on July 7, 2020 via email lesmana@gniplantation.com. The results of the peat inventory document study showed that the certified planted area was 5,710.28 hectares and those that were not certified were 592.52 hectares. This shows that the company is consistent with the improvement of NCR 2020.03.

The results of field observations in Block I 21, Afdeling 5, Estate 1, measured the ground water level at  $\pm 4.5$  cm Piezometer. Measurements were taken every 3 months. A subsidence peg was installed in 2014.

The company has a procedure or work instruction for planting on peat in the Peatland Management Procedure Document (041-SOP-AGR). However, in this procedure there is no guideline for installing / placing a subsidence stake as a measuring tool for peat soil subsidence which refers to the guideline "RSPO Peatland Working Group meeting on 13-14 September 2018 to clarify potential audit guidance for Criteria 7.7 (as adopted by GA) . ". Where, the company must have 1 subsidence marker in every 240 ha of peat area. For peat areas with more than 5000 ha, the number of stakes can be deducted from this requirement if the company has justification.

From the results of field observations and document reviews, it is known that the area of certified peatlands is 5,710.28 Ha, with the total peat subsidence markers of 15 stakes. In accordance with the RSPO Peat Audit Guidance (P&C 2018), the installation of subsidies every 240 hectares so that the need for subsidies is 23.79 (24) stakes. This means that the shortage of 9 subsidies is a non-conformity. In addition, based on the results of the interview, the management has not provided an explanation of the number of stakes available. This becomes a non-conformity in 2021.05 on indicator 7.7.3 with critical category.

The results of field observations in the peat area show that the construction of drainage channels is based on topography. In addition to the Piezometer, the certification unit measures the water level in the water channel as found during field observations

in Kebun 1, Afdeling 5, Block I 23, it is known that the surface water level from the ground level is  $\pm 32$  cm. Downstream of the trench, in the same block, a floodgate has been installed, to keep the water supply in the block from drying out and flooding.

The results of field observations of the Immature area for the planting year of 2021 in Block J09, Afdeling 9, Estate 2 show that the block has been planted with ground cover using LCC and chambering. A review of the Areal statement document, it is known that the area for the planting year 2021 is only carried out in Block J09. As a basis for replanting the peat area, the results of the Block J09 assessment which was carried out in November 2020 have been shown, it is known that Block J09 is classified as class 2 which has good enough drainage where when the excess water conditions in the ground surface area can still be properly drained by gravity > 50 % of the tidal cycle and it was concluded that the block could be planted with oil palm replanting. The results of field observations and document review also revealed that everything planned had been planted, and areas that were not planted from the start became HCV areas.

<b>7.7.3</b>	<b>Status: Non Conformity No. 2021.05 with Critical Category</b>
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**7.8**
**Practices maintain the quality and availability of surface and ground water**
**7.8.1**
**ASA-1 and ASA-2**

The company has identification on water course within its operational area in HCV document and there is also water management plan covered in HCV management plan, environmental management plan document (RKL/RPL document) and procedure no. 022-SOP-ISP dated 10 February 2015 revision 1. Among other the plan covers determination of riparian area border, protection of riparian area by not conducting chemical spraying and tree enrichment. The action taken among other by testing periodically river water quality, monitoring volume of water use, applying treated mill effluent to permitted land application.

**7.8.2**

Field visit during an audit, for example on Simpang Rono Riparian, Block J14 and Seko Hilir River Riparian Block L22 acquired information that company showed proper ways for maintain and protect the catchment area for example manual weeding and marking the chemical boundary border. The company has identified and shown the maps for catchment areas (including riparian) with a 1:50.000 scale. HCV identification document showed there is some river flow on estates such as Simpang Rono River, Soni River and Seko Hilir River.

The company has been managing and monitoring river conditions by marking riparian and testing river water quality every 6 months. There are thirteen locations for water quality monitoring at namely:

- Soni River, 100 m upstream & downstream
- Soni River, 100 m
- Merbau River left
- Kerumutan River upstream & downstream
- Tobe River upstream & downstream
- Bombang River upstream & downstream
- Seko River upstream & downstream
- Andan River upstream & downstream

Based on document verification, all the parameters of surface water testing accordance of environmental quality standards as stipulated in Government Regulation No. 82 in 2001.

**7.8.3**

All palm oil mill effluent produced by Gandaerah Hendana Palm Oil Mill are processed at waste water treatment plant before it distributed to estates as land applications. This pome applications was conducted based on decree of Pelalawan regent No KPTS.503/BPMP2T-PLY/42/2016 December 23 2016 valid 5 years.

POME quality testing document review shown for January 2019 to February 2020 all of POME testing parameters are compliant to the standards quality (for examples BOD on February 2020 are 241,6 mg/l with threshold 5000 mg/l and pH 8,25), and all of waste water management and monitoring has been reported to related institutions for regular basis per 3 months.

**ASA-2**

The same with audit ASA-1 result in the company routinely POME quality testing document review shown for January to March 2021 all of the POME testing parameters are compliant to the standards quality (for examples BOD on March 2021 are 100,30 mg/l with threshold 5000 mg/l and pH 7,90) and all of the POME management and monitoring has been reported to related institutions for regular basis per 3 months.

#### 7.8.4

The same with audit ASA-2 result in the company routinely water use monitoring in mill available under document Procedure of Water Treatment Plant. Water consumption monitored by using flowmeters installed in the piping system of WTP. According to water use data in the last period January until December 2020 average water used for processing still below the determined budget (1.52 m3/ton FFB while the budget is 1.55 m3/ton). The overall use of water under the budget of the company.

Status: Comply

#### 7.9

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

##### 7.9.1

A plan for improving efficiency of the use of fossil and optimize renewable energy were available, implemented and monitored refer to *Prosedur Mitigasi Gas Rumah Kaca* (GHG procedure) Ref no. 023-SOP-ISP dated on 02 January 2014. The company already maximizing the use of renewable energy (fiber & shell) as boiler fuel. For example, based on document verification on audit ASA-2 use of shells and fiber period January to December 2020 has produces 1,134,667.10 kWh of electricity from the turbine, while electricity generated from diesel fuel 234,156.80 kWh. The efficiency renewable energy use per ton of palm product in the mill is 33.18 KWh / MT CPO, while the result Direct fossil fuel used is 7.98 KWh / MT 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

The company has identified source of pollution and air emission sources, including gaseous, particles and shoot emissions and effluent covering emissions and pollution sources from estate and mill operations. The emission source identified from estate and mill operation among others are land use change, vehicle operation, machine operation, fertilizer and pesticide application, use of AC/refrigerator, waste piling and electricity consumption.

Identification of significant GHG gas emission source is identified and the mitigation plan has been developed by the company covering mill and estate. The significant GHG emission among others are land use change, POME, use of fertilizer and pesticide, use of fossil fuel for operation and transport. The mitigation plan among others are correct dosage use for fertilizer and application as recommended, reduce reuse and recycle action, electric use limitation, transport and engine maintenance, periodic air quality test.

#### ASA-2

Fossil fuel reducing on Gandaerah Hendana POM have been implemented by fiber/shell usage for boiler. POME has been monitored every months and monitoring periods January until March 2021 shown that all of waste water testing parameters is compliant to the standards quality.

Based on document review on audit ASA-1 and ASA-2 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.

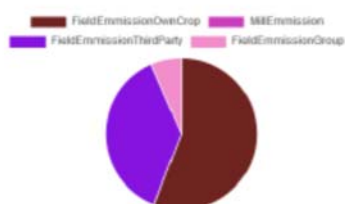
The calculation of GHG and its monitoring has conducted by EHS department. GHG emission calculated using RSPO palm GHG calculator 4.0 Summary of GHG emmison for Gandaerah Hendana POM and its supply base are listed as follows :

### PT. GANDAERAH HENDANA - 2019 Summary

#### Summary Emission

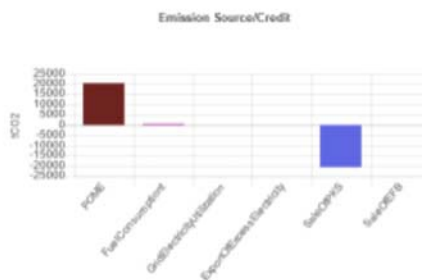
Product	tCO <sub>2</sub> e / tProduct	Action
CPO	11.19	
PK	11.19	
PKO	11.45	
PKE	11.45	

Description	Unit	Value	Action
Oil palm planted on mineral soil	Ha	4822.95	<input type="checkbox"/>
Oil palm planted area on peat	Ha	6260.17	<input type="checkbox"/>
Total oil palm planted area	Ha	11083.12	<input type="checkbox"/>
Conservation area (Forested)	Ha	52.07	<input type="checkbox"/>
Conservation area (Non-Forested)	Ha	0.00	<input type="checkbox"/>
FFB Production per hectare	t/ha	24.93	<input type="checkbox"/>
OER	%	18.92	<input type="checkbox"/>
KER	%	4.64	<input type="checkbox"/>



#### Mill Emissions and Credits

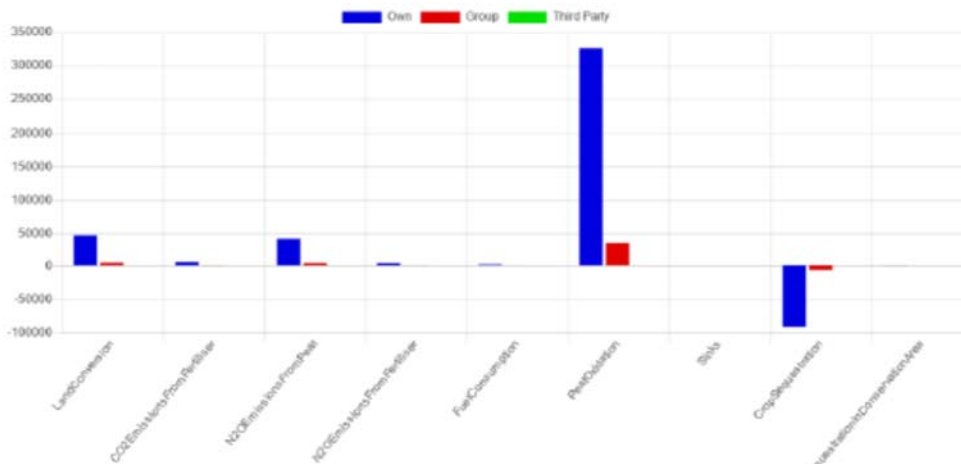
Description	tCO <sub>2</sub>	tCO <sub>2</sub> e/t FFB	Action
<b>Emission Sources</b>			
PCME	20372.38	0.07	
Fuel Consumption	797.14	0.00	
Grid Electricity Utilisation	6.44	0.00	
<b>Credits</b>			
Export of Excess Electricity to Housing & Grid	-1.02	0.00	
Sale of PKS	-20526.40	-0.08	
Sale of EFB	0.00	0.00	
<b>Total</b>	<b>248.54</b>	<b>-0.00</b>	



#### Estate/Plantation field emissions and sinks

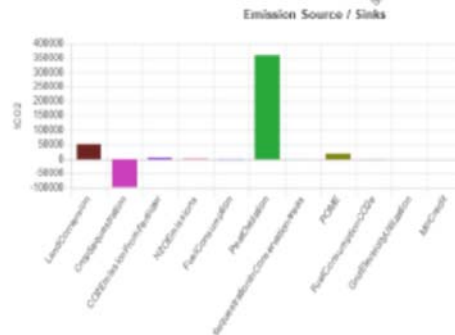
	Own			Group			3rd Party			
Description	tCO2e	tCO2e/ha	tCO2e/t FFB	tCO2e	tCO2e/ha	tCO2e/t FFB	tCO2e	tCO2e/ha	tCO2e/t FFB	Total
Emission Source										
Land Conversion	48065.90	4.63	0.24	5036.94	7.12	0.42	0.00	0.00	0.00	53102.92
CO2 Emissions from Fertiliser	7911.62	0.76	0.04	459.81	0.65	0.04	0.00	0.00	0.00	8371.43
N2O Emissions from Peat	60481.50	5.83	0.30	4435.54	6.27	0.37	0.00	0.00	0.00	64917.03
N2O Emissions from Fertiliser	5529.74	0.53	0.03	336.16	0.48	0.03	0.00	0.00	0.00	5865.90
Fuel Consumption	2504.61	0.24	0.01	112.50	0.16	0.01	0.00	0.00	0.00	2617.11
Peat Oxidation	458723.94	44.21	2.30	35551.80	50.24	3.00	0.00	0.00	0.00	494275.74
Sinks										
Crop Sequestration	-121066.79	-11.67	-0.61	-6624.50	-9.36	-0.56	0.00	0.00	0.00	-127691.72
Sequestration in Conservation Area	-504.63	-0.05	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	-504.63
Total	461645.98	44.49	2.31	39307.81	55.55	3.31	227258.50	0.00	0.00	728212.29

Field Emission and Sinks



Emissions from Palm Kernel Crusher

Emission Source	tCO2e
PK from own mill	36868.62
PK from other sources	0.00
Fuel Consumption	11.35
Total Crusher Emissions	36879.97



Production	t/yr
FFB processed	256,432.97
CPO produced	49780

The calculation of GHG and its monitoring has been conducted by the EHS department. GHG emission calculated using RSPO palm GHG calculator 4.0 Summary of GHG emission for Gandaerah Hendana POM and its supply base is listed for period 2020 with Palm GHG calculation options apply full version (ASA-2) as follows :

#### Summary Emission

Emmision per product	tCO2e/tProduct
CPO	10.77
PK	10.77

Production	t/yr
FFB processed	267,787.01
CPO produced	49861
PK produced	12539

Extraction	%
OER	18.62
KER	4.68

Land use	Ha
Planted area	11114.33



Planted on peat	6302.87
Conservation Area Forested	52.07
Conservation Area Non Forested	0.00

**Summary of field emission and Sinks**

Description	Own crop			Group			Total
	tCO2e	tCO2e/ha	tCO2e/tFFB	tCO2e	tCO2e/ha	tCO2e/tFFB	
<b>Emissions Sources</b>							
Land conversion	70385.27	6.75	0.39	5036.94	7.12	0.33	75422.21
CO2 emissions from fertilizer	12077.61	16	0.07	1140.31	1.61	0.08	13217.92
N2O emissions from Peat	42794.52	4.11	0.24	44320	6.26	0.29	47225.71
N2O emissions from Fertilizer	9593.95	0.92	0.05	883.62	25	0.06	10477.57
Fuel consumption	2800.70	0.27	0.02	56.66	0.08	0.00	2859.36
Peat oxidation	312136.75	29.99	1.73	32320.48	46.67	2.13	344457.23
<b>Sinks</b>							
Crop sequestration	-89328.24	-8.58	-0.50	-6624.93	-9.36	-0.44	-95953.17
Sequestration in Conservation area	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>360460.57</b>	<b>34.64</b>	<b>2.00</b>	<b>37246.26</b>	<b>52.63</b>	<b>2.45</b>	<b>650459.33</b>

**Summary Oil Mill Emissions and Credits**

Remarks	tCO2e	tCO2e/t FFB
<b>Emissions sources</b>		
POME	45017.89	0.17
Fuel consumption	683.77	0.00
Grid electricity	6.12	0.00
<b>Credits</b>		
Export of grid electricity	-29	0.00
Sales of PKS	-7070.80	-0.03
Sales of EFB	-16912.51	-0.06
<b>Total</b>	<b>21723.17</b>	<b>0.08</b>

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

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

**POME Divert to Anaerobic Digestion**

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

**7.10.2 & 7.10.3**

Until ASA-1 and ASA-2 audit conducted, no new planting activities above 15 November 2018, the company did not conduct new land clearing activities or development of operational areas. The distribution of planting years in the operational area consisted of 1993 to 2016. The planting years of 2018 and 2019 were replanting activities.

The company has identified pollutions and emissions sources of Gandaerah Hendana POM for the 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 the 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 have been implemented and monitored as explained in RKL-RPL semester II the year 2020. Fossil fuel reduction on Gandaerah Hendana POM have been implemented by fiber/shell usage for the boiler.

**Status: Comply**

**7.11**

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

**7.11, 7.12, 7.11.3**

The company has a procedure Replanting Procedures (Document No. 015-SOP-AGR) which has been in effect since May 5, 2014, and is approved by the Chief Operation Officer (COO). These procedures, among others, describe zero burning for replanting activities. A zero-burning policy has been developed and listed on the circular of COO dated 16 July 2018 to the General manager. No evidence of the burning of land in the operational area was visited by the auditor.

During ASA-2 audit, company do not conduct any new development. The Company has documents on the implementation of prevention, control, fire monitoring, and maintenance of facilities and infrastructure as well as reporting to government date 2 April 2021. The company has a firefighter facility and teams in accordance with Agriculture ministry decree Number 5 the year 2018. Based on field visit on replanting area, Block J11 EW Estate 2 applied mechanical system for replanting.

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 semester 2-year 2020 involving nearest community namely "Kelompok Tani Peduli Api".

**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**

Until ASA-1 and ASA-2 audit conducted, no new planting activities above 15 November 2018, the company did not conduct new land clearing activities or development of operational areas. The distribution of planting years in the operational area consisted of 1993 to 2016. The planting years of 2018 and 2019 were replanting activities.

The status of rare, threatened or endangered species that exist in the plantation or that could be affected by plantation or mill management, has identified and operations managed to best ensure that they are maintained and/or enhanced as showing in document of HCV identification including its maps conducted in 2014 by PT. Sonokeling Akreditasi Nusantara. Assessment team are lead by RSPO Approved HCV Assessor. Total HCV area mentioned in report are 2,991.35 ha consist of peat area (2,926.73 ha), rivers buffer zone (50 ha), reservoir bufferzone (13.90 ha) and local identity (0.50 ha).

s

PT Gandaerah Hendana's HCV re-identification results that included the actual conditions of the company including the normalization of river flow in the PT Gandaerah Hendana operational area in 2018. The assessment was carried out by PT

Sonokeling Akreditasi Nusantara, which was chaired by ALS HCV Assessment in the identification carried out. Revision of HCV identification refers to the common guidance for identification of HCV 2013. With the determination of HCV area of 52.07 ha.

PT Gandaerah Hendana Area HCV Determination Decree SK 167 / SUS / GH-PKU / II / 2019 per February 25, 2019 by the management of PT Gandaerah Hendana represented by the company's COO for the HCV area is 52.07 ha in accordance with the revised results of HCV identification. have been done.

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**

The Company has developed matrix on HCV management plan in 2018/2019 consist of rare, threatened or endangered species, rivers buffer zone, reservoirs buffer zone and local identities. Company also has issued a control any illegal or inappropriate hunting, fishing or collecting activities, and developing responsible measures to resolve human-wildlife conflicts policy on 29 March 2018. This policy was developed by stakeholders participate. The management plan 2018-2019 that includes appropriate management and monitoring to maintain HCV attributes and RTE species. The management plan has contained type of activities, timeline, PIC and location.

The company established HCV management plan to maintain the HCV areas in operation area of PT Gandaerah Hendana, listed on Management plan HCV 2019 documents. The HCV management and monitoring implemented that taken by the management unit 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.

Evidence for workforce educations related to RTE species are available and verified by auditors' team, for examples on 6 January 2020 for workers division X and for nearest community (Kerumutan Village) was conducted on 20 December 2019. The CH has implemented the HCV management in accordance with the management plan/ procedure for the period 2019 and 2020. The management plan is reviewed every year, for example, the review on period 2020 involved government, village heads, community leaders, traditional leaders, tribal heads, local communities around the operational area.

#### **On ASA-2**

The company established HCV management plan to period 2020-2021. HCV management activities that taken by the management unit are 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.

For workforce educations related to RTE species are available and verified by auditors' team, for examples on 25 March 2021 for workers Estate 3 division 13 and for nearest community (Kerumutan Village) was conducted on 2 February 2021.

The HCV management and monitoring implemented for the period year 2020 such as maintain HCV attributes (HCV boundary, signboard), HCV socialization (community and worker), maintain HCV area, regular patrols for maintaining HCV security, species monitoring, enrichment in riparian.

#### **7.12.5 & 7.12.7**

The company have established HCV management plan, and implemented it well. Regularly patrols record shown company has been monitored illegal hunting, and other illegal activities. All of records for daily patrols on each estate are available and verified by auditors.

As the results of 2020 HCV management and monitoring output, company has plan feed back into the management plan 2021 i.e conduct water quality testing and the effectiveness of RTE species monitoring.

Field visit during an audit, for example on Simpang Rono Riparian, Block J14 and Seko Hilir River Riparian Block L22 acquired information that company showed proper ways for maintain and protect the catchment area for example manual weeding and marking the chemical boundary border. The company has identified and shown the maps for catchment areas (including riparian) with a 1:50.000 scale. HCV identification document showed there is some river flow on estates such as Simpang Rono River, Soni River and Seko Hilir River.

The management plan period 2020 is effectively and implemented based on the monitoring result implementation period 2019. The enhancement and result of the HCV / RTE monitoring review for the next HCV program. The review of the 2020 program, will become an HCV program in 2021, for example, the Repairing HCV signboard in December 2020 has not been fully completed and has been realization on February 2021.

#### 7.12.6

The company have established HCV management plan, and implemented it well. Regularly patrols record shown company has been monitored illegal hunting, 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 semester 2 2019 for Conservation area such as *Monyet Ekor Panjang (Macaca fascicularis)*, *Senyulong (Tomistoma schlegelii)* and *Kucing hutan (Felis Bengalensis)*, meanwhile flora species trap is *Kantong semar (Nepenthes gracilis)*. The result of monitoring also reported to government institution every six month in environmental implementation report.

#### On ASA-2

The result of RTE species monitoring summary results on semester 2 2020 such as *cekakak sungai (todirhamphus)* and *tringgiling peusing (manis javanica)* meanwhile flora species trap is *Kantong semar (Nepenthes gracilis)*. The result of monitoring also reported to government institution every six month in environmental implementation report, the last reporting submitted to BKSDA Indragiri Hulu regency dan Pelalawan regency date 17 February 2021.

Based on interviews with employees and the results of public consultations with the surrounding community, it is known that the company has understood the existence of RTE species, both employees and the community can mention the types of RTE species that are in the plantation area of PT Ganarea Hendana. The company has also carried out socialization to employees and the public regarding the steps that must be taken if there is a any wild animals through the installation of information signboards for HCV areas and RTE species on access roads to workers and the nearest community.

The program to regularly educate the workforce about the status of RTE species explained on management and monitoring implementation report HCV semester 2 year 2020. Afterward, the installation of signboards containing RTE species information appeals and prohibitions in accordance with Indonesia regulation

#### 7.12.8

#### ASA-1 and ASA-2

Based on the results of the disclosure of the area of PT. GH carried out by RSPO has stated that there is no liability in it. Based on RSPO e-mail dated 13 August 2018.

From the results of the document review, it was found that there were planting year after November 2005, but based on interview the planting year after November 2005 was replanting in unproductive block. HCV company identification was carried out in 2014. Based on the document review, the company must be able to present data on land cover change analysis and report to the RSPO Compensation Department if land clearing is carried out after November 2005 without preceding HCV identification.

Status: Comply

**3.2 Conformity Checklist of Certificate and Trademark Use**

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

Time Bound Plan (TBP) of S&G Biofuel is explained in table section 1. S&G Biofuel has run two (2) mills and six (6) management unit estates. All mills and estates are operated in Indonesia. S&G Biofuel has informed the TBP progress through head office in Indonesia.

MUTU has verified partial certification for un-certified unit's subsidiary of S&G Biofuel based on their Time Bound Plan. . There are three (3) uncertified management unit of S&G Biofuel. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

- There are no significant land conflicts which have not been declared above
- The company has followed RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There is no labour disputes that are not being resolved through an agreed process
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above.
- Auditors verify via the internet to look for issues related to units that have not been certified. From the results of the review, the units that have not been certified are still experiencing problems related to the acquisition of land rights. the company has followed up on occupational issues by applying for the release of HGU which the auditor has described in the summary of indicators 4.4.1.

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p><b>Company statement :</b> The company are already doing internal audits.</p> <p><b>Auditor verification:</b> Yes, internal audit conducted every year.</p> <p>Positive assurance is produced for these units.</p>
2.1.2	No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.3 (it has changed be Criterion 7.12 in P&C 2018)	<p><b>Company statement:</b> The company has been reporting disclosure and zero liability to RSPO. Progress result of review LUCA at follow up by email to RSPO.</p> <p><b>Auditor Verification :</b> Auditor has verified the supporting evidence of above the company statement. The above statement in accordance with the supporting evidence provided.</p>
2.1.3	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<p><b>company statement:</b> There is no new planting after 2010. The last new planting was conducted on 2009</p> <p><b>Auditor Verification :</b></p>



		The company didn't conduct new land clearing after 2010.
2.1.4	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO criteria 2.2, 6.4, 7.5 and 7.6 (it has changed be Criterion 4.8, 4.7 and 4.5 in P&C 2018).	<p><b>Company statement:</b> There is land conflict, but there is documented evidence that land conflict has been process for resolution.</p> <p><b>Auditor verification :</b> The company has procedure for resolving external conflicts which explain that problem solving of conflict area is conducted by negotiation which involves leader of dispute area and determine the compensation done by negotiation until they reach agreement</p> <p>There is evidence of documented land dispute resolution for the uncertified units.</p>
2.1.5	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3 (it has changed be Criterion 4.2 in P&C 2018).	<p><b>Company statement:</b> There is no labour disputes</p> <p><b>Auditor verification:</b> There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <p>The company has a mechanism for dealing with complaints and dissatisfaction in the SOP of Complaints Handling (No. Documents: 007-SOP- HRD validity date 03 January 2018). This procedure also protect the whistleblower's identity (anonymity) relating to or relating to the security of each complainant and also concerning information - information provided by the complainant</p>
2.1.6	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1 (it has changed be Criterion 4.2 in P&C 2018).	<p><b>Company statement:</b> PT Inecda is still on progress to obtain HGU for an areal 135.65 Ha and PT Gandaerah still on progress to obtain HGU for an area covering 765.80 Ha</p> <p><b>Auditor verification :</b> PT Inecda has compensate the land on 2015 and now on process to obtain the HGU.</p>

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

#### 3.4.1. Identification of Findings, Corrective Actions and Observations at ASA-1 Assessment

<b>NCR Number</b>	<b>:</b>	<b>2020.01</b>	<b>Issued by</b>	<b>:</b>	<b>Radytio Puspanjana</b>
<b>Tanggal diterbitkan</b>	<b>:</b>	<b>17 June 2020</b>	<b>Time Limit</b>	<b>:</b>	<b>13 August 2020</b>
<b>Grade</b>	<b>:</b>	<b>Major</b>	<b>Date of Closing</b>	<b>:</b>	<b>03 August 2020</b>
<b>Ref. Standar &amp; Persyaratan</b>	<b>:</b>	<b>3.4.3</b> <b>The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.</b>			
<b>Evidence observed (filled by auditor):</b> The social impact assessment was carried out on September 23-27 2017 involving stakeholder participation. The study has explained the management plan and monitor the social impact that shall be implemented by the company. During ASA-1 audit, a remote audit of the Company showed a document of the planned Social Impact management (SIA) activities for the period 2019-2020 which included internal and external social impacts. The components managed and monitored consist of 6 components of natural capital, 3 components of human capital, 3 components of financial capital, 3 components of social capital, 1 component of physical capital. However on the results of the review of company documents can not show: <ul style="list-style-type: none"><li>- Evaluation/review related to the previous period's social impact program in a participatory</li><li>- Evidence of plans and management of social monitoring for the period 2019 - 2020 prepared in a participatory.</li></ul>					
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show: <ul style="list-style-type: none"><li>- Evaluation / review related to the previous period's social impact program in a participatory</li><li>- Evidence of plans and management of social monitoring for the period 2019 - 2020 prepared in a participatory</li></ul>					
<b>Root Cause Analysis (filled by organization audited):</b> <ul style="list-style-type: none"><li>• PIC Management SIA (Public Relations Staff), not understand that the SIA Program that has been compiled is mandatory / must be evaluated / reviewed at the end of each year or at the time of preparation of the latest SIA Program.</li><li>• Evidence of a social management and monitoring plan, in fact already exists and has been carried out. If at the time of the audit it cannot be shown, because the data has not been compiled / stored / archived properly by PIC Management SIA.</li></ul>					
<b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"><li>- Conduct a review / evaluation of the previous SIA Program in a participatory manner, and the results of the evaluation are used as a consideration or basis for further planning / programs.</li><li>- Compile all records of social management and monitoring activities that have been carried out in the period 2019-2020.</li></ul>					
<b>Corrective Action (filled by organization audited):</b> <ul style="list-style-type: none"><li>- Management has given an induction / direction to the Public Relations Staff regarding their duties in managing SIA starting from the preparation of work programs, implementing management and monitoring activities, preparing reports, and evaluating work programs that have been carried out.</li><li>- Improving the document control system and periodically making or compiling reports on the management and monitoring of social impacts.</li></ul>					
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verification 3 August 2020</b> The company shown the evidence, consist of :					

- Management program SIA for period 2019.
- Management program SIA for period 2020.
- Social Impact management report (SIA) for the 2019 period which explains that external parties (villages surrounding the company) have been involved in preparing the 2019 SIA management and monitoring report. The 2019 SIA program evaluation document that explains the evaluation of each SIA management activity, for example the management of external social impacts, namely for natural resources, human resources, economic resources, physical resources, social and cultural resources, while for management social internal includes recruitment, OHS, recruitment, health, OHS guidelines and OHS implementation, PPE, payroll, housing complex, transportation, work equipment, education, worker competence, discrimination and worker unions. External parties involved on evaluation of the 2019 SIA program were 1 village office and 5 villages namely village office Kerumutan, Ukui Dua Village, Banjar Balam Village, Redang Seko Village, Seko Lubuk Tigo Village and Pasir Ringgit Village.

Base on the evidence submitted, the non-conformance to this indicator has been comply.

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

<b>NCR No.</b>	<b>2020.02</b>	<b>Issued by</b>	<b>Moh Arif Yusni</b>
<b>Date Issued</b>	<b>17 June 2020</b>	<b>Time Limit</b>	<b>13 August 2020</b>
<b>NC Grade</b>	<b>Major</b>	<b>Date of Closing</b>	<b>02 July 2020</b>
<b>Standard Ref. &amp; Requirement</b>	<p><b>3.8.9 Outsourcing Activities</b></p> <p>i. In cases where the mill outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the mill holding the certificate shall ensure that the independent third party complies with relevant requirements of this RSPO Supply Chain Certification.</p> <p>ii. The mill shall ensure the following:</p> <p>a) The mill has legal ownership of all input material to be included in outsourced processes</p> <p>b) The mill has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the mill to ensure that certification body (CB) has access to the outsourcing contractor or operation if an audit is deemed necessary.</p> <p>c) The mill has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</p> <p>d) The mill shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and all information, when this is announced in advance.</p>		
<p>Evidence observed (filled by auditor):</p> <p>Gandaerah Hendana POM has imposed provisions that must be applied by contractors as contained in the work agreements or supply chain procedure. In the Supply chain procedures clausal 6.18 described about contracts for CPO, PK, and CPKO Certified transports must ruled clause regarding:</p> <ul style="list-style-type: none"> <li>• Clause granting access to company audit activities both internal and external</li> <li>• The contractor's commitment clause to follow the General COC RSPO Supply Chain Standard</li> </ul>			

However, based on the results of documents of agreement with CPO and PK transporter (ie Work agreement No. 357 / KPPCPO / GH / VI / 2019) the clause regarding granting access for audit purposes and the transporter's commitment to follow the General COC of the RSPO Supply Chain Standard has not been regulated.

**Non-Conformance Description (filled by auditor):**

the clause regarding granting access for audit purposes and the transporter's commitment to follow the General COC of the RSPO Supply Chain Standard has not been regulated in accordance with the procedure that owned

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

The Marketing Department, which developed the contract agreement, has not yet involved other departments (Dept. Legal / SPO) to review and revise the draft contract agreement with the Transporter.

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

renewing contracts related to the RSPO / SCCS supply chain by including or adding clauses such as the obligation of the Transporter to commit to following the General COC rules of the RSPO Supply Chain Standard and be willing to provide access to both internal and external Company Audits.

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

Inform the PIC in the Marketing Department, when the process of developing a contract agreement always involves another Department or sends the draft contract agreement to the Legal department first for review (as stipulated in IK Cooperation Agreement No.01-WIN-LGL).

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

Verification 02 July 2020

The unit of certification can present coorrective evidence as follos:

- List of contractors who handle certified products, work agreements with contractors with detail as follows:

List of contractors who handle certified products, work agreements with contractors with detail as follows:						
No	Contractors name	Product		Contrat number	Periode	
					Mulai	Berakhir
1	PT. Wijaya Multi Prima Lestari (WMPL)	CPO	PK	35/KPPCPO/GH/MKT/PT.WMPL/VI/2020	01 June 2020	31 May2021
2	CV. Liliana Jaya Sejati (LJS)	CPO		38/KPPCPO/GH/MKT/CV.LIS/VI/2020	01 June 2020	31 May2021
3	CV. Mestika Jaya (MJ)	CPO		33/KPPCPO/GH/MKT/CV.MIJ/VI/2020	01 June 2020	31 May2021
4	PT. Cahaya Timur Sarana Mandiri (CTSM)		PK	37/KPPPK/GH/MKT/PT.CTS/VI/2020	01 June 2020	31 May2021
5	CV. Shaqila Artha Jaya (SAJ)		PK	36/KPPPK/GH/MKT/CV.SAJ/VI/2020	01 June 2020	31 May2021
6	CV. Mitra Sarana Sejahtera (MSS)		PK	32/KPPPK/GH/MKT/CV.MSS/VI/2020	01 June 2020	31 May2021

On that's agreement clausal related acces to regarding granting access for audit purposes and the transporter's commitment has been described in article 6 point 9 that mentioned if second party (contrators) willing to provide access to company audits both internal and external and on point 10 which states that the second party (contractor) is committed to following the General COC RSPO Supply Chain Standard

- Work Instruction for a cooperation agreement (NO 01-WIN-LGL dated 11 December 2017) which explains the process of reviewing work agreements with contractors / third parties.

Regarding the corrective evidence that presented the nonconformmity in this indicator are declared Closed

**Verified by :** Moh Arif Yusni

**NCR No. :** 2020.03 **Issued by :** Moh Arif Yusni

<b>Date Issued</b>	<b>: 17 June 2020</b>	<b>Time Limit</b>	<b>: ASA-2</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>: 7 July 2020</b>
<b>Standard Ref. &amp; Requirement</b>	<b>7.7.2</b> <b>Peat areas within the managed area are inventoried, documented and reported to the RSPO Secretariat (effective from November 15, 2018).</b>		
<b>Evidence observed (filled by auditor):</b> The company can show the peatland inventory report to the RSPO on November 16, 2019, which explains the extent of peatlands in the company's operational area, wherein the information was obtained that the area of peatlands in PT Gandaerah Hendana was 818.073 Ha consisting of 285.11 HA embedded; 521.013 Ha infrastructure and buildings and 11.95 Ha conservation area. However, based on the results of the document study it is known that the area of peatlands in PT Gandaerah Hendana is 5,710.28 Ha.			
<b>Non-Conformance Description (filled by auditor):</b> The peatland inventory report does not explain the entire peat area in the operations of PT Gandaerah Hendana			
<b>Root Cause Analysis (filled by organization audited):</b> There was a lack of PIC (GIS Staff) in interpreting / perceiving the inventory form filling form that was created / sent by the RSPO GHG Unit, so that there were differences in the area of peatlands in the data and maps.			
<b>Correction (filled by organization audited):</b> Revise inventory peat data on the template form provided by the GHG Unit, and send the revised data back to the RSPO GHG Unit			
<b>Corrective Action (filled by organization audited):</b> Each Section or Department must carefully study data requests originating from company stakeholders, and discuss the results in advance with the supervisor or other relevant departments.			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verified, July 07<sup>th</sup> 2020.</b> The unit of certification can show proof of improvement in the form of:			
<ol style="list-style-type: none"> <li>1. Map of Peat Inventory Certification Area with a scale of 1: 90,000 issued by GIS &amp; UAV Gnl Plantation in 2020. The map explains planted peat area of 5,710.28 Ha, other 521.01 Ha and HCV of 11.95 and total peat area of 6,243.24 Ha.</li> <li>2. Peat inventory certification area sent to the RSPO secretariat which contains a total Estate planted area of 10,406.67 Ha, total area of peat 6,243.24 Ha, total planted (peat) 5,710.28 Ha, other (infra, buildings ect) 521.01 Ha and conservation (HCV, HCS, Conservation) 11.95 Ha.</li> <li>3. Map of Peat Inventory Area Not Yet Certified with a scale of 1: 50,000 issued by GIS &amp; UAV Gnl Plantation in 2020. The map describes planted peat areas of 592.52 Ha, other 52 Ha and HCV - and a total peat area of 644.91 Ha.</li> <li>4. Peat inventory area not yet certified sent to the RSPO secretariat containing the total Estate planted area 707,66 Ha, total area peat 644,91 Ha, total planted (peat) 592,52 Ha, other (infra, buildings ect) 52,39 Ha dan conservation (HCV, HCS, Conservation) 0 Ha.</li> <li>5. Not yet certified Peat Inventory Area sent to the RSPO Secretariat which contains a total Estate Planted Area of 707.66 Ha, Total Peat Area of 644.91 Ha, Total Planted (Peat) of 592.52 Ha, Other (Infra, Buildings ect) 52 , 39 Ha and conservation (HCV, HCS, Conservation) 0 Ha.</li> <li>6. Proof of reporting back to RSPO on July 7, 2020 via e-mail lesmana @ gniplantation and the company shows a reply email from RSPO on July 7, 2020 via email ghg@rspo.org.</li> </ol>			
In relation to the evidence of improvement sent, the non-conformance to this indicator is declared to have been fulfilled.			
<b>Verified by</b>	<b>: Andrio Biko / Moh Arif Yusni</b>		

**3.4.2. Identification of Findings, Corrective Actions and Observations at ASA-2 Assessment**

NCR No.	: 2021.01	Issued by	: Satria Adi Putra
Date Issued	: 30 April 2021	Time Limit	: Next Surveillance
NC Grade	: Non-Critical	Date of Closing	: 14 May 2021
Standard Ref. & Requirement	6.2.7 Permanent workers are employed for all major work performed by the unit of certification. Temporary workers and casual daily workers are limited to work of a temporary or seasonal nature.		
Evidence observed (filled by auditor): Based on the results of field visits and document review, it is known that: <ul style="list-style-type: none"><li>- Based on the results of a field visit on the FFB sorting activity in Gandaerah Hendana POM, it is known that the worker is a contractor employee (PT Pandawa Satria Nusantara).</li><li>- Cooperation Agreement for the Provision of Sorting Workers between PT Gandaerah Hendana and PT Pandawa Satria Nusantara No.029/PSN/II/2021 dated February 25, 2021.</li><li>- GAPKI Letter No: SK/002/PPG/II/2013 dated February 8, 2013 regarding the Work Implementation Process Flow in the Oil Palm Plantation Business Sector, decided that harvesting and processing of fruit into CPO is the main activity.</li><li>- Law No. 13 of 2003 concerning Manpower Articles 64 and 65 regarding the submission of part of the implementation of work to other companies.</li></ul>			
Non-Conformance Description (filled by auditor): The company has not been able to demonstrate that permanent workers have been employed for all the main work performed by the unit of certification.			
Root Cause Analysis (filled by organization audited): Violations of the code of ethics committed by employees working in the Sorting Section (which led to a drastic drop in yields) led Top Management to overhaul and replace all sorting employees by using outsourcing workers (PT. Pendawa Satria Nusantara).			
Correction (filled by organization audited): Submitting a letter of coordination between the Company's HRD and the Riau Province Manpower Agency, regarding the Clarification of the use of Outsourcing for the type of work in FFB Sorting & Workshop.			
Corrective Action (filled by organization audited): HRD Dept will ensure that all work submitted to third parties or outsourcing companies will be guided by PP No. 35 of 2021 concerning Work Agreements for Certain Time, Outsourcing, Working Time and Rest Time and Termination of Employment.			
Assessor Evaluation and Conclusion (filled by auditor): Verification 14 May 2021 The company has shown Letter No. 234/HRD/GH-PKU/V/2021 dated 7 May 2021 to the Riau Province Manpower Agency regarding Clarification of the Use of Outsourcing for Fruit Sorting Jobs and Workshops.  Based on the results of the response from the Department of Manpower and Transmigration of the Riau Province Government, there are 2 things, namely:			



- Sorting and Workshop work as intended that is a supporting work that does not hinder the production process or is not directly related to the production process
- If the work is intended to be handed over to a third party or an outsourcing company, it is obligatory to follow PP 35 of 2021.

Based on the proof of improvement that was sent and considering the letter from the Riau Province Manpower Agency, the non conformity No. 2021.01 is declared to have been fulfilled.

**Verified by** : **Satria Adi Putra**

<b>NCR No.</b>	<b>: 2021.02</b>	<b>Issued by</b>	<b>: Satria Adi Putra</b>
<b>Date Issued</b>	<b>: 30 April 2021</b>	<b>Time Limit</b>	<b>: 29 July 2021</b>
<b>NC Grade</b>	<b>: Critical</b>	<b>Date of Closing</b>	<b>: 7 June 2021</b>
<b>Standard Ref. &amp; Requirement</b>	<b>6.7.3</b> <b>Workers use appropriate Personal Protective Equipment (PPE), and it is provided free of charge to all workers in the workplace, as protection in all operations that have potential hazards, such as pesticide application, machine operation, land preparation and harvesting. Sanitation facilities are available for workers who use pesticides so that workers can remove PPE, clean themselves and put on their personal clothes.</b>		
<b>Evidence observed (filled by auditor):</b> Based on the results of field visits and document review, it is known that: <ol style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>SOP No. 013-SOP-ISP Rev 00 dated January 2, 2014 states that the company strives and requires that when returning home all spray workers must be in a clean, healthy condition and at least not contaminated by the poison used when he was working.</li> <li>Point 6.2.1 H-I states that after further washing the washed uniforms are dried by hanging on the clothesline provided. After drying, the washer puts the uniform in the locker of each sprayer so that it can be used the next day.</li> <li>Based on the results of a field visit to Estate 3 (BUS) it is known that there is a difference between the amount of PPE stored and the number of chemical handlers. In addition, based on the results of interviews with field visit companions, it is known that workers' PPE is stored in workers' homes.</li> </ul> </li> <li> <ul style="list-style-type: none"> <li>HIRADC document related to circle control activities - weed control (updated January 2, 2021) point action plan states PPE consists of Shoes, Work Clothes/Overall, Glasses, Rubber Gloves and Masks.</li> <li>In addition, based on the results of field visits (BUS) Estate 3 and interviews, it is known that the pesticide mixing workers have not used respirators (giving to sprayers) and face shields.</li> </ul> </li> </ol>			
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show that PPE is available and adequate in accordance with its designation for workers.			
<b>Root Cause Analysis (filled by organization audited):</b> <ol style="list-style-type: none"> <li>Socialization of SOP No. 013-SOP-ISP regarding the Management of Bathrooms, PPE Washing and Spray Uniforms is still lacking and not yet effective, so that implementation in the field is not going well. Likewise, the supervision of each activity in the BUS (spray unit building) has not been carried out properly.</li> <li>Socialization of SOP No.019 regarding PPE Management is also still lacking and not yet effective, as well as monitoring the use of PPE has not been carried out properly.</li> </ol>			

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

- Asking workers who have stored their PPE at home, to return and store the PPE in the BUS (Spray Unit Building).
- Provide respirators and face shields for pesticide mixing workers.

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

- Disseminating SOP No.013 - SOP - ISP to all Spray Teams ; Establish a PIC to supervise and monitor all activities in the BUS carried out properly and according to SOPs, including the storage of PPE / worker uniforms; Make restrictions such as workers are prohibited from bringing leftover poison, poison containers and PPE to the house.
- Disseminating SOP No.019 - SOP - ISP regarding PPE Management to all Spray Teams (delivering prohibitions and obligations that must be obeyed by workers); Distributing PPE to employees, if there are employees whose PPE has not been provided; apply undisciplined sanctions for workers who do not use PPE or violate the OHS Rules.

**Assessor Evaluation and Conclusion (filled by auditor):**
**Verify June 7, 2021**

The company has shown evidence of improvement including:

- Minutes of the handover of PPE on April 29, 2021 to the Pesticide Mixing Foreman. Documentation is also provided in the form of photos and submission forms.
- Minutes of repairing non-conformances on the RSPO ASA 2 field visit and ISPO Recertification on 18 May 2021. Corrective actions include socializing SOP 13 regarding the management of the Spray Unit Building to the entire spray team, socializing SOP 19 regarding PPE management, simulating the utilization and use of the spray unit building in accordance with SOP 13 and create a PIC structure that is responsible for the management of the Spray Unit Building. (Photos related to the socialization and structure of the person in charge of the Spray Unit Building are attached)
- Minutes of return of PPE on April 29, 2021.

Based on the proof of improvement sent, the non-conformance No. 2021.02 is declared to have been fulfilled and will be observe at the time of the next visit.

**Verified by : Satria Adi Putra**

NCR No.	: 2021.03	Issued by	: Radytio Puspanjana
Date Issued	: 30 April 2021	Time Limit	: Next Surveillance
NC Grade	: Non - Critical	Date of Closing	: 12 June 2021
Standard Ref. & Requirement	7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.		
Evidence observed (filled by auditor):			
<ul style="list-style-type: none"><li>- The company has hazardous waste management SOP 012 – SOP – ISP revision 00 effective January 2, 2014 which explains that all hazardous waste generated from hazardous waste generation sites is stored on licensed hazardous waste storage in estate and mill.</li><li>- Policy-related hazardous waste management at Mill dated April 28, 2021, explained the PIC who is responsible for managing of the log data hazardous waste generated from the hazardous generation site.</li><li>- Minutes of letter the socialization related to domestic waste management, hazardous waste and non-burning activities to employees on Mill housing complex April 29, 2021.</li></ul>			

- Management review of interim RSPO audit findings on 28 April 2021 which explains the improvement efforts made regarding the results of field visits at the mill.
- Minutes of hazardous waste transported from Mill housing complex and Mill operation area on April 29, 2021.
- The results of the field visit on ASA-2 audit was carried out obtained information that hazardous waste was located inappropriately, for example:



The side area of the Mill fuel tank



Hazardous waste of water purifier used container



- Base on field visit on Estate 2 obtained information that there was hazardous waste used for pesticide packaging, used fertilizer sacks and hazardous waste contaminated with oil which was placed in an inappropriate manner.

**Non-Conformance Description (filled by auditor):**

The company has not been able to show evidence that the evidence of hazardous waste disposal is in accordance with procedures and has been fully implemented by workers.

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

The hazardous waste management system in the Mill and Estate still not consistently, the implementation of SOPs or policies related to hazardous Waste Management is still not appropriate, the supervision or monitoring system has not worked well.

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

The carrying out sweeping/inspection of hazardous waste throughout the Mill and Estate area, both work area and employee housing complex and storing hazardous Waste into a licensed hazardous Waste Temporary Storage.

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

Improving the hazardous waste management system in either the Estate and Mill, consist of:

1. Conduct socialization/training on understanding of hazardous Waste Management to all levels of workers.
2. The General Manager assigns a PIC for hazardous Waste Management in each Section/Station, in which the responsibility of the PIC starts from identifying the hazardous waste generated in the workplace to storing it at the hazardous Waste Storage.
3. The Environmental Staff conducts monitoring and inspection of hazardous waste management in each Section/Station with a predetermined time period and reports the results of the inspection to the General Manager.

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

**Auditor verification 12 June 2021**

The company shown the evidence consist of:

**Mil**

- Letter of appointment of the officer in charge of hazardous Waste management at each processing station issued by the Senior Manager of Mill No Letter 072/GH-POM/V/2021 dated February 2, 2021. Based on the letter, the company has appointed an officer who is responsible for entering the hazardous Waste generated from each station to the hazardous waste storage as soon as possible. Attached is the name of the person responsible for managing hazardous waste.
- PT GH (Mill unit) hazardous waste sweeping and inspection work plan for May 2021. The work plan explains that there is a weekly hazardous waste monitoring schedule carried out by the hazardous waste monitoring team.




- Minutes of hazardous waste management socialization on 22 May 2021, training was carried out for all operators and staff in the Mill. Attached are training materials and activity attendance.
- Minutes of domestic waste management on May 21, 2021, training was carried out for all operators and staff in the Mill. Attached are training materials and activity attendance.
- Minutes of hazardous waste transporting from Mill on 3 May 2021.
- Minutes of hazardous waste transporting from Mill housing complex on 3 May 2021.

**Estate**

- Letter of appointment of the officer in charge of hazardous waste management in the plantation issued by the General Manager of the estate on May 18, 2021. Based on the letter, the company has assigned an officer who is responsible for entering hazardous waste generated from each area that produces hazardous waste (hazardous warehouse, fertilizer warehouse, solar station and workshop as soon as possible Attached is the name of the person responsible for managing hazardous waste.
- Minutes of hazardous waste transporting from estate II to hazardous storage on Mil dated 3 May 2021.
- Documentation in the form of photos of socialization activities related to understanding of hazardous waste management, SOPs for managing hazardous waste produced by estate to workshop employees, fertilizer & pesticide warehouse employees, fertilizer loading and unloading employees.

Based on the evidence of improvement submitted, it is concluded that the non-conformance Number 2021.03 is declared fulfilled and will be observed in the next audit activity.

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

<b>NCR No.</b>	<b>2020.04</b>	<b>Issued by</b>	<b>Radytio Puspanjana</b>
<b>Date Issued</b>	<b>20 April 2021</b>	<b>Time Limit</b>	<b>Next Surveillance</b>
<b>NC Grade</b>	<b>Non - Critical</b>	<b>Date of Closing</b>	<b>17 July 2021</b>
<b>Standard Ref. &amp; Requirement</b>	<b>7.3.3</b> <b>The unit of certification does not use open fire for waste disposal.</b>		
<b>Evidence observed (filled by auditor):</b>			
<ul style="list-style-type: none"> <li>- The company has SOP for domestic waste management No. 015 – SOP – ISP rev. 00 effective date January 2, 2014 which describes the implementation plan for domestic waste management. In point 6.5 (Implementation) it is explained that the company provides special officers to take garbage from the trash cans located in every housing and office and then transport it using the tools (tractors, cars) that have been provided. Officers must pick up and clean up spills, if there are spills when quoting and transporting from housing or office to landfill.</li> <li>- Minutes of socialization related to domestic waste management, hazardous waste management and non-burning activities to employees at Mill housing complex dated April 29, 2021.</li> <li>- Management review of interim RSPO audit findings on 28 April 2021 which explains the improvement efforts made regarding the results of field visits at the mill.</li> <li>- Base on field visit ASA-2 audit was carried out obtained information that there were domestic waste management activities using open burning for the destruction of domestic waste in several site, for example:</li> </ul>			
  			

Lorry side area

Trash can in front of civil warehouse

Trash can in front of healthy facility (Mill housing complex).

- Base on field visit at the estate 2 housing complex (base camp) obtained information that there are domestic waste management activities using open burning for the destruction of domestic waste.

**Non-Conformance Description** (filled by auditor):

The company has not been able to show evidence that in carrying out domestic waste management it does not use open burning for waste destruction.

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

The Domestic Waste Management System in Mill and estate is still not running well/consistently, the implementation of SOPs or Policies related to Domestic Waste Management is also not appropriate, the monitoring or monitoring system has not worked well.

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

The carrying out sweeping/inspection of domestic waste throughout the Mill and Estate area, or traces of domestic waste burning throughout the Mill and estate areas (either in the work area or in employee housing complex).

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

Improving the Domestic Waste Management system in both the Mill and Mill, consist off:

- Conduct socialization/training on understanding of Domestic Waste Management to all levels of workers.
- Adding warning boards/signboards for the Prohibition of Burning Garbage.
- The General Manager assigns a PIC for Domestic Waste Management in each Section/Station, the responsibility of the PIC providing trash bins, socialization, to transporting waste to landfill
- The Environmental Staff conducts monitoring and inspection of domestic waste management in each Section/Station with a predetermined time period and reports the results of the inspection to the General Manager.

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

**Auditor verification 17 July 2021**

The company shown the evidence consist of:

- Assignment letter for domestic waste management dated February 2, 2021, appointed officers are civil foreman, age foreman and driver.
- Minutes of domestic waste management socialization on 29 April 2021, training was carried out for all operators and staff in the Mill. Attached are training materials and activity attendance.
- Minutes of domestic waste management, hazardous waste management, and zero burning on May 22, 2021, training was carried out for all operators and staff in the Estate. Attached are training materials and activity attendance
- Domestic waste inspection and transportation program which explains the schedule for transporting organic domestic waste (transported on the first Tuesday of the week) and inorganic (transported on the first Wednesday of the week), transportation is carried out once a month.
- Installation of a signboard prohibiting waste burning in the Mill area and Mill housing complex on May 31, 2021.
- Minutes of domestic waste cleaning activities in the Mill area on April 29, 2021.



Based on the evidence of improvement submitted, it is concluded that the non-conformance Number 2021.04 is declared fulfilled and will be observed in the next audit activity.

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

<b>NCR No.</b>	<b>: 2021.05</b>	<b>Issued by</b>	<b>: Satria Adi Putra</b>
<b>Date Issued</b>	<b>: 30 April 2021</b>	<b>Time Limit</b>	<b>: 29 July 2021</b>
<b>NC Grade</b>	<b>: Critical</b>	<b>Date of Closing</b>	<b>: 29 July 2021</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 7.7.3</b> <b>Peat subsidence is monitored, documented and minimized</b>		
<b>Evidence observed</b> (filled by auditor):  <p>The company already has a procedure or work instruction for planting on peat in the Peatland Management Procedure Document (041-SOP-AGR). However, in this procedure, there is no guideline for installing/laying subsidence stakes as a measurement tool for peat subsidence, which refers to the <b>"RSPO Peatland Working Group meeting on 13-14 September 2018 to clarify potential audit guidance for Criteria 7.7 (as adopted by GA)"</b>. Where the company must have 1 subsidence stake in every 240 ha of peat area. For peat areas with more than 5000 ha, the number of stakes can be reduced from this requirement if the company has justification.</p> <p>From the results of field observations and document review, it is known that the planted area of peat is 5,710.28 Ha, with the number of peat subsidence stakes is 15 stakes. In accordance with the RSPO Peat Audit Guidance (P&amp;C 2018), the installation of subsidence stakes is every 240 Ha so that the need for subsidence stakes is 23.79 (24) stakes. This means a shortage of 9 subsidence stakes which is a non-conformity. In addition, based on the results of interviews, the management has not provided an explanation regarding the number of stakes available.</p> <p><b>Non-Conformance Description</b> (filled by auditor):  The procedure for monitoring peat subsidence does not fully comply with the RSPO guidelines.</p>			
<b>Root Cause Analysis</b> (filled by organization audited): <ul style="list-style-type: none"> <li>- The PIC of the peat manager and the company's SPO Department, do not yet understand the latest guidelines from the RSPO regarding peat management, especially the need for subsidence stakes in planting areas on peatlands.</li> </ul>			
<b>Correction</b> (filled by organization audited): <ol style="list-style-type: none"> <li>1. Revise SOP No.041 – SOP – AGR on Peatland Management by adding existing guidelines at the "RSPO Peatland Working Group meeting on 13-14 September 2018 to clarify potential audit guidance for Criteria 7.7 (as adopted by GA)."</li> <li>2. Conduct an inventory of the availability of existing subsidence stakes in the Plantation Unit.</li> <li>3. Make a map of subsidence stakes, and include the locations of existing subsidence stakes and also determine locations for the manufacture of additional subsidence stakes so that the total number of subsidence stakes is a minimum of 24 stakes.</li> <li>4. Making or adding subsidence stakes in planted areas on peat, so that the minimum number is 24 stakes in accordance with the RSPO Peat Audit Guidance (P&amp;C 2018) guidelines.</li> </ol>			
<b>Corrective Action</b> (filled by organization audited):			



- The peat management PIC and the company's SOP Department must keep abreast of the latest information related to the rules submitted by the RSPO, and if there is a discrepancy in the documents or practice in the field, revisions or changes must be made to follow the latest rules/guidelines.

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

**Auditor Verification July 29, 2021**

- Revision 01 SOP No. 041-SOP-AGR on Peat Management Procedures, dated 15 June 2021, including monitoring of peat subsidence with monitoring stakes for every 240 Ha planted with oil palm. If the area is more than 5,000 Ha, the number of stakes can be reduced with relevant justification and evidence.
- Map of Planned and Realized Peat subsidence observations, with a scale of 1:90,000, updated on 04 June 2021, with map sources including the Planting Block, Riau Province administrative map, and Garmin 76 CSX GPS tracking. The map informs the coordinates of the location of the existing subsidence stakes and the planned position of additional subsidence stakes.
- Minutes of installation of 9 units of peat subsidence stakes and fences, dated 15 June 2021.
- Realization map of peat subsidence observations, with a scale of 1:90,000, updated June 17, 2021, with map sources including the Planting Block, Riau Province administrative map, and Garmin 76 CSX GPS tracking. The map informs the coordinates of the location of the old and new subsidence stakes of 24 stakes.
- PT Gandaerah Hendana's peat subsidence data document for 2021, updated June 21, 2021, legalized by GM.

Based on the verification of the evidence submitted, the 2021.05 non conformity is declared to have been fulfilled by field observations in the next surveillance.

**Verified by** : **Satria Adi Putra**

**3.4.3. Opportunity for Improvement**

No	Ref. Std.	Description
1	2.2.2	The company has the opportunity to ensure documentation of the provision of health insurance for contractor workers (street watering).
2	4.2.1	The company has the opportunity to manage verbal complaints from stakeholders.

**3.4.4. Noteworthy Positive Components**

No	Ref. Std.	Description
1	-	The company has ISPO and ISO 14001 certificates
2	-	Award from the Ministry of Environment and Forestry (Company Performance Rating Program in Environmental Management – Blue PROPER, period 2019 – 2020).
3	-	Has received the Zero Accident award for the period 2018-2019.
4	-	The company's commitment to apply the principles and criteria of Sustainable Oil Palm Plantation as well as teamwork and presentation of documents that are quite good
5	-	The company has conducted a participatory social impact study.

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

Public Issues (Institution/ NGO/Community)	Auditor Verification
<b>Head of Ukui II Village</b> <ul style="list-style-type: none"> <li>• There is no opening of new land</li> <li>• There is no conflict area in company operational area.</li> <li>• There are no issues related to environmental pollution.</li> <li>• The company opens jobs for the surrounding community.</li> <li>• There are no issues related to discrimination</li> </ul>	<p>There's no negative issues need to further verification.</p>
<b>Plantation Agency of Pelalawan Regency.</b> <ul style="list-style-type: none"> <li>• The communication relationship between the company and the agency went quite well.</li> <li>• The company already has permits related to the plantation and is still valid. For mandatory reports have been reported regularly in accordance with applicable regulations.</li> <li>• No fire land issues.</li> <li>• Company use registered pesticide.</li> <li>• During the last year there were no environmental pollution events caused by the company's operational activities or negative issue related to company operational area.</li> </ul>	<p>There's no negative issues need to further verification.</p>
<b>Land National Agency of Pelalawan Regency</b> <ul style="list-style-type: none"> <li>- Company has good relationship and communication with Land National Agency</li> <li>- There is no customary rights or indigenous people in PT Gandaerah Hendana</li> <li>- There is no land dispute in company area.</li> <li>- The process of releasing occupied land from the HGU certificate is still in the mapping stage by the agency.</li> </ul>	<p>There's no negative issues need to further verification.</p>
<b>Environmental Agency of Pelalawan Regency</b> <ul style="list-style-type: none"> <li>• The company already has permits related to the environment such as a hazardous and toxic waste storage permit and an environmental permit. The permit for disposal of mill effluent is still in the assessment process and has received a recommendation of mill effluent.</li> <li>• Mandatory environmental reports have been submitted periodically.</li> <li>• There is no environmental pollution problem caused by the company.</li> <li>• There were no problems related to land fires during 2019-2021.</li> <li>• Regarding company areas that are included in forest areas, this is still waiting for regulations derived from government regulations.</li> </ul>	<p>There's no negative issues need to further verification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>FFB Supplier (CV Dani Tjahyadi)</p> <ul style="list-style-type: none"> <li>• The company adheres to the agreements that have been made.</li> <li>• Supplier easy to get FFB price information.</li> <li>• The supplier has submitted a complaint verbally to the company and until now there has been no response to the complaint.</li> </ul>	<p>This has been verified and submitted in the report.</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 Gandaerah Hendana Management Representative</p>  <p><b>Didik Sugeng Hariyanto</b> Thursday, 29 July 2021</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><b>Satria Adi Putra</b> Thursday, 29 July 2021</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	Department of Manpower and Transmigration	Pelalawan District	-	Telephone Public Consultation	29 April 2021	✓	
2	Environmental Agency	Pelalawan District	-	Telephone Public Consultation	29 April 2021	✓	
3	Plantation Agency	Pelalawan District	-	Telephone Public Consultation	29 April 2021	✓	
4	Land Office Agency	Pelalawan District	-	Telephone Public Consultation	29 April 2021	✓	
5	Ukui II Village Chief	Pelalawan District	-	Telephone Public Consultation	29 April 2021	✓	
6	FFB Supplier (CV Dani Tjahyadi)	Pelalawan District	-	Telephone Public Consultation	29 April 2021	✓	
7	Worker Union	Pelalawan District	-	Telephone Public Consultation	28 April 2021		✓
8	Gender Committee	Pelalawan District	-	Telephone Public Consultation	28 April 2021		✓
9	WWF for Nature Indonesia	DKI Jakarta	<a href="mailto:supporter-service@wwf.or.id">supporter-service@wwf.or.id</a>	Kuisiner via Email	22 April 2021		✓
10	Sawit Watch	Bogor, Jawa Barat	<a href="mailto:info@sawitwatch.or.id">info@sawitwatch.or.id</a>	Kuisiner via Email	22 April 2021		✓
11	Aliansi Masyarakat Adat Nusantara (AMAN)	DKI Jakarta	<a href="mailto:rumahaman@cbn.net.id">rumahaman@cbn.net.id</a> <a href="mailto:eramus@aman.or.id">eramus@aman.or.id</a>	Kuisiner via Email	22 April 2021		✓
12	Walhi Riau	Pekanbaru	<a href="mailto:riau@walhi.or.id">riau@walhi.or.id</a>	Kuisiner via Email	22 April 2021		✓
13	Jaringan Masyarakat Gambut Riau (JMG Riau)	Pekanbaru	<a href="mailto:jmgriau@gmail.com">jmgriau@gmail.com</a>	Kuisiner via Email	22 April 2021		✓
14	<b>Gandaerah Hendana POM</b> - WTP : 1 Operator - IPAL : 1 Operator - Workshop : 2 worker - Storage: 1 worker. - TPS LB3: 1 worker	PT Gandaerah Hendana	-	Field observations and live interviews	28 April 2021	✓	

	<ul style="list-style-type: none"> <li>- Hydrant simulation: 2 worker</li> <li>- Weighbridge Operator : 1 worker</li> <li>- Security : 1 worker</li> <li>- Boiler Operator : 1 Orang</li> <li>- Machine operator : 1 Orang</li> <li>- 1 warehouse officer</li> <li>- 1 hazardous waste warehouse officer</li> <li>- 1 mechanic</li> <li>- 1 WTP operator</li> <li>- 2 WWTP operators</li> <li>- Hydrant simulation: 2 workers.</li> </ul>						
15	<b>Estate 3</b> <ul style="list-style-type: none"> <li>- HCV Monitoring: 1 worker</li> <li>- Emplament : 1 worker.</li> <li>- Genset Operator: 1 worker</li> <li>- Storage: 1 worker</li> <li>- TPS LB3 Operator : 1 worker</li> <li>- Manuring Aplication : 1 worker.</li> <li>- Harvester: 1 worker.</li> <li>- Genset Operator: 1 person.</li> <li>- 1 harvester</li> <li>- 1 manure workers</li> <li>- 1 warehouse officer</li> <li>- 1 hazardous waste warehouse officer</li> <li>- 1 generator operator.</li> </ul>	PT Gandaerah Hendana	-	Field observations and live interviews	30 April 2021	✓	
16	<b>Estate 1</b> <ul style="list-style-type: none"> <li>- TMAT monitoring officer and Piezometer: 1 worker</li> <li>- HPT Monitoring Officer: 1 orang worker</li> <li>- Sprayer: 1 Foremen dan 2 worker</li> <li>- Manuring Aplicator: 1 worker and 1 foremen</li> </ul>	PT Gandaerah Hendana	-	Field observations and live interviews	30 April 2021	✓	



17	Estate 2 - Harvester & Loader: 1 Graber Tractor Operator & 2 worker - Clinic: 1 docter, 3 paramedis, dan 1 apoteker	PT Gandaerah Hendana	-	Field observations and live interviews	30 April 2021	✓	
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**Appendix 2. Assessment Program at ASA-1 & ASA-2**
**Remote Audit**

DATE	16 – 17 June 2020	
PROGRAM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Tuesday, 16 June 2020		
08.30 – 09.00	<b>Opening meeting</b> <ul style="list-style-type: none"><li>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li><li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li></ul>	<b>All Auditor</b>
09.00 – 12.00	<ul style="list-style-type: none"><li>Document review and completing audit checklist.</li><li>Verification of Basic Information Mill and Estate</li><li>Confirmation of Time Bound Plan</li><li>Review of Partial Certification</li></ul>	<b>All Auditor</b>
12.00 – 14.00	<ul style="list-style-type: none"><li><b>Break</b></li></ul>	<b>All Auditor</b>
14.00 – 16.15	<ul style="list-style-type: none"><li>Document review and completing audit checklist.</li></ul>	<b>All Auditor</b>
16.15 – 17.00	<ul style="list-style-type: none"><li>Presentation of Daily Progress.</li></ul>	
Wednesday, 17 June 2020		
08.30 – 12.00	<ul style="list-style-type: none"><li>Document review and completing audit checklist.</li></ul>	<b>All Auditor</b>
12.00 – 15.00	Internal discussion by auditor team preparing for Closing Meeting	<b>All Auditor</b>
15.00 – 16.00	<b>Closing Meeting:</b> <ul style="list-style-type: none"><li>Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timelie of CAR's, Conclusion)/</li><li>Comments, Responses and Questions</li></ul>	<b>All Auditor</b>

## Onsite Audit

[illegible]

DATE	27 April 2021 – 1 May 2021	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	<ul style="list-style-type: none"> <li>Public consultation with stakeholder to relevant agency in Pelalawan Regency (by Phone)</li> </ul> <p><b>Field Observation to Estate 2 &amp; Estate 3,</b> Aspect to be verified :</p> <ul style="list-style-type: none"> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>Implementation of Occupational Health &amp; Safety Aspect</li> <li>Implementation of Employment Procedure and Mechanism Aspect</li> <li>Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul>	<p><b>BSD</b></p> <p><b>SAP, RJP &amp; SAS</b></p>
12.00 – 13.30	<b>Break</b>	
13.30 – 16.30	<ul style="list-style-type: none"> <li>Interview with related personels during field observation (teleconference)</li> <li>Document review and completing audit checklist.</li> <li>Presentation of Daily Progress.</li> </ul>	<b>All Auditor</b>
<b>Friday, 30 April 2021</b>		
08.00 – 11.00	<ul style="list-style-type: none"> <li>Document review and completing audit checklist.</li> <li>Continued field observation and interview with stakeholders (if needed).</li> </ul>	<b>All Auditor</b>
11.00 – 13.30	<b>Break</b>	<b>All Auditor</b>
13.30 – 14.30	<ul style="list-style-type: none"> <li>Internal discussion by auditor team preparing for Closing Meeting</li> </ul>	<b>All Auditor</b>
14.30 – 15.30	<p><b>Closing Meeting:</b></p> <ul style="list-style-type: none"> <li>Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timelie of CAR's, Conclusion)/</li> <li>Comments, Responses and Questions</li> </ul>	
16.00 – 20.00	<b>PT Gandaerah Hendana → Pekanbaru (PKU)</b>	
<b>Saturday, 1 May 2021</b>		
11.05 – 13.00	<b>PEKANBARU (PKU) → JAKARTA (CGK)</b>	<b>SAP, SAS, RJP</b>
12.40 – 13.45	<b>PEKANBARU (PKU) → MEDAN (KNO)</b>	<b>BSD</b>