

Roundtable on Sustainable Palm Oil Certification
RSPO

[✓] Surveillance

Name of Management : Gunung Makmur Palm Oil Mill – PT Karya Makmur Bahagia subsidiary of Organisation Bumitama Agri, Ltd
 Plantation Name : PT Karya Makmur Bahagia: Gunung Makmur Estate, Bukit Daman Estate and Sungai Mentaya Estate
 Location : Village of Rantau Tampang, Sub-District of Telaga, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia
 Certificate Code : **MUTU-RSPO/045**
 Date of Initial Registration : 21 July 2014
 Date of Last Issue : 15 October 2019 Date of License Issue : 21 January 2022
 Date of Certificate Expiry : 20 July 2024 Date of License Expiry : 20 July 2022

Assessment	Assessment Date	PT Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1.1 (Remote Audit)	18 to 19 August 2020	Leonada (lead Auditor), Hasiholan Sihombing, Satria Adi Putra, Sansan Suhendar	Ardiansyah	Octo HPN Nainggolan
ASA-1.1 & ASA-1.2 (Onsite Audit)	07, 09 to 12 & 14 June 2021	Mohamad Amarullah (Lead Auditor), Satria Adi Putra, Bayu Yogatama and Ayu Lestari (observer)		

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1.1 & ASA-1.2 (Onsite Audit)	24 September 2021

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Figure 1. Location Map of PT Karya Makmur Bahagia

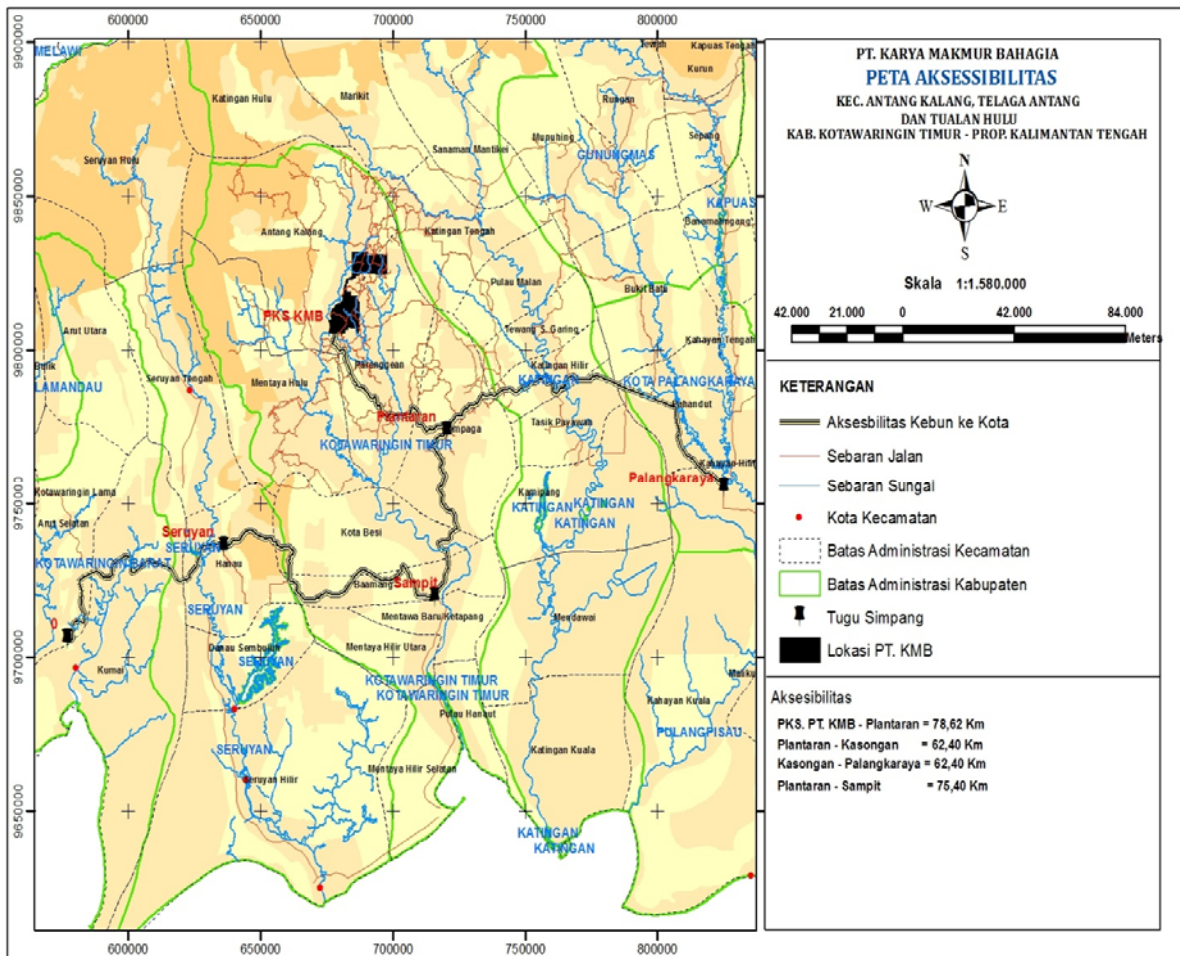
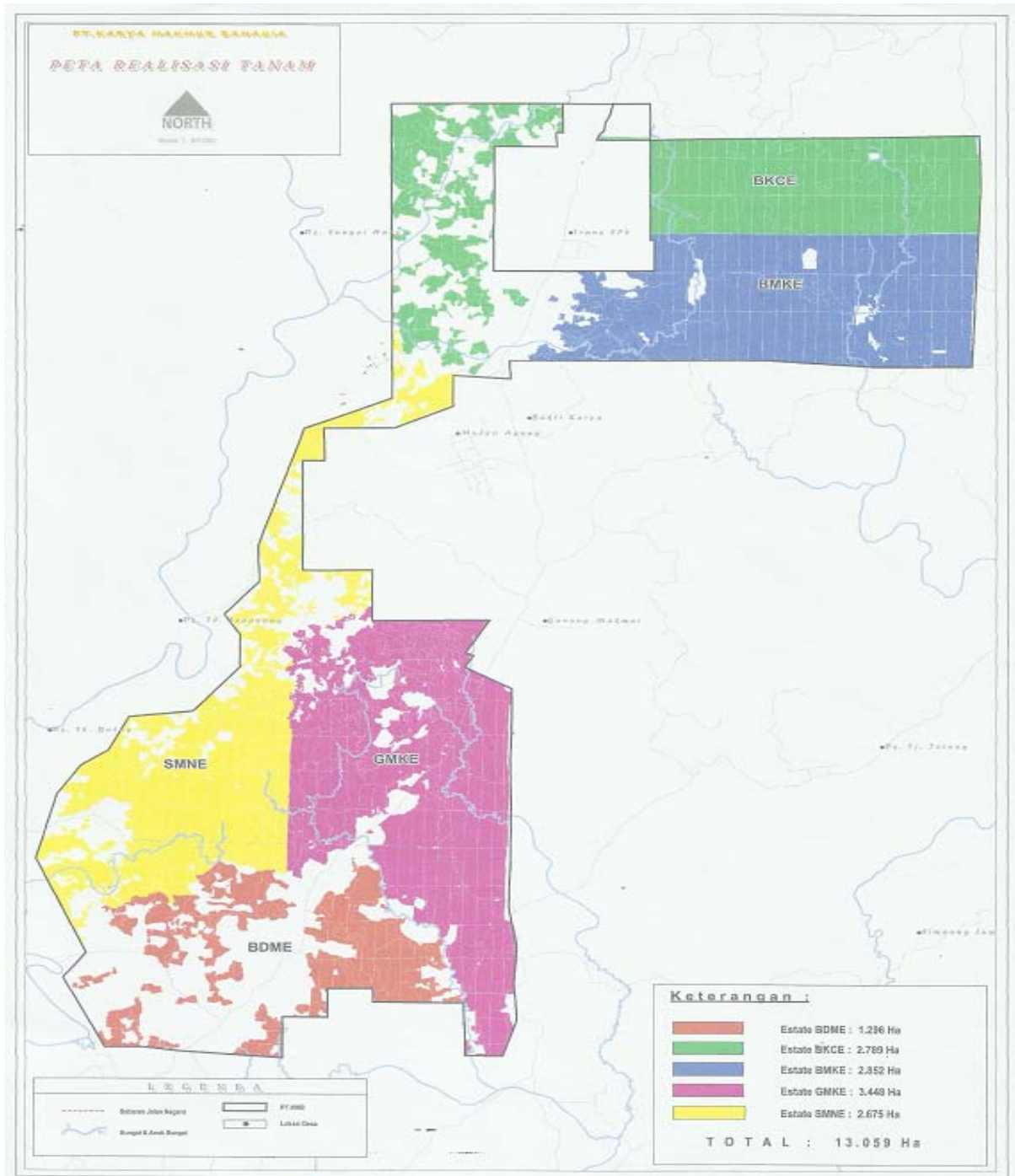


Figure 2. Operational Map of PT Karya Makmur Bahagia



Abbreviations Used

ANDAL	:	<i>Analisis Dampak Lingkungan</i> /Environmental impact analysis
BAGE	:	Beringin Agung Estate
BDME	:	Bukit Daman Estate
BGA	:	Bumitama Gunajaya Agro
BHJE	:	Batang Hijau Estate
BKCE	:	Bukit Kecubung Estate
BOD	:	Biological Oxygen Demand
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
EFB	:	Empty Fruit Bunch
EIA	:	Environmental Impact Assessment
FFB	:	Fresh Fruit Bunch
GHG	:	Green House Gasses
GMKE	:	Gunung Makmur Estate
GMKM	:	Gunung Makmur Mill
HCV	:	High Conservation Value
HGB	:	<i>Hak Guna Bangunan</i> (Land Building Title)
HGU	:	<i>Hak Guna Usaha</i> (Land Use Title)
HIRAC	:	Hazard Identification Risk Assessment and Control
IPM	:	Integrated Pest Management
KER	:	Kernel Extraction Rendement
KMB	:	Karya Makmur Bahagia
LB3	:	<i>Limbah berbahaya dan beracun</i> (hazardous waste)
LSU	:	Leaf Sampling Unit
LUCA	:	Land Use Change Analysis
MAGE	:	Mulya Agung Estate
MUSREMBANG	:	'Musyawarah Rencana Pengembangan' – Meeting of Development Plan
NGO	:	Non Government Organization
NPP	:	New Planting Procedure
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> (OHS Committee)
PAD	:	Public Affair Department
PIC	:	Person In Charge
PK	:	Palm Kernel
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
TTL	:	Tanah Tani Lestari
RKL/RPL	:	<i>Rencana Pengelolaan Lingkungan/ Rencana Pemantauan Lingkungan</i> (Environmental Management/Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil
SEIA	:	Social and Environment Impact Assessment
SIA	:	Social impact Assessment
SMNE	:	Sungai Mentaya Estate
SOP	:	Standard Operational Procedure
SSU	:	Soil Sampling Unit

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> • RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020. • Indonesia National Interpretation of Principles and Criteria for Sustainable Palm Oil Production 2018, endorsed on 20th April 2020. • RSPO Notice to CB on RSPO P&C On-site & Remote Audits, on 24th March 2020. • Contingency RSPO Audit Procedure, on 25th August 2020. 	
1.2	Organisation Information		
1.2.1	Organization name listed in the certificate	PT Karya Makmur Bahagia - Bumitama Agri, Ltd.	
1.2.2	Contact person	Lim Sian Choo	
1.2.3	Organisation address and site address	RSPO registered company: Jl. Melawai Raya No. 10 Kebayoran Baru Jakarta Selatan 12160 Indonesia	
1.2.4	Telephone	(62-21) 727 98418	
1.2.5	Fax	(62-21) 727 98665	
1.2.6	E-mail	lim.sian.choo@bumitama.com	
1.2.7	Web page address	www.bumitama-agri.com	
1.2.8	Management Representative who completed the application for certification	Lim Sian Choo (Head of CSR and Corporate Sustainability)	
1.2.9	Registered as RSPO member	1-0043-07-000-00 – 07 October 2007	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and Supply Base: Gunung Makmur Mill, Gunung Makmur Estate, Bukit Daman Estate, Sungai Mentaya Estate.	
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
			Latitude Longitude
	Gunung Makmur	Village of Rantau Tampang, Sub-district of Telaga Antang, District of Kotawaringin Timur, Province of Kalimantan Tengah	S 01° 45' 36.00" E 112° 35' 48.10"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	Gunung Makmur Estate	Village of Gunung Makmur, Sub-district of Antang Kalang, District of Kotawaringin Timur, Province of Kalimantan Tengah	S 01° 43' 37" E 112° 39' 45"
	Bukit Daman Estate	Village of Gunung Makmur, Sub-district of Antang Kalang, District of Kotawaringin Timur, Province of Kalimantan Tengah	S 01° 43' 39" E 112° 39' 41"

	Sungai Mentaya Estate	Village of Gunung Makmur, Sub-district of Antang Kalang, District of Kotawaringin Timur, Province of Kalimantan Tengah	S 01° 40' 56"	E 112° 37' 16"	
1.5	Description of Area Statement				
1.5.1	Tenure				
	• State				
	-	HGU	15,056.31	ha	
	-	HGB	43.93	ha	
	• Community		-	ha	
	<i>Note: Gunung Makmur POM scope audit area is 8,533.46 Ha and the rest area is under scope Bukit Makmur Mill.</i>				
1.5.2	Area Statement				
	• Total area		8,533.46	ha	
	• Mature area		7,252.51	ha	
	• Mill		43.93	ha	
	• Emplacements, office building, housing complex		88.31	ha	
	• Infrastructure (road bridge, drainage system)		445.09	ha	
	• HCV and riparian		175.84	ha	
	• Land cleared (for replanting)		165.78	ha	
	• Occupation		362.00	Ha	
1.6	Planting Year and Cycles				
1.6.1	Age profile of planting year				
	Planting Year	Estate Hectarage (Ha)			
		Gunung Makmur (GMNE)	Bukit Daman (BDME)	Sungai Mentaya (SMNE)	Total
	1998	222.74	-	-	222.74
	1999	1,310.02	18.38	493.97	1,822.37
	2000	623.25	12.36	77.18	712.79
	2001	38.71	-	7.17	45.87
	2002	80.83	325.84	306.01	712.68
	2003	317.00	262.30	132.55	711.85
	2004	109.25	40.29	75.61	225.16
	2005	91.58	110.69	14.07	216.34
	2006	14.71	75.60	21.03	111.34
	2007	120.14	129.95	59.92	310.01
	2008	90.93	116.30	70.12	277.35
	2009	-	84.65	153.61	238.26
	2010	-	69.35	242.87	312.22
	2011	26.75	-	346.87	373.62
	2012	136.46	-	495.18	631.64

	2013	100.05	49.86	178.36	328.27		
	TOTAL	3,282.42	1,295.57	2,674.52	7,252.51		
1.6.2	New Planting area after January 2010		1,745.21 ha				
1.6.3	Planting Cycle		1 st Cycle				
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Gunung Makmur Mill	75	641,559	141,214	22.01	31,155	4.86
	*Production data source from August 2019 to May 2021						
	** there is about 205 ton FFB/year processed from previous Mill overnight FFB (restan)						
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)	%
	Gunung Makmur Estate	3,832.07	3,282.42	109,375.74	16.66	82,116.55	73.30
	Bukit Daman Estate	1,741.65	1,295.57	42,944.88	16.57	39,217.81	91.32
	Sungai Mentaya Estate	2,959.74	2,674.52	57,450.12	10.74	42,111.95	75.08
	TOTAL	8,533.46	7,252.51	209,770.74	14.46	163,446.31	77.92
	*Production data source from August 2019 to May 2021						
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	number of smallholders	Production Area (ha)	Supplied to Mill FFB (tonnes/year)		
	Sungai Meraya Estate (SMRE)	PT Tanah Tani Lestari (PT TTL) (RSPO Non-Certified)	-	1,731.01	62,720		
	Sungai Mentaya Estate (SMNE)			2,590.24	1,605		
	Bukit Daman Estate (BDME)			958.35	28,115		
	Gunung Makmur Estate (GMKE)			229.13	5,593		
	Sungai Penyaguhan Est. (SPYE)				83		
	Beringin Agung Estate (BAGE) – Cooperative of Mekar Jaya and Cooperative of Tani Santoso	Smallholders of PT KMB (RSPO Non-Certified)	547	1,049.78	81,535		
	Batang Hijau Estate (BHJE) – Cooperative of Lestari and Cooperative of Makarti Jaya		500	1,003.24	74,100		
	Independent FFB Supplier	29 suppliers (RSPO Non-Certified)	-	-	224,306		
	TOTAL						478,057
	*Production data source from August 2019 to May 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 (August 2019 to May 2021) (MT)					
	<ul style="list-style-type: none"> FFB Production CPO Production Palm Kernel (PK) Production 	<p>175,641</p> <p>41,830</p> <p>9,325</p>	<p>163,446</p> <p>37,766</p> <p>7,953</p>					
1.8.2	Product selling	Actual selling product for last year (August 2019 to May 2021) (mt)						
	Tonnage of selling product							
	<ul style="list-style-type: none"> CSPO sold as RSPO certified product CSPK sold as RSPO certified product CSPO sold under other scheme CSPK sold under other scheme CSPO sold as conventional CSPK sold as conventional 	<p>0</p> <p>7,550</p> <p>0</p> <p>0</p> <p>37,019</p> <p>5</p>						
1.8.3	Estimate of Certified FFB Claim							
	Name of Estates	Total Area (ha)	Planted Area (ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Gunung Makmur Estate	3,832.07	3,282.42	46,200	14.08			
	Bukit Daman Estate	1,741.65	1,295.57	23,900	18.45			
	Sungai Mentaya Estate	2,959.74	2,674.52	22,100	8.26			
	TOTAL	8,533.46	7,252.51	92,200	12.71			
	<i>*Projected FFB production for 12 months certificate</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Gunung Makmur Mill	75	92,200	20,200	22.00	4,600	5.00	MB
	<i>*Projected CSPO & CSPK production for 12 months certificate</i>							
1.9	Other Certifications							
	ISCC	-						
	Others	-						
1.10 Time Bound Plan								
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	MILL	Time Bound Plan						
	Pundu	2014	Pundu Nabatindo	2014	Kotawaringin Timur	Certified		

Nabatindo (PT Windu Nabatindo Lestari)		Koperasi Harapan Abadi	2021	Regency Kalimantan Tengah	-
		Kelompok Tani Tenera (Independent Smallholders)	2018	Katingan Regency, Kalimantan Tengah	Certified
		PT Fajar Bumi Nabati (FBI)	2021	Kotawaringin Timur Regency Kalimantan Tengah	-
		PT Gemilang Subur Maju (GSM)	2021	Kotawaringin Timur Regency Kalimantan Tengah	-
Katari Agro (PT Windu Nabatindo Lestari)	2016	Pelantaran Agro Estate	2016	Kotawaringin Timur Regency, Kalimantan Tengah	Certified
		Katari Agro Estate			
		Pantai Mas Estate			
Gunung Makmur (PT Karya Makmur Bahagia)	2014	Gunung Makmur	2014	Kotawaringin Timur Regency, Kalimantan Tengah	Certified
		Sungai Mentaya			
		Bukit Daman			
		KUD Mekar Jaya	2021		ST-2 Audit (June 2019)
		KUD Sekar Tani	2021		ST-2 Audit (June 2019)
		KUD Lestari	2021		ST-2 Audit (June 2019)
		KUD Marga Rahayu	2021		ST-2 Audit (June 2019)
		KUD Usaha Bersama	2021		ST-2 Audit (June 2019)
		KUD Tani Santoso	2019		ST-2 Audit (June 2019)
		PT Tanah Tani Lestari	2020		NPP Audit (2018)
		Koperasi Hapakat (PT TTL)	2022		-
		Koperasi Rika Bersatu (PT TTL)	2022		-
		Koperasi Usaha Bersama (PT TTL)	2022		-
		Koperasi Eka Kaharap (PT TTL)	2022		-
		Koperasi Berkat Usaha Bersama (PT TTL)	2022		-
		Koperasi Bina Tani (PT TTL)	2022		-
Kelompok Tani Karya Bersama (Independent Smallholders)	2022	-			
Bukit Makmur (PT Karya Makmur Bahagia)	2019	Bukit Makmur	2014	Kotawaringin Timur Regency, Kalimantan Tengah	Certified
		Bukit Kecubung	2014		Certified
		Sungai Puring (PT Langgeng Makmur Sejahtera)	2022		No NPP have got sanction

		Koperasi Telawang Bersatu	2022		-
		Koperasi Hinje Ate	2022		-
		Koperasi Eka Kaharap (PT LMS)	2022		-
Kotawaringin (PT Bumitama Gunajaya Abadi)	2022	Sepantaian	2022	Kotawaringin Barat Regency, Kalimantan Tengah	No NPP have got sanction
		Danau Merah			
		Kotawaringin			
		Tonam Raya			
Lamandau Mill (PT Bumitama Gunajaya Abadi)	2022	(PT Bumitama Gunajaya Abadi)	2022	Lamandau Regency, Kalimantan Tengah	-
		Kumai Hilir Estate (PT Andalan Sukses Makmur)	2022	Kotawaringin Barat Regency, Kalimantan Tengah	NPP Was Complete
		PT Investa Karya Bhakti	2022	Lamandau Regency, Kalimantan Tengah	NPP Was Complete
		Koperasi Kompak Maju Bersama	2022	Lamandau Regency, Kalimantan Tengah	-
		Koperasi Mitra Bahaum	2022	Lamandau Regency, Kalimantan Tengah	-
		Koperasi Tanjung Biru	2022	Lamandau Regency, Kalimantan Tengah	-
		Koperasi Seberang Jaya Sejati	2022	Lamandau Regency, Kalimantan Tengah	-
		Koperasi Pulai Sejahtera	2022	Kotawaringin Barat Regency, Kalimantan Tengah	-
Kendawangan Mill (PT. Gunajaya Karya Gemilang)	2015	Mekar Utama	2015	Ketapang Regency, Kalimantan Barat	Certified 2015
		Kendawangan			
		Banjar Sari			
		Seriam Jaya			
		Membuluh Jaya			
	2021	Koperasi Serba Usaha Bersama	2021	Ketapang Regency, Kalimantan Barat	-
		Koperasi Binasari			
		Koperasi Serba Usaha Karya Bersama			
		Koperasi Perkebunan Fajar Mandiri			
		Koperasi Rimba Sari			
Suka Damai (PT Rohul Sawit Industri)	2019	PT Masuba Citra Mandiri – 1,567.07 Ha	2019	Rokan Hulu Regency, Riau	Certified 2019
		PT Masuba Citra Mandiri – 326.04 Ha the area which suspect into liability mechanism	2021	Rokan Hulu Regency, Riau	-
		Koperasi Karya Melayu Sejati	2019	Rokan Hulu Regency, Riau	-
Pembangunan Raya Mill	2019	Pembangunan Raya	2019	Ketapang Regency, Kalimantan Barat	Certified 2019

(PT Agro Sejahtera Mandiri)		Bengkuang Raya	2019		
		Belaban Raya	2019		
		KopBun Agro Seriam Mandiri	2019		
		Teluk Rengit (PT Gunajay Harapan Lestari)	2022	Ketapang Regency, Kalimantan Barat	-
		Belaban – 768.72 Ha the area which suspect into liability mechanism	2022	Ketapang Regency, Kalimantan Barat	-
		Koperasi Bawal Sejahtera Mandiri	2022	Ketapang Regency, Kalimantan Barat	-
		PT ASM – 494.49 Ha	2020	Ketapang Regency, Kalimantan Barat	Certified 2020
		Kelompok Tani Sawit Maju Sejahtera (1,427.09 Ha)	2022	Ketapang Regency, Kalimantan Barat	-
Sungai Rasau Mill (PT Karya Bakti Agro Sejahtera)	2020	Marau Raya	2021	Ketapang Regency, Kalimantan Barat	ST-1 (2014)
		KUD Rangkong Bertuah	2021	Ketapang Regency, Kalimantan Barat	-
		KUD Rasau Tiga Bersama	2021	Ketapang Regency, Kalimantan Barat	-
		PT Agriplus	2022	Ketapang Regency, Kalimantan Barat	-
Selucing Mill (PT. Windu Nabatindo Abadi)	2020	Serawak Damai (PT Windu Nabatindo Sejahtera)	2022	Central Kalimantan	Have not obtained the HGU
Sungai Cempaga Mill (PT. Windu Nabatindo Abadi)	2020	PT Windu Nabatindo Abadi	2021	Central Kalimantan	No NPP have got sanction
		PT Nabatindo Karya Utama	2021	Central Kalimantan	NPP was complete
		KSU Sehati Pundu	2022	Central Kalimantan	-
		Koperasi Koling Hapakat	2021	Central Kalimantan	-
Bukit Tunggul Jaya Mill (PT Ladang Sawit Mas)	2020	PT Ladang Sawit Mas	2020	Ketapang Regency, West Kalimantan	NPP
		KopBun Bukit Tunggul Sejahtera	2021		
		KopBun Mitra Perjalanan Permai	2021		
		PT Lestari Gemilang Intisawit	2021		NPP was complete
		Koperasi Kayong Sekayuk	2021		
		Koperasi Mitra Sejati	2021		
		PT Ago Manunggal Sawitindo	2022		
		PT Nabati Agro Subur	2022		
		PT Sejahtera Sawit	2021		

			Lestari			
			PT Karya Makmur Langgeng	2022		NPP was complete
			PT Gemilang Makmur Subur	2021		NPP on Process
			Koperasi Istana Pawan Mandiri	2021		
			Koperasi Rungau Sejahtera	2021		
			PT Damai Agro Sejahtera	2021		NPP on Process
	Bukit Belaban Mill (PT Sentosa Prima Agro) **Replanting from Acquisition	2021	PT Sentosa Prima Agro	2021	Ketapang Regency, West Kalimantan	-
			PT Raya Sawit Manunggal	2021		-
			PT Wahana Hijau Indah	2021		-
			PT Hungarindo Persada	2022		-
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	PT Karya Makmur Bahagia has smallholder scheme (Beringin Agung Estate (BAGE) – Cooperative of Mekar Jaya and Cooperative of Tani Santoso, Batang Hijau Estate (BHJE) – Cooperative of Lestari and Cooperative of Makarti Jaya). The FFB of smallholder scheme are deliver to Gunung Makmur Mill and Bukit Makmur Mill. In 2019 smallholder scheme has been conducted RSPO audit, but due to legal issue and major issue the certificate of compliance RSPO is not published. And right now, the Time Bound Plan for smallholder scheme planned in 2021					

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA 1.1 (Remote Audit)	<ol style="list-style-type: none"> 1. Leonada (Lead Auditor). Bachelor of agriculture for plant breeding and seed technology program, department of agronomy, faculty of agriculture in Bogor Agricultural University. Having experience of more than five years working as a plantation operations staff and sustainability in private company of Indonesian palm oil plantations and experience in plasma plantation management. Training and awareness have been followed are: training of Indonesian sustainable palm oil (ISPO) lead auditor, training of RSPO lead auditor, RSPO SCCS training, ISCC training, awareness of HCV, GHG, SA 8000, ISO 17021; 2011, ISO 17065; 2012, ISO 19011; 2011, training of lead auditor ISO 9001; 2008, lead auditor ISO 14001; 2005 training, training of management development program agronomy, training of analysis base solution for operation, training of integrated pest management (IPM), use of limited pesticides training, training management of waste pesticides and fertilizers, training mediation and conflict resolution, RSPO social and worker welfare training, general safety specialist training, training of health and safety management system (SMK3) auditor, and currently working on independent certification bodies as an auditor. In this audit He conducted an assessment on SCCS, legal and land dispute 2. Hasiholan Sihombing (Auditor). Indonesian citizen. Bachelor of Agriculture Majoring in Agronomy, Agriculture Faculty. He has working experienced for 7 (seven) years since 2009 as an Operational Staff in an Oil Palm Plantation Company in Indonesia. The training he has followed namely: Lead Auditor ISPO, RSPO P&C Lead Auditor Course, RSPO Supply Chain Certification Lead Auditor Course, SA 8000 Awareness, Quality Management Systems (ISO 9001:2015), Environmental Management Systems (ISO 14001:2015), OHS General Expert, OHSAS 18001:2007, ISO 19011:2018, ISO 17021:2011 and ISO 17065:2012. During this audit, he assigned to verify best management practices, longterm plan and OHS aspect. 3. Satria Adi Putra (Auditor). 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 verified social, worker welfare and transparency. 4. Sansan Suhendar (Auditor), Indonesian citizen, graduated in 2008 from the Department of Forest Product Technology, Faculty of Forestry, Bogor Agricultural Institute. He has experience as a Health, Safety and Environment Officer (2010-2016). Have experience in implementing sustainable palm oil management systems (ISPO), implementing occupational safety and health management systems, environmental management, managing areas with high conservation value, and implementing food safety management systems (HACCP) in palm oil mills. He has experience as an ISPO, RSPO auditor and as a Technical Expert for auditing ISO 45001 and ISO 14001 in the Forestry sector since November 2017. The training that has been attended is: OHS Expert in 2011, High Conservation Value Forest / Area (HCVF / HCVA) in 2012, Food Safety (Hazard Analysis Critical Control Point) HACCP in 2013, ISPO in 2014, RSPO in 2018, Basic, Implementation and Lead Auditor of Quality Management System (ISO 9001: 2015) in 2018, Occupational Health and Safety Management System (ISO 45001: 2018) in 2019 and Environment Management System (ISO 14001: 2015) in 2020. During this assessment has verified environment, GHG and HCV.
ASA-1.1 & ASA-1.2 (Onsite Audit)	<ol style="list-style-type: none"> 1. Mohamad Amarullah (Lead Auditor). Indonesian Citizen. Master of Wood Science and Technology and Bachelor of Forestry, majoring in Forest Product Technology. Has experiences as an Agronomist and Research Assistant in Indonesia and Malaysia from 2008 to 2014. Has been attended several trainings such as Lead Auditor of ISPO, RSPO, ISO 17021, ISO 17065, ISO 9001, ISO 19001, ISO 14001, HCV, etc. Has been conducted several ISPO, RSPO and MSPO audit scheme as an Auditor since 2014 in all aspects. Fluent in Malay and English. During this assessment has verified Legal, Best Management Practices and Transparency aspect. 2. Satria Adi Putra (Auditor). 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 verified safety and worker welfare aspect. 3. Bayu Yogatama (Auditor). Bachelor of Forestry, Department of Forest Resources Conservation and Ecotourism,

	<p>Bogor Agricultural University. Has attended the ISO 9001: 2015 Quality Auditor / Lead Auditor Course Quality Management System (QMS) course and ISO 19011: 2011 Guidelines for Auditing Management System, ISPO Lead Training, RSPO Lead Training, SCCS, Green Industry Lead Training, SA 8000, IHT RSPO NPP, IHT RSPO RaCP, IHT ISO 17021, and IHT ISO 17065. Having experience working in plywood field as Inspector in foreign private company. Currently working for an independent certification body. During this assessment has verified environment, conservation and GHG aspect. During this assessment has verified environment and conservation management aspect; social aspect and SCCS.</p> <p>4. Ayu Lestari (Observer). Indonesian citizens. Diploma III majoring in Engineering and Environmental Management, IPB University. The trainings he has attended include General AK3 training, Basic Fire, Fire Fighting, ISO 9001; 2008, ISO 14001; 2004, ISO 17021; 2015, ISO 17065, ISO 19011.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-1.1 (Remote Audit)	<p>Number of auditors: 4 auditors Number of days for ASA 1.1 (remote): 2 days Number of working days for ASA 1.1 (remote): 8 Working days</p>
ASA-1.1 & ASA-1.2 (Onsite Audit)	<p>Number of auditors: 3 auditors Number of days for ASA-1.1 & ASA-1.2 (onsite): 6 days Number of working days for ASA-1.1 & ASA-1.2 (onsite): 18 Working days</p>
2.2.2	Assessment Process
ASA-1.1 (Remote Audit)	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by Gunung Makmur POM of PT Karya Makmur Bahagia to the requirements of Principles and Criteria for the Production of Sustainable Palm Oil 2018, endorsed by the RSPO Board of Governors and adopted at the 15th Annual General Assembly by RSPO Member on 15 November 2018 and RSPO Certification System for Principles and Criteria, 14 June 2017.</p> <p>For this section (Remote Audit ASA 1.1) The assessment was conducted in one method: document review, aiming to observe the sufficiency of types or substances from required documents according to Notice to CB on RSPO Remote Audit, 24 March 2020. Improvement of findings from recertification 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 1.1 Remote Audit report. Some opportunities for improvement of the results ASA 1.1 delivered by the MUTU auditor to the management unit and the results are the subject to be verified at the next assessment phase (ASA 1.2).</p> <p>The opening meeting was held on Tuesday, 18 August 2020 at 8 AM through a teleconference (Zoom Meeting). As for the participants who attended the opening meeting included the Estate Manager, Mill Manager, support team from sustainability department and other relevant staff. While the closing meeting conducted on 19 August 2020 at 4 PM attended by the same participants as the opening meeting. Generally, the remote audit activity was going well. The document is presented through google drive.</p> <p>The assessment program please find Appendix 2</p>
ASA-1.1 & ASA-1.2 (Onsite Audit)	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Karya Makmur Abadi to the requirements of •RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, endorsed by the RSPO Board of Governors on 20th April 2020, and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.</p> <p>This assessment conducted concurrently between onsite audit ASA-1.1 and ASA-1.2, it due to during pandemic covid -19 situation PT Karya Makmur Abadi applying Scenario No. 4 in accordance with Contingency RSPO Audit Procedure 25 August 2020. Remote audit ASA-1.1 has been carried out on 18 -19 August 2020 and until ASA 1.2 audit schedule, there is no field visit due to group safety policy, travel restriction, extended lockdown, restrictive quarantine procedures.</p>

Because PT KMB implemented scenario 4, the process of certification on this audit held in accordance with Contingency RSPO Audit Procedure 25 August 2020 with covers two (2) period of audit (**ASA 1.1 and ASA-1.2**) with a sample audit increase of 50%, (site, record and interviews).

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

Opportunity for improvement of the results ASA-1.1 & 1.2 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment. Improvement of findings from RC 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-1.1 & 1.2.

2.2.3	Locations of Assessment
ASA-1.1 (Remote Audit)	Field observation will be conducted during on site audit.
ASA-1.1 & ASA-1.2 (Onsite Audit)	<p>Gunung Makmur Estate</p> <ul style="list-style-type: none"> • BGS (BGA Ground Management Spraying System). Observation to management of pesticide application devices, MSDS, PPE, washing area, cleaned up and shower for workers, pesticide balance record, hazardous symbols, emergency facilities, first aid, etc. • BMS (BGA Manuring System). Observation to management of fertilizer application devices, MSDS, PPE, washing area, cleaned up and shower for workers, pesticide balance record, hazardous symbols, emergency facilities, first aid, etc. • Division 2 Block I8. Observation to HCV area management of riparian zone of Sangsang River, which covers about 90.02 ha. Some of riparian zone had occupied by smallholders with initial MDY. (HCV 1.1; 1.2; 1.3; 2.3; and 4.2). • Division 2 Block L9. Observation to pesticide application activities, safety implementation (PPE, first aid kit, hazardous symbols, availability of clean water, etc). Worker observed were Foreman with initial ASH and 3 workers with initial SMN, SWY and MST (all female). • Division 2 Block M8/L8. Observation to manual road maintenance activities. • Division 2 Block L7. Observation to harvesting activities, safety implementation (PPE, first aid kit). Worker observed were Foreman with initial APT, harvester with initial WHD and loose fruit picker with initial SHL. • Division 1 Block N4. Observation to fertilizer application activities, safety implementation (PPE, first aid kit, availability of clean water, etc). Worker observed were Foreman with initial NRJ and 2 workers with initial SRT, and SYM (all female). • Division 1 Block M2. Observation to BPN Pole No. KMB 02, situated in adjacent with plantation areas of Gunung Makmur Village. • Division 1 Block M2. Observation to BPN Pole No. KMB 97, situated in adjacent with smallholder plantation areas of MAGE. • Division 1 Housing Complex. Observation to housing facilities, domestic waste management, daycare, sport facilities, emergency facilities, worship building, etc. <p>Sungai Mentaya Estate</p> <ul style="list-style-type: none"> • Division 1 Block Q05. Observation to harvesting activities and interview regarding FFB criteria and workers understanding of their rights and obligations. • Division 2 Block L08. Observation to manuring activities and interview regarding the implementation of fertilization procedures and safe working methods both for itself and the environment. • Division 3 Block M06. Observation to EFB mulching as organic fertilizer. • Division 3 Block H05A. observation to pesticide application and interview regarding the implementation of weeds control procedures on the palm circle and harvesting path, as well as workers understanding towards handling of pesticides. • Division 3 Block M04. Observation to HCV area management of "<i>Pohon Kerama</i>" or Sacred Trees.

- **Division 3.** Observation to HCV area management of riparian zone of Anak Mentaya River.
- **Division 3 Block G03.** Observation to BPN Pole No. KMB 32.
- **Division 3.** Observation to BPN Pole No. KMB 31.

Gunung Makmur Mill

- **Hazardous Waste Temporary Warehouse.** Observations and interview related hazardous waste management, OHS and environmental aspect.
- **Chemical warehouse.** Observations and interview related chemical management, OHS and environmental aspect.
- **Grading Station.** Observation and interview related to criteria for EFB grading, wages, sampling techniques, and PPE.
- **Engine Room.** Observation and interview related to medical check-up, PPE, and operator understanding of emergencies.
- **Boiler Station.** Observation and interview related to OHS, understanding of emergency response, and operator licenses.
- **Sterilizer. Station** Observation and interview related to the duties and responsibilities of daily work.
- **Press Station.** Observation and interview related to medical check-up, PPE feasibility and operator responsibility.
- **Hydrant Simulation.** Observation on emergency preparedness.

Bukit Daman Estate

- **Division 2.** Observation to BPN Pole No. KMB 23 and No. KMB 24 were situated in the middle of occupation area, occupied by community of Luwuk Kowan Village. The poles are not installed. These areas covered by secondary forest, oil palm and rubber plants.
- **Division 2 Block B06A.** Observation to BPN Pole No. KMB 21 were situated in adjacent with PT Tanah Tani Lestari (PT TTL) areas.
- **Division 1 Block P04B.** Observation to BPN Pole No. KMB 15.
- **Division 1 Block E6B.** Observation to HCV are management of riparian zone of Sangsang River (*Anak Sungai*), which covers about 4.00 ha, sharing area with PT TTL. (HCV 1.1; 1.2; 1.3; 2.3; and 4.1).
- **Division 1 Block K04A.** observation to **harvesting** activities and interview regarding FFB criteria and workers understanding of their rights and obligations.
- **Division 1 Block P04A.** Observation to **manuring** activities and interview regarding the implementation of fertilization procedures and safe working methods both for itself and the environment.
- **Division 1 Block M005Z.** observation to **pesticide application** activities on the palm circle and harvesting path and interview regarding the implementation of weed control procedures, as well as workers understanding towards handling of pesticides.
- **Nursery in PT TTL.** Observation and interview regarding the implementation procedure of nursery and ensure of seed source.

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-1.1 (Remote Audit)	Stakeholders consultation will be conducted during on site audit.
ASA-1.1 & ASA-1.2 (Onsite Audit)	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT Karya Makmur Bahagia was held by:</p> <ol style="list-style-type: none"> 1. Public Notification on website Mutu International 2. Stakeholder consultations with NGOs have been conducted by sending questionnaires via email to several NGOs (Non-Government Organization) on 07 June 2021. 3. Public consultation meeting with internal stakeholders (worker union, committee gender and local communities) by interviews on 07 June 2021. 4. Stakeholder consultations with local community have been conducted on 07 June 2021. 5. Stakeholder consultations with government have been conducted by phone call to several governments in the District of Kotawaringin Timur Regencies on 07 June 2021.

	Numbers of input from stakeholders were clarified by PT Karya Makmur Bahagia.
2.3.2	Stakeholder contacted
ASA-1.1 (Remote Audit)	Stakeholder contacted will be completed during on site audit.
ASA-1.1 & ASA-1.2 (Onsite Audit)	Please find Appendix 1
2.4	Determining Next Assessment
	The next visit (ASA-1.3) will be conducted eight (8) months to twelve (12) months after date of annual license

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted a remote assessment of Gunung Makmur Palm Oil Mill – PT Karya Makmur Bahagia subsidiary of Bumitama Agri Ltd operation consisting of one (1) mill and three (3) oil palm estates.

During the assessment, there were three (3) Nonconformity was assigned against Major Compliance Indicators; one (1) nonconformity were assigned against Minor Compliance Indicator; and three (3) 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 actions that had been reviewed and accepted by Auditors in form of documentation evidences e.g. (document record/photographic).

MUTUAGUNG LESTARI found that PT Karya Makmur Bahagia – Gunung Makmur POM 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 Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.**

Therefore, MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification							
PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY								
1.1	The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.							
1.1.1	<p>Procedure of information request and service is presented in several documents, as follows:</p> <ul style="list-style-type: none"> • Policy No. 725/PSQM-ESH/2017 about communication policy. The procedure has aims to provide practical instructions for communication between the company and stakeholders. Socialization of procedure has delivered during annual “Musrembang” or community development meeting. • Procedure No. BGA-SOP-KMB-16-RO dated 15 September 2012 about transparency mechanism, which mentioned that information requested requires coordination with respective departments, with time of respond is no latter than 10 days after the request received officially. Several confidential documents need approval from the top management authority. • List of documents that available for public/stakeholders are consist of company vision and missions, license and permit, company annual and monthly report, organization structure, manpower and employee data, environment documents (AMDAL, RKLRPL, HCV, SIA), company policy and manual, OSH and environment management program, continual improvement program, consultation with internal and/or eksternal stakeholder notes, periodic compulsory report, situational map, plantation statistics, CRS report, etc. Furthermore, mechanism of document control is presented in procedure No. BGA-SUST-SOP-045 (Rev. 0). <p>Based on interview with representatives from Kotawaringin Timur Agencies, as well as community representatives, it was known that unit of certification has considered cooperative and transparent in providing data and information requested.</p>							
1.1.2	<p>Unit of certification is able shows evidence of compulsory report delivery, summarized in the following Table:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">Agency</th> <th style="width: 33%;">Report</th> <th style="width: 33%;">Date of Delivery</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>		Agency	Report	Date of Delivery			
Agency	Report	Date of Delivery						

Land Agency (BPN)	Land title usage 2019	11 March 2020
	Land title usage 2020	17 February 2021
Environment Agency	Effluent Qtr IV 2020	02 June 2021
	Effluent Qtr I 2021	02 June 2021
	Scheduled waste Qtr IV 2020	02 June 2021
	Scheduled waste Qtr I 2021	02 June 2021
	RKL/RPL Sem I 2020	02 June 2021
	RKL/RPL Sem II 2020	02 June 2021
Plantation Agency	Plantation progress (LPUP) Qtr IV 2020	04 January 2021
	LPUP Qtr I 2021	07 April 2021
Manpower Agency	WLTK 2020	26 April 2021
	P2K3 Qtr IV 2020	22 March 2021
	P2K3 Qtr I 2021	15 May 2021
Regent / Governor	Fire monitoring 2019	-
	Fire monitoring 2020	-
BKPM	LKPM Qtr IV 2020	08 January 2021
	LKPM Qtr I 2021	09 April 2021

Unit of certification is not be able to shows some compulsory delivery report the respective agencies, such as Fire Monitoring period 2019 and 2020, as required by Minister of Agriculture Regulation No. 5 in 2018. Thus, it could be concluded that delivery of compulsory periodic report has satisfactory monitored and implemented. Raised **NCR No. 2021.01 with minor category**.

1.1.3

Procedure of communication mentioned that time of response for any information requested should be less than 10 days. PIC on communication is conducted by CSR Assistant, recorded on Letter In and Out Logbook. According to Logbook review for Period 2020/2021, it was known that there is no letter related to information request, most of the letter mentioning assistance, support or donation for some activities proposed by surrounding stakeholders or communities. However, all letters have responded by unit of certification less than 10 days.

1.1.4

Procedure of communication and consultation has been delivered to all internal and external stakeholders through socialization such as Musrenbang, muster morning or formal socialization. Unit of certification stated that some data or information might be confidential and need approval from top management to be released for special purposes for example during Court process.

Based on interview with representative from surrounding communities, gender committee, labor union, smallholder cooperative, as well as government agencies of Kotawaringin Timur Regency, it was known that interviewee has familiar with company PIC for public relation affairs, with perception that communication process has considered satisfactory.

1.1.5

Unit of certification shows list of stakeholder 2021 that prepared by Sustainability Region Mentaya and CSR Region Mentaya, which consist of 7 representatives from Kalimantan Tengah Province; 14 representatives from Kotawaringin Timur Regency; 19 representatives from Kotawaringin Timur District; 20 representatives from from surrounding villages; 4 contractors; 13 suppliers; 5 education institutions; 8 hospitals; 5 NGO; 11 internal stakeholders (Bipartite, Gender Committee, UPS, etc.); as well as 26 community representatives (Cooperative Committee, Customary Elders). List of stakeholder has informed name, PIC, address and phone numbers.

1.1.2 Non critical | **Status: NCR No.2021.01 with minor category**

1.2
The unit of certification commits to ethical conduct in all business operations and transactions.

1.2.1

Unit of certification code of conduct (COC) or business ethics code is presented in document No. BGA-COC-HC-333.1-RA, issued by Director in 13 November 2018. The COC is available in Bahasa and could be accessed through website link <https://www.bumitama-agri.com/page/layout/68/63/ethics-and-marketplace>. The COC shall be applicable to all employees of BGA Group, starting from BOC, Directors and Employees to the company's other stakeholder. Foundation of COC is presented as follows:

- Prioritizing compliance with applicable laws and laws and heed the norms that exist in the surrounding communities of the Company's operations.
- Turning PP, IOM, SOP, Corporate Cultures and other documents that have been issued according to the principles of good corporate governance Management into the main reference in drafting the COC.
- Avoiding actions, behavior or actions that can lead to conflicts of interest, corruption, collusion and nepotism and always prioritizing the interests of the Company than personal, family, group or group interests.
- Applying the principles of transparency, independence, accountability, responsibility and fairness in the management of the Company.

As informed in the previous assessment, it was known that socialization of COC had conducted to all level of employees, and for refreshment purpose, the COC has also delivered through daily muster morning by Assitant. Furthermore, as mentioned by local contractor (CV Putra Mandiri), socialization of COC to contractors of PT KMB has officially conducted before making contract agreement.

1.2.2

Monitoring of company code of conduct pursuant to internal and eksternal stakeholders (included contractors) was conducted through several methods, such as internal audit, field monitoring and work checking mechanism. To ensure stakeholders commitment towards company COC, socialization has been conducted to all workers through muster morning to contractors which lastly conducted on 03 and 13 August 2020.

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

In term of BMP. Several regulation pursuant towards applicable regulation conducted by the unit of certification is presented as follows:

- Has conduct zero burning for land preparation.
- Has committed to reduce and avoid the use of pesticide, especially those that classified on WHO 1A, 1B and Paraquat. Furthermore, all pesticides used were registered in Pesticide Commission of Department of Agriculture.
- Has used seeds from producers recognized by Government of Indonesia.
- Unit of certification has adopted integrated pest management which consist of early warning system, census, biological control, chemical control with justification and evaluation.

Status: Comply

2.2

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

2.2.1.

The company shows contractor data for 2021 which informs contract number, contractor name, address, type of work and period of contract.

Contract Number	Contractor name	Address	Work Type	Contract Period
005/SPKL/GMKM/TBS/II/2021	Cahaya A	Telaga Antang Sub District	Supplier FFB	1 January 2021 – 31 December 2021
024/SPKL/GMKM/TBS/II/2021	CV Borneo Mitra Sejati	Kotawaringin Timur DDistrict	Supplier FFB	1 January 2021 – 31 December 2021

2.2.2.

The company has shown CLA Contractors for 2021 period with details Agreement with number 869/LO/CD-HO/X/2020 dated 1 January 2021 – 31 December 2021 between PT KMB and CV Catur Borneo Abadi for CPO/PK Transporter. The company has shown the contractor inspection CV Catur Borneo Abadi on February 11, 2021 which informs the details of activities, according to or not and information. For example: aspects of the work environment, personal protective equipment, emergency response, work equipment, safety signs and contractor competence.

Evidence of payment labor insurance (BPJS) for CV Catur Borneo Abadi workers in March 2021 transaction date of April 8, 2021 through *BPJSTK* payment.

2.2.3.

Unit management showed the fact of integrity for contractors such as integrity fact of CV Catur Borneo Abadi with contract number 869/LO/CD-HO/X/2020 stating that Respect human rights and do not discriminate, do not do forced labor, do not employ underage workers and workers who come from trafficking in persons.

Status: Comply

2.3

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

2.3.1

According to basic info 2020/2021, it was known that Gunung Makmur Mill has received FFB from several resources, summarized as follows:

- 3 owned estates (RSPO certified).
- 4 cooperatives which all fully managed by PT KMB (RSPO non-certified).
- 29 independent suppliers (RSPO non-certified)

To ensure traceability of FFB received, the unit of certification has conducting “traceability to plantation (TTP)” which aims to obtain several data through visiting FFB supplier areas owned by the independent smallholders, collectors (indirectly obtained) and plasma. Data collected are point of coordinates, then to checks and overlays the spatial layout to ensure the area is in the “APL area”. When location of FFB sources is not overlapping with conservation or forest areas, the contract agreement of FFB supply could be continued. For example, unit of certification shows several documents, such as:

- Inventory data for the location of the plantation / farmer suppliers of the Cooperative of Lestari and Cooperative of Mekar Jaya, which informs names of farmers, legality of plantations, ownership rights (SHM), year of planting, the coordinates, and address of land boundaries.
- Independent smallholder Ladimin; coordinate Point: E 679867.5 and S 9804225.94; located in the APL area; ownership SHM.
- Independent smallholder Salamin Bin Isa; coordinates Point E 677341 and S 9802899; located in the APL area; ownership SHM for about 2,500 m².

However, unit of certification shows list of suppliers for period 2021, as follows:

- Map of 28 FFB Suppliers which informs list name of land owners as mentioned in contract agreement, hectarage and land position on the map.
- Map of 23 FFB suppliers that informs list name of land owners and coordinate points.
- List Table of 43 land owners and information of hectarage.

According to information above, unit of certification is encourage to check completeness of actual FFB suppliers data annually. **OFI.**

2.3.2

As mentioned in Indicator 2.3.1, it was known that list of indirectly FFB sources for period 2021 is available and accommodate in Indicator 2.3.1.

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

Unit of certification shows business plan that presented in document of PT KMB “Five Years Financial Projection” for period 2021 to 2026, that covers total operational area, yield, production (FFB, CPO and kernel), extraction (OER and KER), products’ price, sales of products, production cost, maintenance cost, profit, etc. For example, projection of production (FFB, CPO and kernel), CPO price, inflation and replanting for period 2021 to 2023, is presented in the following Table:

Projection	2021	2022	2023
FFB production (mt/ha)	19.27	20.74	20.68
CPO production (mt) – OER 24.00 %	59,896	64,447	63,066
Kernel production (mt) – KER 4.50 %	11,231	12,084	11,825
CPO price (IDR/kg)	7,542	7,542	7,542
Inflation (%)	1.96	1.96	1.96
Replanting (ha)	523	1,323	1,746

Unit of certification informed that there are no plan for increment of Gunung Makmur Mill processing capacity nor estate operational areas. However, process of RaCP approval from RSPO Secretariat was still ongoing. Furthermore, long-term business plan mentioned above is subjected to be changed and reviewed annually by the respective top management such as KTU, Mill or Estate Manager, Area Controller and Regional Head through considering actual trends and dynamic situation which predicted could be changed in the future.

3.1.2

Replanting plan of PT KMB is presented in document of Intern Office Memo No. 081/IOM/PQIC-BGA/V/2019 dated 07 May 2019 about replanting in Region I and long-term management plan, as explained in Indicator 3.1.1. Replanting is projected for period 2021 to 2029 with consideration i.e.: palm ages between 18-22 years old and yield bellow 16 ton/ha/year. Detail of blocks that will be replanted in presented in Appendix 1 of the Memo.

3.1.3

Unit of certification has conducting periodic management review, for example as shows through several documents, such as:

- RSPO internal audit report
- Operational audit report No. 001/LHA-R/IAO-GMKM&BMKM/II/2021 dated 24 February 2021 about Regular Audit report for Region 1 and 2A GMKM and BKMM. According to audit result, it was known that unit of certification has score 86 which categorized as Good, with eight finding notes that all had been settled up on March 2021.
- RSPO Annual Communication Progress 2019 and 2020.
- Management review on FFB, CPO and kernel production dated 30 May 2020.
- Annual public accountant report 2019 and 2020 that conducted by independent Auditor with Reg. No. AP.1174 from Purwanto, Sungkoro & Surja Accountant Pubic Office. Both reports mentioned that the company consolidated financial statements present firly, in all material respects, the consolidated financial position of PT KMB and its subsidiary as of 31 December 2019 and 31 December 2020, and their consolidated financial performance and cash flow for the year ended, in accordance with Indonesian Financial Accounting Standards.

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

Unit of certification shows several internal audits which aims to monitor consistency of continuous improvement in every aspect, as shows through RSPO and SCCS internal audit report, as follows:

- Internal audit report dated 16 May 2020: Audit was conducted by internal auditor on 13 to 16 May 2020, resulting 16 non-compliance against indicators verified. Management review on this matter has conducted on April 2020. Result of audit approved by all Manager Estate and Mill.
- Internal audit report dated 26 April 2021. Audit was conducted by two internal auditor on 23 to 26 April 2021, resulting 12 non-compliance against indicators verified. Management review on this matter has conducted on May 2021. Result of audit approved

by all Manager Estate and Mill.

3.2.2

Unit of certification has delivered RSPO metric template to the CB on 05 June 2021. Based on template review, it was known that there were some information that need to be completed such as data of training and pesticide application matters. Thus, unit of certification has an opportunity to complete those data on the metric. **OFI.**

Status: Comply

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

Oil Palm Agronomy Procedures

There is no revision on the current procedure of oil palm agronomy since issued by company Director on 25 May 2011. The procedure (Ref. No. BGA-AGR-KS-SOP-xx) consist of three volume, as follows:

- Volume I has covers nursery (SOP-01), land preparation (SOP-02), installation and maintenance of road and bridge (SOP-03), installation and maintenance of drainage system (SOP-04), conservation of water and soil (SOP-05), planting of legumes or land cover crop (SOP-06) and planting of oil palm (SOP-07).
- Volume II has covers weeds management control (SOP-08), manuring or fertilizer application (SOP-09) and integrated pest management (SOP-10).
- Volume III has covers castration and canopy management (SOP-11), census of palms and FFB production (SOP-12), harvesting (SOP-13), pesticide management (SOP-14), transportation management (SOP-15), marginal soil management (SOP-16) and replanting (SOP-17).

Oil Palm Processing Procedure

There is no revision on the current procedure of oil palm processing technique since issued by COO, CSO and CFO on 17 January 2013. The procedure consist of three (3) volume, as follows:

- Volume I have covers Weighbridge (BGA-SOP-OP-1001.1-RO).
- Volume II has covers technical matters on several stations such as Loading Ramp (BGA-SOP-OP-1002.1), Sterilizer (BGA-SOP-OP-1002.2), Thresher (BGA-SOP-OP-1002.3), Digester and Press (BGA-SOP-OP-1002.4), Clarification (BGA-SOP-OP-1002.5), Nut and Kernel Separation (BGA-SOP-OP-1002.6), Boiler (BGA-SOP-OP-1002.7) and Power Supply (BGA-SOP-OP-1002.8).
- Volume III has covers technical matters on several stations such as Storage Tank and Bulk Silo (BGA-SOP-OP-1002.9), Final Effluent (BGA-SOP-OP-1002.10), Commodity Dispatch (BGA-SOP-OP-1002.11), Water Treatment (BGA-SOP-OP-1002.12), Mill Maintenance (BGA-SOP-OP-1002.13) and Mill Laboratory (BGA-SOP-OP-1002.14)/

Safety Aspect Procedure

Unit of certification has safety procedure as follows:

- Procedure No. BGA-SOP-KMB-08-R0 dated 17 September 2012 about OSH Committee.
- Procedure No. BGA-SOP-KMB-12-R0 dated 17 September 2012 about hazard identification risk analysis and control.
- Procedure No. BGA-SOP-KMB-14-R0 dated 17 September 2012 about fire management and emergency situation.
- Material Safety Data Sheet (MSDS) of pesticide products.
- Hazard Identification Risk Assessment Control (HIRAC).

Based on procedure documents review, it could be concluded that the oil palm agronomy, processing and safety procedures are still relevant with current situation and covers all main aspects from the field to the factory. All procedures are available in Bahasa. Furthermore, based on observation to estate and mill activities during onsite audit, it was known that training or refreshment on the technical matters has conducted annually and always refers to the applicable procedures.

3.3.2

Based on field observation, it was known that to ensure compliance on procedure implementation, unit of certification has conducting daily checking by Foreman and Assistant, operations internal audit, RSPO internal and external audit, Officer inspection on work quality, operational audit report, contractor inspection, evaluation and recommendation of contractor.

3.3.3

Unit of certification shows record of correction as response of internal audit RSPO dated 13-16 May 2020 that included action plan,

date line and evaluation. Furthermore, for operational internal audit record dated 24 February 2021, notes of monitoring is available, for example as follows:

- There is no safety cover on 11 machine devices in 6 stations and hydrant pump is broken since June 2020. Respond on this matter carried out by EHS Assistant and Mill Assistant and been settled up on March 2021.
- Losses on January to December 2020 has still above the target (>0.05 %). To overcome this situation, mill management has several strategy such as to keep digester temperature at 95° C, time of sterilizer has up into 90 minutes.

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

The Company have the environmental documents, such as:

- EIA document (RKL-RPL), legalized by Environmental Impact Management Agency, Kotawaringin Timur District No. 25/Komisi-Kotim/VIII/02 on August 9th 2002 for 17,500 Ha of estate and POM with 40 ton per hour capacity. EIA Analysis is conducted by Environment Research Institute of Palangkaraya University.
- Environmental management and monitoring effort document, legalized by Kotawaringin Timur District No: 188.45/293/Huk-BLH/2013 on May 30th 2013 in term of permit for POM construction of Gunung Makmur Mill and its supporting installation with capacity of 90 Ton of FFB / hour in Rantau Tampang Village, Telaga Antang Subdistrict, Kotawaringin Timur District.

The EIA documents explained all activities for pre-construction, construction, operation, and post operation, these activities are:

1. Soil erosion, BOD, COD, fat oil, fertilizer and pesticide residues, water PH & aquatic biota.
2. Air quality, especially noise, dust and gas parameters.
3. Forest and land fires.
4. Wealth of wild species.
5. Socio-economic and cultural, such as business opportunities, increased income, education and community perception,
6. Public health.

The Company has document of Social Impact Assessment was described social impact of plantation and mill operation. The SIA was done on 2012 collaboration with Faculty of Forestry, Bogor Agricultural University

3.4.2 & 3.4.3

The implementation of the environmental monitoring and management plan is documented in the EIA (RKL-RPL) report. The Company consistently carries out environmental management and monitoring as stated in the Environmental Management and Monitoring Report on a regular basis per semester. Significant impacts are managed and monitored based on the AMDAL document. The EIA (RKL-RPL) report for the 2020 Semester 2 period shows that the company has carried out environmental management in accordance with applicable regulations and the matrix in the EIA (AMDAL) document.

Social impact analysis (SIA) including meeting notes or Forum Group Discussion (FGD) which has been documented in the Social Assessment Report of PT. KMB. The SIA review was carried out by involving the surrounding community through FGD on 7 - 19 December 2018 with the scope of PT KMB covering GMKM, GMKE, SMNE, BDME, BHJE, BAGE; BMKM, BKCE, BMKE, MAGE. The review was carried out in a participatory manner involving 20 villages: Rantau Katang, Tumbang Mangkup, Luwuk Kowan, Rantau Tampang, Tumbang Bajanei, Tumbang Boloi, Agung Mulya, Beringin Agung, Mount Makmur, Tanjung Jorong, Waringin Agung, Tumbang Sangai, Bhakti Desa Karya, Sungai Only, Wonosari, Tanjung Harapan, Bukit Makmur & Buana Mustika. And also involve the plantation & factory management and workers. In accordance with the provisions that the SIA document must be reviewed every 2 years. The company also shows PT KMB's Social Management Plan for the period 2019 to 2021 consisting of several parts such as Component Affected, Issue, Strategy, Activity, Output, TimeLine, and PIC.

The Certification Unit has a Social Management Plan in the villages around PT KMB for 2020-2021, as follows:

- Settlement of tenure issues within PT KMB's HGU
- Improved staff understanding of the RSPO free prior and informed consent (FPIC) guidelines
- Completion of FPIC fulfillment gap
- Socialization and education related to community land located within PT KMB's HGU (enclave)

- Management of the company's social relations with stakeholders and the community.
- Improved CSR program management
- Management of plasma cooperatives and independent smallholders as PKS fruit suppliers

The Certification Unit has a Social Management Plan in the villages around PT KMB for 2020-2021, as follows:

- Management system administration
- Improvement of housing and sanitation facilities
- Improved health services
- Improved management of education and its facilities
- Improved child care management
- Increasing the fulfillment of employee safety
- Institutional management of gender committees, employee cooperatives, and trade unions.

On-going programs in 2021 are as follows:

- Providing assistance in the form of basic necessities,
- School teacher honorarium assistance
- Sports equipment assistance for schools
- Productive business assistance
- Assistance for worship facilities

Status: Comply

3.5

A system for managing human resources is in place.

3.5.1.

The Certification unit has employee's recruitment procedure number SOP Selection & Recruitment (No. Document: KMB-SOP-HRD-001.1-R0 Rev 0) dated 14 August 2020. The recruitment in accordance to request to fill in shortage or replace employee stops; additional request using the labor requirement form; the process of selection, interview, and medical checkup.

The company can show documentation of acceptance of workers which includes a job application letter, curriculum vitae of prospective workers, attachments to population documents (including KTP, KK), a work agreement, which explains the rights and obligations as a daily permanent worker and is willing to explain a probationary period of 3 months, results of pre-employment medical examinations, recommendations from the polyclinic related to the results of medical examinations, employee performance appraisal sheets and decision letters for determining employee positions. Beside that, related of salary the company has shown the document Inter Office Mail No. 043/MEMO-BGA/HC-POP/12/2020 dated December 23, 2020 regarding 2020 Monthly and Daily Permanent Employee Wages for PT KMB (KOTIM) by considering Central Kalimantan Governor Regulation No. 188.44/604/2020 dated November 20, 2020 regarding UMK and UMSK KOTIM in 2021 is Rp. 2,991,946.

Career Pathway System and Job Performance Assessment

The company has documented the assessment of employee performance. The things that are assessed are the task of the appraiser, the achievement of the task, the assessment of the work process, and the final assessment. There is also a letter of appointment/promotion of employees from non-permanent workers to permanent daily workers with the provisions regarding wages following the applicable regulations.

Company Regulations

The company has PT KMB company regulations for the 2018 – 2020 period. The company regulations regulate regulations related to employment relations, bipartite forums, social security systems, leave, rules and disciplinary rules, awards for workers, layoffs, rights and obligations due to layoffs, protection and safety work, and cooperatives.

Currently, the process of obtaining the ratification of Company Regulations is in progress to the Director General of Industrial Relations and Social Security which was informed by the Head of the Corporate Regulations Section of the Indonesian Ministry of Manpower (Certificate No. 21/PK/PP/VIII/2020 dated 18 August 2020).

3.5.2.

The company has shown the company regulations for the 2018 – 2020 period and Currently, the process of obtaining the ratification of Company Regulations is in progress to the Director General of Industrial Relations and Social Security which was informed by

the Head of the Corporate Regulations Section of the Indonesian Ministry of Manpower (Certificate No. 21/PK/PP/VIII/2020 dated 18 August 2020). The company regulations regulate regulations related to employment relations, bipartite forums, social security systems, leave, rules and disciplinary rules, awards for workers, layoffs, rights and obligations due to layoffs, protection and safety work, and cooperatives.

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

The unit of certification has a policy of occupational safety and health were written in Bahasa. The policy has been updated on 27 August 2018 by Chief Operating Officer. This policy is designed to control hazards in every activity that is in the working environment to prevent accidents and occupational diseases.

The unit of certification have work program of occupational health safety every year. Realization of the program of work will be monitored through regular meetings Guiding Committee of Occupational Safety & Health (*P2K3*) every month. This work program applies generally to all workers in the workplace. If the plans have been made yet on target then will be evaluated in the regular meetings to assess effectiveness.

The company have document of hazard identification, risk assessment and risk control (HIRAC) which issued on February 2, 2021 (Regional Mentaya). It will be reviewed if any occupational accident happens. The document describes the description/activity, risk type, potential hazards, risk assessment, risk control and OHS regulation or requirement.

3.6.2

The unit of certification regularly (every month) holds an internal meeting of the OHS committee to discuss the implementation of OHS in the company operational areas as follows:

- PT KMB OHS Committee meeting was held on April 22, 2021. The discussion related safety & health performance, accident and accident report (attendance list and photo attached).
- PT KMB OHS Committee meeting (Bukit Daman Estate) was held on April 15 2021. The discussion related accident and ensure that HIRAC will be run and implemented.

Based on field visit, it is known that the unit certification had implemented the HIRAC for all the activity such as making the apron, helmet, mask, boots and gloves for the spraying workers.

Status: Comply

3.7

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

3.7.1

The company has demonstrated the 2021 training matrix which contains training programs for all aspects of plantation and mill operations. The plan includes training related to OSH, training related to understanding RSPO/ISPO, training related to procedures for each activity/job as well as training related to environment/HCV.

Based on observations to GMKM, it is known that the generator used have a capacity of above 200 kVA. Thus, based on Permenaker No. 33 of 2015, companies are required to have an OHS Electrical Expert. However, the absence of an OHS Electrical Expert at GMKM has not been identified in the 2021 training program. The realization of training for operators in the factory according to the plan that has been programmed, has become a record of opportunities for improvement during the previous audit assessment (Remote ASA-1.1). The company has not been able to show that all workers have been equipped with work permits/licenses referring to the applicable regulations. It become **non conformity 2021.02 with Major Category**.

3.7.2

The realization of training on 2021 such as :

- Emergency response simulation for employee and company representative. The training was held on December 5, 2020.

- OHS Policy, HIRAC and MSDS socialization on February 20, 2021.
- The socialization of OHS Program and First Aid Training on April 17, 2020.

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.

3.7.3

The company showed the latest SCCS training records which were conducted on 18 May, 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.

3.7.1 Critical | Status: NCR No.2021.01 with Major Category

3.8

Supply Chain Requirements for Mills

3.8.1 and 3.8.2

The mill is applied supply chain model Mass Balance due to it still received FFB from uncertified sources. Certified FFB will be processed and claimed as certified CPO and PKO. There is three own estate which are Gunung Makmur Estate, Bukit Daman Estate and Sungai Mentaya Estate that supplied of FFB to Gunung Makmur POM. There were also non certified FFB sources from own estates such as Batang Hijau Estate and Beringin Agung Estate, the other uncertified FFB sources are came from independent suppliers.

3.8.3

Estimated certified product recorded in the last assessment report. The estimates of certified production for the next license period describe at ASA-1.1 + ASA-1.2 report (basic info 1.8.3), in reasonable amount taking into account the last year's production. The data are shown in the following table:

Products	Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (August 2019 to May 2021) (MT)
FFB	175,641	163,446
CSPO	41,830	37,766
CSPK	9,325	7,953

*last year projected + extension volume

3.8.4

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

- Member Name: PT Karya Makmur Bahagia – Gunung Makmur POM
- Core Product: Palm Oil
- Member ID: RSPO_PO1000001684
- RSPO Membership Number: 1-0043-07-000-00 (BUMITAMA AGRILTD)
- Type of Business: Oil Mill
- Supply chain model: Mass Balance

3.8.5

The unit of certification showed the identification procedures and product traceability document number KMB-SUST-SOP-43 Revision No 06 revised date December 10, 2020 which was endorsed by the Regional Head on December 25, 2020.

Scope:

- This procedure applies from the receipt of raw materials (FFB), the production process, the Bulking Station and the process of

- sending the product to the buyer in the operating unit in PT KMB.
- All document and data control activities in the context of implementing SOPs for identification and traceability of products and their supporting administration in all work units within PT KMB.
- The supply chain model applied in the procedure is the mass balance module E-CPO Mills.

The Certification & compliance Department will conduct training for all staff and employees involved in implementing the supply chain certification system requirements.

3.8.6

The unit of certification showed the Internal Audit SOP with document number KMB-SUST-SOP-39 revision number 04 dated December 10, 2020, endorsed by the Regional Head. Internal audit will be carried out by auditors who do not have direct responsibility for the part / area being audited. Internal supply chain audits are conducted at least once a year or are carried out based on the interest status of the area to be audited

The results of the internal supply chain audit carried out on December 1, 2020, it was recognized that there were 2 non-conformance regarding the supply chain such as the internal audit SOP that was in accordance with the requirements in the RSPO-SCCS 2017 and records of management review meeting minutes were available and corrective actions on December 10 & 22 , 2020 by providing update of SOP for internal audit and record of minutes of RSPO - SCCS management review meeting.

3.8.7

The mill has verified and documented the volumes of certified and non-certified FFBs received. Certified and non-certified FFB received period of August 2019 to May 2021:

Month	FFB (ton)		Total
	Certified	Non Certified	
August 2019 to May 2021	163,446	478,618	642,064

Estimated certified product recorded in the last assessment report (RC). Actual certified produced has been verified during this assessment. The data are shown in the following table:

Products	Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (August 2019 to May 2021) (MT)
FFB	175,641	163,446
CSPO	41,830	37,766
CSPK	9,325	7,953

Mechanism to handling and control nonconformance product are described in SOP No.: KMB-SUST-SOP-51, regulating among others controlling / handling of raw materials received (FFB), product identification in process, control of final product to be shipped to buyer and controlling/handling the improper document.

To ensure mechanism on FFB production and PIC understanding towards overproduction monitoring and control. **OFI**

3.8.8

The mill has product information provided in such as document of contract agreement, delivery order, delivery ticket, report of loading, weighbridge ticket and other invoices, as example at invoices CSPK certified delivery on 29 May 2020 for total delivery of 250 ton. The information provided on invoices are:

- The name and address of the buyer;
- The name and address of the seller;
- The loading or shipment / delivery date;
- A description of the product RSPO certified Mass Balance model
- The date on which the documents were issued;

- The quantity of the products delivered;
- Any related transport documentation;
- etc.

3.8.9; 3.8.10 and 3.8.11

The activities that outsources to independent third parties are Transport for CPO and PK. In the Procedure of SCCS clause 7.6 mentioned if commercial department will review and ensure all requirements that mentioned in SCC Standard has been described in work agreement. Company have working letter agreement for each CPO dan PK transport with third parties such as:

- PT Surya Mentaya jaya (Kotim- Kalteng): CSPO Contractor
- CV. Catur Borneo Abadi (Kotim – Kalteng): CSPK Contractor

Regarding RSPO and SCCS requirements, on the work agreements contractor will provide access to CB to their respective operations, systems, and etc during audit. To ensure that the independent third party/contractors complies with the requirements of the RSPO Supply Chain Certification Standard as follows:

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

3.8.12

The company has maintained accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements. The retention times for all records and reports are keep in minimum 2 years. The mill has RSPO certified since July 2014 and based on documents verification it's concluded that the record of supply chain is available since the mill was certified.

For instance, record of all certified palm oil/palm kernel oil volumes purchased (input) and claimed (output) for period of August 2019 to May 2021

Period	CPO (ton)		Total
	Certified	Non Certified	
Stock	1,647	-	1,647
August 2019 to May 2021	36,119	105,094	141,214

Period	CSPO Despatch (ton)			Total
	RSPO	Conventional	Other Scheme	
August 2019 to May 2021	-	37,019	-	37,019

Period	PK (ton)		Total
	Certified	Non Certified	
Stock	-	-	-
August 2019 to May 2021	7,953	23,201	31,155

Period	CSPK Despatch (ton)			Total
	RSPO	Conventional	Other Scheme	
August 2019 to May 2021	7,550	5	-	7,555

3.8.13 and 3.8.14

The conversion rate of production of CPO (OER) and PK (KER) were based on actual daily, monthly and yearly production. The extraction rate follows the actual data for a period for August 2019 until May 2021 i.e OER 22% and KER 5%. Periodically update of extraction is actual extraction.

3.8.15

SCSS module used in Gunung Makmur POM is Mass Balance (MB), because the mill receives FFB from the estate and from third party that non-certified RSPO.

3.8.16 & 3.8.17

RSPO IT Platform member registration number for Gunung Makmur POM (PT Karya Makmur Bahagia) is RSPO_PO1000001684. All transactions have been registered in RSPO IT platform for periods of August 2019 to May 2021 including the volumes of CSPO that sold as conventional are removed by credit allocation. There is no underproduction or overproduction, loss or damage of certified products.

Based on announcement and transaction report documents review, it concluded that all RSPO certified products submitted are in compliance with the RSPO Rules on Market Communications and Claims

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

Company had a Human Rights policy dated on May 2020. The policy has in line with the Law No. 32 in 1999. Human rights in CH perspective have covers employees prosperity, freedom in religion implementation, non-discriminative treatment towards gender, ethnic and social background, opportunity of self-improvement, transparency of information, etc. The human policy has been socialized to the company for example for employee in Transport Division and Mill on May 22, 2021.

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 & 4.2.2.

The company has a Complaints Procedure document (KMB-SUST-SOP-45, Revised August 5, 2015). The document is a reference in receiving and resolving complaints from external and internal parties (employees). The personnel responsible for receiving and documenting complaints from the parties are the Corporate Affairs & Estate Controller and the Mill Controller. Existing complaints, will be reviewed and consulted with the parties for resolution. Regarding whistle blower protection, the company has installed a bulletin board at the front of the office area in each work unit, for example in estate and factory offices. The main points of the notification are the complaint address (telephone & email number) and guarantee of confidentiality and protection for the reporter. Personnel responsible for receiving and documenting complaints from the parties are Corporate Affairs & Estate Controller and Mill Controller. Existing complaints, will be reviewed and consulted with the parties for resolution. Based on interview with worker (Estate & Mill), the company has carried out socialization related to complaints procedure.

4.2.3 & 4.2.4

The Communication Procedure (SOP-KMB-KOM-01) was approved by the Area Controller on August 29, 2013. External communication in the form of an official letter sent to the company in the form of complaints or information is responded to by the company no later than 15 days after it is received. Internal and external stakeholder understood related of the grievance system. Based on document compliant in 2021, there were no complaints by stakeholders. Beside that, 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

CSR (Corporate Social Responsibility) program is a form of concern and responsibility of the company in fostering good relations with the surrounding community. CSR can be interpreted as an effort from a company to raise its image in the eyes of the public by making programs, both external and internal. External program by running partnerships by involving all stakeholders to show the company's concern for the community and the surrounding environment. While internally able to produce well, achieve maximum profit and improve the welfare of its employees. In general, there are 3 forms of CSR carried out by PT Karya Makmur Bahagia in the field, namely CSR based on give assistance directly to people in need (Charity), CSR in the form of generosity and CSR in the form of community development. The forms of corporate CSR PT Karya Makmur Bahagia, among others:

- Plasma Procurement
- Education, among others in the form of scholarships, teacher training, educational facilities and infrastructure, counseling, competitions, and others
- Health (fogging, mass circumcison, free treatment, drug assistance)
- Program for strengthening and strengthening plantation families to improve the quality of life of Emplacement
- Procurement or improvement of accessibility (roads, bridges, culverts)
- Tournaments, training and counselling and other assistance.

From the CSR activities carried out above based on / referring to the results of the identification of the needs of the community around the company through SIA (Social Impact Assessment) conducted by independent consultations and the company has made efforts to fulfill and determine the program. The program implemented and given to the community is a coaching program in the form of improving and fulfilling work skills as well as capital assistance, so that later it is hoped that the surrounding community can be independent and or open up independent work opportunities/opportunities.

The certificate holder has been implemented of smallholder program with full manage system (5 cooperative) and independent FFB suppliers (35 members). Overall of plantation manage was handle by the company and the cooperation unit as representation of the community was monitored all operational activities and earn the report from the company. The certificate holder was providing palm seed for independent smallholders and giving consultation about best management practices, as well as give training for smallholder member..

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 FPIC.

4.4.1

PT KMB has obtained the location permit for total area of 17,500 Ha from Regent of Kotim Regency No. 645.460.42 on 27 June 1995 covering an area of 12,500 Ha and by decree of Kotim Regency Land Agency No. 29.460.42 on 25 September 1996 covering an area of 5,000 Ha. As for the land cultivation permit, PT KMB has owned the Plantation Business Permit, which was issued by the Regent of Kotim No. 525.26/603/VIII/EKBANG/I/2006 on 4 August 2006 for the Oil Palm Plantation area of 15.056,31 Ha and Processing Mill with capacity of 90 ton/hour.

PT KMB has the total of land use right for **15,100.24 Ha** which consist of Land Use Title (HGU) No. 19 dated 22 October 2001 for 15,056.31 Ha released by National Land Agency of Kotawaringin Timur Regency, valid until 22 October 2036 and Building Use Title (HGB) No. 1 dated 18 January 2005 for 43.93 Ha released by National Land Agency of Kotawaringin Timur Regency, valid until 18 January 2033. The scope of PT KMB – Gunung Makmur POM and it supply bases (GMKE, BDME, SMNE) is 8,533.46 Ha.

4.4.2

The certificate holder has a procedure of land dispute handling (SOP No. BGA-SOP-KMB 25-RO) that described that land dispute resolution based on agreement between interested parties. The step of land dispute resolution in KMB is (1) land identification or potential of land dispute, (2) gradual resolution starting from gathering information, negotiation, agreement, land compensation (if needed), (3) payments, administration process and (4) legal action by court if no deal in negotiation.

There has been documentation on land disputes such as:

1. Land occupation map of PT. Karya Makmur Bahagia compiled by the Department of GIS Region I with scale 1: 50.000. Based on the map, it was recorded that the occupational area covered of 626 Ha.
2. A reference from the PAD Regional Staff 1 on 29 May 2017 stating that there are 98 occupants in the HGU area of PT. KMB with overlapping ownership status.
3. Management plan for settlement of overlapping land ownership area signed by Region Head Region I and Document & License

Department. The program is the identification of overlapping areas of ownership, meeting with the owner of the area, checking the common area, making participatory maps, making agreement documents, signing documents, maps, and maintaining agreement. The program is planned gradually from 2017 to 2021.

The management unit was sighted the documentation of land compensation to land owner. These documents was filed in main office. FPIC process have been showed by evidences of land compensation process, for examples; letter of land delivery (included attachment of land position & boundaries), citizenship card of land owner and payment receive by company to land owner.

4.4.3

In related to the maps of an appropriate scale that showing legal, customary or user right through participatory mapping and copies of negotiated agreements detailing process of FPIC is not applicable. This is due that PT KMB is long-established plantations company since 1995 which no longer records dating back to the time of the decision making.

Based on document verification such the Social Impact Assessment Study in 2018 and HCV Identification Report, it is known that there is no land under control of customary rights in area of PT KMB. The previous status of land are community lands that have been acquisition and compensated.

4.4.4

Based on document Identification of HCV and stakeholder consultation, there was not found customary/indigenous rights in operational area. There were the records of the process of collecting information on the preparation of the High Conservation Values Identification Report and the Social Impact Assessment Report. The recording evidence comprising of participants list and photographs. All land acquisition between local people and company representatives conducted as mutual agreement and with Bahasa that understood by all parties involved. All relevant information regarding land acquisition is available in appropriate forms and languages.

4.4.5

The management unit was sighted the documentation of land compensation to land owner. These documents was filed in main office. FPIC process have been showed by evidences of land compensation process, for examples; letter of land delivery (included attachment of land position & boundaries), citizenship card of land owner and payment receive by company to land owner.

4.4.6

Based on the results of interviews with stakeholders, it was informed that the company has had a positive impact such as employee recruitment and CSR assistance. There are no land conflicts between the community and the company, besides that the company regularly holds meetings with community representatives and absorbs community aspirations which are applied in company policies such as CSR or other assistance. Communication with the community is no problem, every request for information is always responded to by the company

Status: Comply

4.5

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

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

There is no land expansion activity during this audit. Based on document Identification of HCV and stakeholder consultation, there was not found customary/indigenous rights in operational area. There were the records of the process of collecting information on the preparation of the High Conservation Values Identification Report and the Social Impact Assessment Report. The recording evidence comprising of participants' list and photographs.

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; 4.6.2; 4.6.4

The certificate holder has document of land acquisition procedure (SOP-PAD-001) in term of the procedure of land and crops

compensation. Based on stakeholder consultation with village head and also interview with previous land owners, known that they know about the procedure through the socialization given and they agree with the procedure. The land compensation agreement is made in the Indonesian language, understood by the parties, and known by the village government. known that the procedure was understand by the related party and has been socialized. Besides that, landowners are given the freedom to release their land without coercion, and given an equal opportunity to both men and women.

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

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

The company has a procedure in place to identify people and/or community groups entitled to compensation presented in document No. BGA-SOP-GL-903.1-R0, approved by CFO dated 5 June 2013. The procedure is described how to identify people and/or community groups entitled to compensation. Based on public consultation with village representatives, known that they know about the procedure through the socialization given and they agree with the procedure and compensation process was done directed to the land owner and landowners are given the freedom to release their land without coercion.

The certificate holder has document of land acquisition procedure (SOP-PAD-001) in term of the procedure of land and crops compensation, The procedure is described how to calculate and distribute fair and gender-equal compensation in all activities related to the compensation process for land over the land right cultivated by the company, the purpose is to ensure the area of plantation free from others right. Based on public consultation with village representatives, known that they know about the procedure through the socialization given and they agree with the procedure and they can access the procedure through management representative of the company if they need it.

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

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

During the audit, there were no significant land disputes. The certificate holder has a procedure of land dispute handling (SOP No. BGA-SOP-KMB 25-RO) that described that land dispute resolution based on agreement between interested parties. The step of land dispute resolution in KMB is (1) land identification or potential of land dispute, (2) gradual resolution starting from gathering information, negotiation, agreement, land compensation (if needed), (3) payments, administration process and (4) legal action by court if no deal in negotiation.

There has been documentation on land disputes such as:

1. Land occupation map of PT. Karya Makmur Bahagia compiled by the Department of GIS Region I with scale 1: 50.000. Based on the map, it was recorded that the occupational area covered of 626 Ha.
2. A reference from the PAD Regional Staff 1 on 29 May 2017 stating that there are 98 occupants in the HGU area of PT. KMB with overlapping ownership status.
3. Management plan for settlement of overlapping land ownership area signed by Region Head Region I and Document & License Department. The program is the identification of overlapping areas of ownership, meeting with the owner of the area, checking the common area, making participatory maps, making agreement documents, signing documents, maps, and maintaining agreement. The program is planned gradually from 2017 to 2021.

According to the procedure of land dispute handling (SOP No. BGA-SOP-KMB 25-RO) that has approved by top management, conflict resolution must have to do with soft approach such as discussion and negotiation. Based on negotiation document that shown, all land dispute case always involves the local government. Through the public consultation with representatives' villagers, previous land owners, sighted that there was no coercion approach by the company to handling land dispute cases so far. All compensation implemented by mutual agreement.

The management unit was sighted the documentation of land compensation to land owner. These documents was filed in main office. FPIC process have been showed by evidences of land compensation process, for examples; letter of land delivery (included attachment of land position & boundaries), citizenship card of land owner and payment receive by company to land owner.

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

FFB price bought from smallholders has derived from “*Tim Penetapan Harga Pembelian TBS Produksi Pekebun*” or FFB Price Determination Team Meeting from Plantation Agency of Kalimantan Tengah Province, which updated every month. For example, FFB price for period April 2021 has shows through document No. 525/463/PPH/DISBUN/2021 dated 05 May 2021, that informs several data, for example as presented in the following Table:

Information	April 2021	March 2021
Index K (%)	85.73	85.53
CPO price (IDR/kg)	9,657.93	9,537.57
Kernel price (IDR/kg)	6,982.35	6,994.50
FFB from 10 to 20 years planted (IDR/kg)	2,123.36	2,096.42
FFB from 22 years planted (IDR/kg)	2,116.51	2,089.68

Gunung makmur Mill shows evidence of FFB payments from smallholder Cooperative sources through transfer via bank Mandiri for period April and March 2021. Based on payment slip review of Lestari Cooperative, Makarti Jaya Cooperative, Mekar Jaya Cooperative and Tani Santoso Cooperative during March and April 2021, it could be concluded that FFB from smallholder cooperatives had been paid in accordance with applicable regulation. This is comply as informed by committee of Mekar Jaya Cooperative.

5.1.2

Mechanism of FFB payment had already understood by smallholders (plasma) and consistently implemented by the unit of certification. Up to Surveillance 1.2 assessment as conformed through public consultation with smallholder cooperative committee of Mekar Jaya, it was known that there is no issues on this matter since first cycle of certification in PT KMB.

5.1.3

For smallholder that fully managed by PT KMB, FFB price has refers to the FFB Price Determination Team Meeting from Plantation Agency of Kalimantan Tengah Province, which updated every month. There is no issue on this matter since first cycle of RSPO certification audit of PT KMB.

Furthermore, FFB price from agent and/or independent smallholders has explained in Article 3 of Agreement which updated annually. The price has follows market mechanism, and informed to the suppliers before delivery to the mill. When agreed on the price offered through SMS, email or other communication devices, the suppliers could deliver its FFB to the mill. Payment of FFB accepted is conducted through bank transfer.

5.1.4

There is no issue on this matter since first cycle of RSPO certification audit of PT KMB. Cooperative and Tani Santoso Cooperative during March and April 2021, it could be concluded that FFB from smallholder cooperatives had been paid in accordance with applicable regulation. This is comply as informed by committee of Mekar Jaya Cooperative.

5.1.5

Unit of certification shows agreement with FFB suppliers, presented as follows:

Full Managed Smallholders

In developing community plantation, GMKM of PT KMB has cooperation with four cooperatives from surrounding plantation areas using KKPA or Cooperative Premier Credit Scheme. Time of cooperation was valid for 25 years, as stated on the following agreements:

- Agreement No. 01/KUD-L/III/2008 and No. 01/PKS-KMB/III/2008 dated 12 March 2008, with Cooperative of Lestari in area covers about 1,000 ha.
- Agreement No. 02/KUD-WJ/III/2008 and No. 02/PKS-KMB/III/2008 dated 12 March 2008, with Cooperative of Waringin Jaya in area covers about 1,000 ha.
- Agreement No. 03/KUD-MJA/III/2008 and No. 03/PKS-KMB/III/2008 dated 12 March 2008, with Cooperative of Makarti Jaya in area covers about 1,000 ha.
- Agreement No. 04/KUD-MJ/III/2008 and No. 04/PKS-KMB/III/2008 dated 12 March 2008, with Cooperative of Tani Santoso in area covers about 2,033 ha.

Independent Smallholders

Agreement with independent smallholders of FFB suppliers has been made annually, for example in 2021 as shows in the following:

- Agreement No. 001/SPKL/GMKM/TBS/I/2021 dated 01 January 2021 with FFB supplier namely Agustinus Palayukan. Agreement valid until 31 December 2021.
- Agreement No. 002/SPKL/GMKM/TBS/I/2021 dated 01 January 2021 with FFB supplier namely Andi Suriyanto. Agreement valid until 31 December 2021.
- Agreement No. 003/SPKL/KMBL-GMKM/TBS/I/2021 dated 01 January 2021 with FFB supplier namely Birin. Agreement valid until 31 December 2021.
- Agreement No. 004/SPKL/KMBL-GMKM/TBS/I/2021 dated 01 January 2021 with FFB supplier namely Birma Simanjuntak. Agreement valid until 31 December 2021.
- Agreement No. 005/SPKL/GMKM/TBS/I/2021 dated 01 January 2021 with FFB supplier namely Cahaya Alfiah. Agreement valid until 31 December 2021.

Based on work agreement review, it was known that all agreement has agreed by the respective parties and transparent in informing business transaction and relationship. The agreement has covers scope of agreement, quality requirement of FFB, FFB price mechanism, time of agreement, payment mechanism, tax, guarantee, agreement termination, force majeure, problem solve, etc.

5.1.6

Mechanism of FFB payment had already understood by smallholders (plasma) and consistently implemented by the unit of certification. Up to Surveillance 1.2 assessment as conformed through public consultation with smallholder cooperative committee of Mekar Jaya, it was known that there is no issues on this matter since first cycle of certification in PT KMB. Furthermore, based on payment slip review of Lestari Cooperative, Makarti Jaya Cooperative, Mekar Jaya Cooperative and Tani Santoso Cooperative during March and April 2021, it could be concluded that FFB from smallholder cooperatives had been paid in accordance with applicable regulation. This is comply as informed by committee of Mekar Jaya Cooperative.

5.1.7

GMKM has two weigh bridge units (Avery Weightronix Type E1205 and Type ZM510) with capacity about 30 ton and 40 ton. Mill management shows evidence of annual weigh bridge calibration that conducted by "*Balai Standardisasi Metrologi Legal*", as shows through several documents, as follows:

- Letter No. 69/DPP/ML/TJ/III/2020 dated 17 February 2020.
- Report on Calibration dated 10 February 2021.

Calibration measurement above has refers to Law No. 02 in 1981 about Legal Metrology.

5.1.9

The Company has a Communication Procedure (SOP-KMB-KOM-01) passed by the Area Controller on August 29, 2013. External communication in the form of an official letter sent to the company in the form of complaints or information is responded to by the company a maximum of 15 days after receipt.

The procedure explains the flowchart of the consultation / dialogue mechanism with the community, namely the management unit submits a written consultation / dialogue plan with the community through the Village Head / Customary Chair / Community Leader or local government apparatus, then the response from the Village Head / Customary Chair / Community Leader or Mediators (Government Officials), Management Head Office / related parties give a positive response in writing (maximum 15 days), consultation / dialogue forums facilitated by PAD / CSR / Management Unit, the results of the meeting are distributed to related parties by the Management Unit related, follow-up results of consultation / dialogue with the community by the PAD / CSR / Management Unit concerned. Based on document compliant in 2021, there were no complaints by stakeholders.

Status: Comply

5.2

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

5.2.1

Unit of certification has delivered socialization on RSPO matters included improvement on livelihoods through taking part in RSPO certification to smallholders and indirect FFB suppliers since 28 August 2019, took place in the Village of Anggang Mulya and Telaga Antang. Socialization has also included subject on best management practices and safety aspect such as integrated pest management, land management, zero burning method, pesticide handling, etc.

As a support for independent smallholders to make their plantations RSPO certified, the unit of certification has facilitated farmers with some initial training such as the one that was held on 19-22 October 2019, training materials provided include: RSPO Certification System for independent smallholders, management and group dynamics, Internal Control System (ICS), functions and performance, internal audit system and documentation system. The result of this training is the formation of an ICS group / team which will be maximized in conducting internal audits as well as providing outreach / socialization related to the RSPO certification program.

5.2.2

As a support for independent smallholders to make their plantations RSPO certified, the unit of certification has facilitated farmers with some initial training such as the one that was held on 19-22 October 2019, training materials provided include: RSPO Certification System for independent smallholders, management and group dynamics, Internal Control System (ICS), functions and performance, internal audit system and documentation system. The result of this training is the formation of an ICS group / team which will be maximized in conducting internal audits as well as providing outreach / socialization related to the RSPO certification program.

5.2.3

To ensure traceability of FFB received, the unit of certification has conducting "traceability to plantation (TTP)" which aims to obtain several data through visiting FFB supplier areas owned by the independent smallholders, collectors (indirectly obtained) and plasma. Data collected are point of coordinates, then to checks and overlays the spatial layout to ensure the area is in the "APL area". When location of FFB sources is not overlapping with conservation or forest areas, the contract agreement of FFB supply could be continued. Based on this explanation, it could be concluded that unit of certification has make selection of FFB sources through checking on its status of land ownership.

5.2.4

Unit of certification has delivered pesticide management to KKPA smallholders on 28 August 2019 and 22 October 2019. Based on interview with Foreman and Pesticide Applicators in Division 2 Block G36 Batang Hijau Estate and Division 2 Block F03 Beringin Agung Estate, it was known that unit of certification has deliver training on pesticide application and handling, and be able to explain and demonstrate several technical matters such as mixing, dilution on the field, PPE used, first aid should be taken, placement, annual special medical check up that should be carried out.

5.2.5

All support programs for smallholders are reviewed and evaluated regularly in the RSPO internal audit for smallholders which was lastly conducted on 27 July 2020 and 19 April 2021. Last audit informed there were five findings and all has been closed on 31 May 2021. In addition, the support program for smallholder's development is also reported publicly through the media annually in the Annual Report of Bumitama Agri Ltd. and LPUP or plantation development report which delivered to the Plantation Agency of

Kotawaringin Timur Regency.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

6.1 Any form of discrimination is prohibited.

6.1.1.

The company has a responsibility policy for workers which was passed on 6 November 2015 by the Regional Head. The policy explains the provision of equal employment opportunities by not distinguishing race, religion, degree, ethnicity, gender, skin color, imperfection (disability), sexual orientation, political affiliation, organizational membership, and age. Company policies can be accessed by stakeholders in accordance with applicable procedures and are known by employees.

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 Certification unit has employee's recruitment procedure number SOP Selection & Recruitment (No. Document: KMB-SOP-HRD-001.1-R0 Rev 0) dated 14 August 2020. The recruitment in accordance to request to fill in shortage or replace employee stops; additional request using the labor requirement form; the process of selection, interview, and medical checkup. 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 spraying operator, 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.

The company can show documentation of acceptance of workers which includes a job application letter, curriculum vitae of prospective workers, attachments to population documents (including KTP, KK), a work agreement, which explains the rights and obligations as a daily permanent worker and is willing to explain a probationary period of 3 months, results of pre-employment medical examinations, recommendations from the polyclinic related to the results of medical examinations, employee performance appraisal sheets and decision letters for determining employee positions.

Based on interview with the management sighted that there are no promotion from temporary worker to the permanent worker during last year. However, there are promotion sample from monthly workers such as foreman.

6.1.4

The unit of certification has carried out pregnancy tests for spray and fertilizing workers. The test is carried out as a way of protecting female workers during pregnancy from exposure to chemicals. The inspections are carried out periodically to workers and the results are notified directly to workers. Based on interviews with spraying worker in Gunung Makmur Estate, it is known that pregnancy checks are carried out regularly, the workers said that this is not a form of discrimination but rather as a source of initial identification of workers for high risk activities (chemical handling).

6.1.5

Gender committees have been formed and are still active today in the company which is chaired by the committee chairperson along with coordinators in several sections and there are representatives in each unit, for example in Sungai Mentaya Estate has been update 2021.

The main objective of forming a gender committee is to provide a forum that can accommodate the aspirations/complaints of workers (especially women), as company partners in carrying out the activities of socialization related to gender and other policies related to workers' reproductive rights. In carrying out its activities this gender committee always collaborates with the labor union so that the

socialization of matters related to women's rights can be conveyed properly and there is no discrimination in terms of gender.

Based on interview with Gender Committee Head, it is known that during the past year there were no issues related to harassment. In addition, there have been several realizations of the committee's gender program over the past year, including coordination meetings, gender committee socialization, monitoring complaints, ratification of organizational structures, visits to daily care and gender committee performance evaluation meetings.

6.1.6.

The certification unit showing that pay slip of permanent workers is equal. For example: workers with registration number NIK 18100053 on May 2021. The basic salary: Rp 2,991,946; premium: Rp 700.000 and there is wages addition related of health & employment insurance. It has been paid to the other workers with equal (basic salary).

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.

The company has shown Kalimantan Tengah Governor Decree Letter number 188.44/1604/2020 about minimum wage of Kotawaringin Timur Regency with value Rp 2,991,496/month. There are also Regional Head Mentaya and Regional Head Pundu letter with number 043/MEMO-BGA/HC-POP/12/2020 related minimum wages for permanent workers (daily/monthly).

6.2.2

The Company Regulation period of 2018 till 2020 are made in Indonesian Language. At this time, there is a process of managing the ratification of Company Regulations to the Director General of Industrial Relations and Social Security which was informed by the Head of the Corporate Regulations Section of the Indonesian Ministry of Manpower (Certificate No. 21/PK/PP/VIII/2020 dated August 18, 2020).

The Company Regulation explains about the working conditions and rights/ obligations of workers such as recruitment, selection, transfer, promotion, performance appraisal, remuneration, discipline, deduction, overtime, sick leaves, holiday entitlement, maternity leave and other provisions. In addition to being generally stated in company regulation, the company also has a decree, policy, memorandum and work contract for workers in orientation period that specifically explain these matters.

6.2.3

Based on the results of the document review and interviews, it is known that:

- Salary Slip for May 2021 for No. 18100053 (SMNE Employees) detailed that there is a monthly premium for generator operators is Rp 700,000,-.
- Based on the results of interviews with the assistant auditors, it was stated that currently there is only 1 work shift for generator operators
- Internal Office Memo Letter No. 070/IOM/RH-1.KMB/IX/2018 regarding the Regulation of Residential Generator Set Operating Hours states that Monday - Thursday working hours are 6 hours, Friday - Saturday is 8 and Sunday is 9 hours.
- Kepmenakertrans No. 102 of 2004 Article 11.b (overtime on weekly rest days and or official holidays) where the calculation of overtime work for the first 7 hours is paid 2 times the hourly wage and the eighth hour is paid 3 times the hourly wage and the ninth and tenth overtime hours are 4 times the wage an hour.

The company has not been able to show that the overtime payment is in accordance with the applicable laws and regulations. It is become **non conformity No. 2021.03 with Major category.**

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 company has conducted assessment of prevailing wage and all kind of benefits included in the calculation of wages, food costs, housing facility costs, non-food costs, non-housing costs, and other costs. The results of these calculations are known that the positive variance between minimum wage (government) and (prevailing wage and in-kind benefit), for example: permanent workers have variance 37,93%.

In Indonesia no living wage standard is established, so certification unit still implemented the national minimum wages for all workers. In addition to the payment of minimum wages, company has been conducted an assessment of the prevailing wages and in-kind benefits provided to workers in the certification unit aligned with the RSPO Guidance for Implementing a Decent Living Wage.

6.2.7

The certification unit did not have workers with contract status for daily worker (BHL) or contract worker (PKWT), the current employee status is permanent workers, such as Regular Daily/Monthly Workers (worker class P1-U8. All the rights for each employment status has been distinguished.

The results of interviews with spray workers, harvester and mill operators found that workers understood the recruitment system, the status of workers and the orientation period that had to be passed before the worker was appointed as a permanent worker. These processes are stated to be fair enough and provide equal opportunities to work according to the abilities, expertise and achievements of the workers during the orientation period.

Critical 6.2.3 | Status: NCR No.2021.03 with Major 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; 6.3.3

The company has a union policy stated in the employee responsibility policy which was ratified by Regional Head 1 on 6 November 2015 which reads respecting and respecting the right of every worker to form or become a union member in accordance with law No. 21 of 2000. The company has a Bipartite Cooperation Agency that has been registered with the Disnakertran of Kotim Regency under Number 560.565/239/KEP HI-KESJA / V / 2019 dated May 24, 2019 with a validity period of 3 years from the stipulation. Based on interview with LKS Bipartite organization, it is stated that currently the active organization is LKS Bipartite. Beside that, the certification unit did not interfere with organization activity.

6.3.2

The company has shown recordings related to the Bipartite Meeting, among others, held in May 2021 at PT KMB. The discussion includes a work evaluation in April 2021 and the work plan of the *LKS Bipartite* in May 2021.

Based on the results of the interview with *LKS Bipartite*, it is known that the role of the bipartite is also included in the witness payment for employee separation payments, pensions, BPJS claims, etc.

Status: Comply

6.4

Children are not employed or exploited.

6.4.1, 6.4.2, 6.4.3 & 6.4.4

The unit of certification has a responsibility policy for workers which was endorsed in November 2015 by Regional Head I. The policy explains protect women workers from sexual harassment, violence, and rights related to human reproduction. Besides that, it arrange for not employing children under the age of 18, in accordance with Law No. 13 of 2003 concerning Manpower, as well as Law No. 1 of 2000 concerning the ratification of ILO Convention No. 182. The unit of certification shown the process of hiring employees, this is evidenced by the Identity Cards at the time of employee recruitment.

Based on document verification results reveal that there are no workers under the age of 18. In addition to having a policy governing the minimum age of workers for workers, the certification unit also includes a clause on child protection and a prohibition on employing workers under the age of 18 in any agreement with the contractor.

Based on interviews with workers at Sungai Mentaya Estate (harvester and manuring worker) and LKS Bipartite, it is known that the minimum age for work is 18 years and no workers found below the minimum age specified. This is supported by the results of a review of company and contractor workers' document which proves that there are no workers under the age of 18 at the time of entering work.

Status: Comply

6.5

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

6.5.1 & 6.5.2

The company has a responsibility policy for workers which was endorsed in November 2015 by Regional Head I. The policy explains relating to protecting female workers from sexual harassment, acts of violence, and rights related to human reproduction. The company has demonstrated the program and realization of the activities of the gender committee, including the socialization of the committee gender and the handling of sexual harassment. Based on field visit it is known that the worker (female) has a granting menstrual and maternal leave. In addition, based on the results of interviews with spraying operator 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. Besides 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 a Complaints Procedure document (KMB-SUST-SOP-45, Revised August 5, 2015). The document is a reference in receiving and resolving complaints from external and internal parties (employees). The personnel responsible for receiving and documenting complaints from the parties are the Corporate Affairs & Estate Controller and the Mill Controller. Existing complaints, will be reviewed and consulted with the parties for resolution. Regarding whistle blower protection, the company has installed a bulletin board at the front of the office area in each work unit, for example in estate and factory offices. The main points of the notification are the complaint address (telephone & email number) and guarantee of confidentiality and protection for the reporter.

As for examples of worker complaints and complaints and their handling for 2021, among others, complaints related to payment (premium), were submitted verbally and peacefully resolved on April 29, 2021. In general, complaints were dominated by internal companies 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.

Status: Comply

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.

Based on the results of the review of the employee list document for April 2021 and field visit, it is known that there are no foreign workers in the area managed by PT KMB.

Status: Comply

6.7

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

6.7.1

The company shows the Head of the Manpower and Transmigration Office of Kalimantan Tengah Province Decree (No. 164/DISNAKERTRANS/XII/2019) Regarding the Ratification of the Provincial Level Occupational Safety and Health (P2K3) Supervisory Committee at PT. Karya Makmur Bahagia which is valid on December 23, 2019. The organization routinely conducts monthly meetings on OHS issues in the workplace. The documentation of the meeting was recorded and stored well.

The company has shown documents related to regular P2K3 meetings, including the following:

- P2K3 meeting of PT KMB – Bukit Daman Estate on April 15, 2021 with the agenda of analyzing the risk of harvesting work and toxic materials. The meeting was attended by 6 participants and documentation in the form of attached photos.
- PT KMB P2K3 meeting on April 22, 2021 for P2K3 evaluation for the period December 2020 - March 2021. The results of the meeting included evaluating accident rates, handling waste at PT KMB, inspection reports, preparation of master documents and P2K3 plans in the next 3 months.

6.7.2

The company already has Emergency Preparedness and Response procedures (Document No: BGA-SOP-KMB13-R0) regarding instructions for handling and preventing emergencies as well as recovery efforts that affect humans, the environment or work activities/processes. The procedures also explained that records of all accidents shall be kept and periodically reviewed. The company has emergency facilities and infrastructure such as fire extinguisher, first aid kit, hydrant, water tank, and other supporting equipment.

The company also has 2 first aid officers who are already licensed and have first aid officers who have received internal training, for example the training which was held on 20 July 2020 which was attended by 40 participants. Based on the monitoring of the condition of the first aid kit in GMKE, SMNE, BDME and GMKM, the contents of the first aid kit are sufficient and in good condition. The company monitors the contents of the first aid kit every month.

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

Records of the provision of PPE have been managed and recorded, while examples of the provision of PPE are as follows:

- Provision of PPE in the form of helmets to 18 harvesters and maintenance workers at Bukit Daman Estate on September 30, 2020.
- Provision of PPE in the form of fertilizing workforce uniforms, boots and aprons to 14 packages at Gunung Makmur Estate on January 18, 2021.

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.

6.7.4

The company shows documents to include employees in the health care insurance program provided to workers and their families. Types of maintenance guarantees, namely: outpatient treatment guarantees are given to workers based on class. Guarantees for inpatient treatment, cost of childbirth and purchase of glasses are given to workers based on class.

The company has also shown identification documents related to the progress of BPJS Kesehatan (Health Insurance) membership registration until May 2021. The details of the workforce registered in BPJS Kesehatan (Health Insurance) at PT KMB are 879 people, dependent employees are 492 people and registered as members of Contribution Assistance Recipients are 349 working people. Meanwhile, workers who are still carrying out the process include 168 workers in the failed activation category, 600 people with problematic/invalid identity numbers.

The proof of payment for BPJS Ketenagakerjaan (Labor Insurance) and BPJS Kesehatan (Health Insurance) has been shown as follows:

- BPJS Ketenagakerjaan (Labor Insurance): Through Bank Mandiri on May 10, 2021 (Payment in April 2021) for 4213 employees

- of PKS and PT KMB and PT LMS plantation employees.
- BPJS Kesehatan (Health Insurance): Through Bank Mandiri on June 8, 2021 for 1370 employees of PKS and PT KMB Plantation as well as 1811 dependents.

Based on the results of the verification of employee list documents, it is known that all employees have been included in the two programs. This is in line with the results of interviews with representatives of workers and representatives of LKS Bipartite who stated that so far, all employees have been included in the labor social security and health insurance programs.

Based on the description above, it can be concluded that the unit of certification has included all employees in the social security program in accordance with the laws and regulations.

6.7.5

The company has calculated the Lost Time Accident every month for monitoring the recording of occupational accidents. It shown the Lost Time Accident calculation per March 2021. This document informs the number of workers, number of working days, the number of non-effective working days, overtime, hours of work in total, the number of accidents, the number of working days lost, hours of work a year, the number of accidents a year, lost days a year. Calculation of SR and FR is reviewed regularly and will be evaluated at monthly meeting of OHS Committee.

The certification unit already has work accident statistics that record the incidence of work accidents (January to March 2021) as follows:

GMKM

- Total Lost Work Days/Loss Time Accident: 1 Days
- FR: 63
- SR: 21

GMKE

- Total Lost Work Days/Loss Time Accident: 4 Days
- FR: 199
- SR: 50

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

Program of integrated pest management (IPM) is consist of early warning system, through field monitoring, census and analysis of pest incidence founded during field observation. Pest and disease population control is conducted through biological and chemicals method, when incidence was more than threshold limits. The IPM program has refers to procedure No. BGAAGRKS-SOP-10. Record of realization is presented in several document, for example as follows:

- Based on pesticide application record, as well as inspection to Agrochemical Store in all estates, it was known that there is no consumption of insecticide and rodenticide during 2020 to June 2021. This is complied with figure of census on rats, leaf eating caterpillar, *Oryctes* (Rhinobettle), *Tiratabha*, termite and *Ganoderma* that shows figure of incidence were all has bellow threshold limit. This situation has also verified during field observation.
- Estate management has preferred to control pest population towards biological method instead of chemicals. For example, rat population control through adopting *Tyto alba* on the field by installing barn owl box. Map of box was available with scale 1:50,000. Furthermore, *Oryctes* sp. population control through pheromone trap. Moreover, leaf eating caterpillar population control through planting of beneficial plants such as *Turnera subulata* that usually founded in adjacent with main or collection road. This biological control has verified during field observation to all estate.
- Estate management has conducted several trainings or refreshment which aims to maintain workers knowledge and skills towards IPM. For example, training of MSDS, scheduled waste management, work instruction of pesticide application had conducted on 13 January 2021, while training on IPM and pesticide management has conducted on 04-05 August 2020.

7.1.2

Unit of certification has list of invasive species according to the Centre for Agriculture and Bioscience International (CABI) that founded within estate operational areas, i.e. *Antigonos leptopus* and *Tyto alba* (barn owl). Both special were used for pest population control on leaf eating caterpillars and rats, respectively. However, those species were not classified as invasive in Indonesia, as refers to PermenLKH No. 94 in 2019.

7.1.3

Based on field observation to the estate, it was known that there is no use of fire for pest management purposes. Estate management has prefer to control pest population towards biological method instead of chemicals, as seen on the field as follows:

- Rat population control through adopting *Tyto alba* on the field by installing barn owl box.
- *Oryctes* sp. population control through pheromone trap.
- Leaf eating caterpillar population control through planting of beneficial plants such as *Turnera subulata* that usually founded in adjacent with main or collection road.

Status: Comply

7.2

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

7.2.1

Based on pesticide application record, as well as inspection to Agrochemical Store in all estates, it was known that there is no consumption of insecticide and rodenticide during 2020 to June 2021. This is complied with figure of census on rats, leaf eating caterpillar, *Oryctes* (Rhinobeetle), Tiratabha, termite and Ganoderma that shows figure of incidence were all has bellow threshold limit. This situation has also verified during field observation. Therefore, there are only herbicide used as part of field upkeep on palm circle and harvesting path.

7.2.2

Unit certification shows consumption of pesticide trends from 2015 to 2020 and January to May 2021. Monitoring of pesticide consumption during 2020 to 2021 is summarized in the following Table:

Pesticide	Active Ingredients	LD-50 (mg/kg weight)		a.i. (gr/ha)
		Oral	Dermal	
Metaprima 20 WG	Methyl Metsulfuron	>5,000	>2,000	0.143
Round up 480 SL	Isoprophyl Amine Glyphosate	>5,000	>5,000	2.368
Starlon 665 EC	Triclophyr equivalent	1,378-1,581	>2,000	0.123
Garlon 480 EC	Triclophyr Butoksi Ethyl Ester	1,378-1,581	>2,000	0.123

According to the Table above, it could be concluded that there are only herbicides used in PT KMB. Furthermore, active ingredients used by estate management are relatively low and in accordance with agronomist and product recommendation.

7.2.3

Unit of certification has monitor and evaluate the consumption of pesticide annually. All estate management shows trend of pesticide consumption for period 2015 to 2020. Consumption of herbicides were fluctuated, due to substitution among it, and there is no consumption of insecticides and rodenticides during 2019 to 2021. Estate management has prefer to control pest population towards biological method instead of chemicals. For example, rat population control through adopting *Tyto alba* on the field by installing barn owl box. Map of box was available with scale 1:50,000. Furthermore, *Oryctes* sp. population control through pheromone trap. Moreover, leaf eating caterpillar population control through planting of beneficial plants such as *Turnera subulata* that usually founded in adjacent with main or collection road. This biological control has verified during field observation to all estate.

7.2.4

In order to avoid P&D (include weeds) resistance and prophylactic uses of pesticide, estate management had substitute and/or rotate the use of pesticides for the same target, for example, in term of broad leaf control, the use of pesticide with active ingredient Methyl Metsulfuron could be substitute with pesticide with active ingredient Triclophyr Butoksi Ethyl Ester and Isopropyl Amine Glyphosate. As review on pesticide consumption from 2015 to 2021, it was known that estate management has no use paraquat active ingredients. Furthermore, biological method has also adopted for pest population control such as planting of beneficial plants, pheromone trap and presenting barn owl on the field.

7.2.5

Unit of certification commitment on zero use of paraquat is presented in Internal Memorandum of Agriculture and Technical Palm Oil Research Head No. 016/IAC/RSC/II/2015 dated 09 May 2015 and Circular No. 026-adendum/IAC/RSC/XI/2015 dated 26 January 2016. According to pesticide stock, it was known that there is no paraquat since 2015. All pesticide used by the unit of certification were generally classified as Class II and Class III or moderately hazardous and slightly hazardous, respectively. There no pesticide classified as WHO 1A, 1B, and paraquat. This is confirmed during observation to Pesticide Store in Central Warehouse. Moreover, all pesticides used were listed on www.pestisida.id by Department of Agriculture, Republic of Indonesia.

7.2.6

Estate management has conducting several trainings or refreshment which aims to maintain workers knowledge and skills towards IPM. For example, training of MSDS, scheduled waste management, work instruction of pesticide application had conducted on 14 August 2020 and 13 January 2021, while training on IPM and pesticide management has conducted on 04-05 August 2020.

Based on observation to pesticide application activities in Division 2 Block L9 Gunung Makmur Estate, Division 3 Block H05A Sungai Mentaya Estate and Division 1 Block M05Z it was known that applicators had equipped with proper PPE (masker, face shield, rubber gloves, apron and boots), as well as able to explain and demonstrate technical matters of application such as prohibition area for application (riparian zone and conservation areas), considering wind flows, PPE management, hazardous symbols, target of application, medical check up requirement, etc.

7.2.7

The unit of certification has a pesticide waste handling procedure presented in the waste disposal procedure no. KMB-SOP-LK-010-RO, which explains, among other things, that the former pesticide packaging of the Hazard waste generating unit is sent to the pesticide rinsing site. The used pesticide packaging is rinsed a minimum of 3 times in accordance with the recommendations from the supplier, after being assessed as clean, the waste is stored and arranged in a hazardous waste storage area that has a permit.

Based on the results of visits to the BGS and BMS pesticide storage warehouses, it is known that pesticides are stored in separate warehouses from other materials. BGS (BGA Ground Management Spraying System) and BMS (BGA Manuring System) Have facilities such as excellent ventilation / air circulation, symbols, such as danger symbols, channels and containers for pesticide spills. The pesticide stock data for each type is listed on the label. There is a stock of pesticides arranged on the shelf according to the trademark and MSDS.

7.2.8

The certification unit has procedures for storing and handling pesticides such as: Hazardous and toxic management procedures, pesticide management procedures, pesticide safety guidelines, and Work Instructions for First Aid against pesticide poisoning. Based on documents related to SOPs for storing pesticides, the Company has SOPs for waste disposal, namely KMB -SOP-LK-010-RO. In the work instructions, a flow chart of instructions for the implementation of pesticide waste is described. The used pesticide packaging of the Hazardous waste generating unit is sent to the pesticide packaging rinsing site. The used pesticide packaging has rinsed a minimum of 3 times in accordance with the recommendations from the supplier, after being assessed as clean, the waste is stored and arranged in a hazardous waste storage area that has a permit.

Based on observations of the BGA Ground Management Spraying System (BGS), it is known that the estate management unit has provided a special place to carry out washing activities for work tools and PPE, where the used washing water is collected and reused for pesticide application activities. As for packaging that is reused for pesticide mixing activities, it will be marked with the B3 symbol and its circulation is recorded. In addition, based on observations in residential areas, there was no use of use pesticide packaging for household domestic purposes.

7.2.9

Based on information from estate management, surrounding communities and Government Institutions of Kotawaringin Timur Regency, it was known that there is no aerial pesticide application in PT KMB. The company has only applied pesticide manually by spraying equipment.

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 examination includes cholinesterase examination, spirometry, medical check-up (general) and audiometry.

The implementation of that programme such as:

- Health checks were carried out at Sungai Mentaya Estate for 75 spraying and fertilizing employees in 2020. Based on the results of health checks (cholinesterase) all employees were declared fit to work.
- Conducted health checks at Gunung Makmur Estate for 58 spraying and fertilizing employees in May 2021. Based on the results of health checks (cholinesterase) all employees were declared fit to work.

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.

Status: Comply

7.3

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

7.3.1

The company has identified the source of waste and pollution for mill and estate for each operational activity, for example:

- Waste from agrochemical storage is used rags, used agrochemical packaging, and etc.
- Waste from spraying activities is used agrochemical packaging, mask, contaminated gloves, spraying equipment
- Waste from mill operational activities is shell, liquid waste, boiler ash.

Hazardous Waste

Hazardous waste management permit for storage activities in accordance with the decision of the Regent of Kotawaringin Timur Number 660/493 / DLH-Ek.SDA.VII / 2017 is valid for 5 years from the date of July 25th, 2017. Waste that can be stored includes used oil, used batteries, used packaging chemical materials, used lamps, used filters, used waste, electronic waste and medical waste.

Liquid waste

The liquid waste produced is entirely utilized in the application area in accordance with the permit for utilization of liquid waste. The Certification Unit shows the Decree of the Kotawaringin Timur Regent Number: 660/437/DLH-ek.SDA/VI/2017 dated 31 May 2017 valid for 5 years. The land application area is 427.68 hectares. And the land that is not irrigated as control land is in F29 with an area of 19.86 hectares in Rantau Tampang Village, Telaga Antang District, Kotawaringin Timur Regency, Kalimantan Tengah Province.

Solid waste

Fiber, EFB and shells produced are partially used as fuel and some are applied to the field or estate.

7.3.2

Based on interviews with company management and the Head of the Chemical Warehouse, it is known that they understand the handling of waste disposal, especially hazardous waste and domestic waste, as well as hazardous waste management in accordance with the procedures owned by the management.

The certification unit has carried out socialization on hazardous waste, waste which is shown in the official report on June 2, 2021 with the material presented in the form of: Maintaining the cleanliness of the hazardous waste workshop and warehouse, paying attention to oil spills and workshop cloth, hazardous waste must be stored in the hazardous waste warehouse and the date December 13, 2020 at the generator house Division 3&4 BDME regarding the management of hazardous waste in the form of generator oil, oil filters and used oil. Based on the results of field observations to employee housing and around the factory, there is no waste of used pesticide packaging.

7.3.3

The company does not do open burning to destroy waste, this can be proven from field visits to Temporary Waste Disposal Sites where there are no encounters with burnt waste. The results of interviews with factory employees also stated that there was no waste burning activity because they were aware of the prohibition on burning activities and the sanctions that would be received if burning.

The results of field observations in the employee housing area also showed that there were no traces of burning activities, in addition there were also many warnings for the prohibition of burning waste and the dangers that could arise from burning activities. Interviews with employees who live in the housing estate also stated that they have never burned waste because of sanctions. In addition, the company has scheduled a weekly garbage collection using trucks

Status: Comply

7.4

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

7.4.1

Procedure related to soil fertility management is presented in procedure of Agronomy (doc. No. BGA-AGR-KS-SOP-xx) dated 25 May 2011, as follows:

- Volume I: installation and maintenance of drainage system (SOP-04), conservation of water and soil (SOP-05), planting of legumes or land cover crop (SOP-06).
- Volume II: covers weeds management (SOP-08) and manuring (SOP-09).
- Volume III: marginal soil management (SOP-16).

Furthermore, procedure of leaf and soil sampling analysis for fertilizer recommendation calculation are presented in document of Internal Office Memo No. 004/IOM/RSC/III/15 dated 07 December 2015 and No. 53/RSC-ADM/XII/15 dated 07 December 2015, respectively.

Several records related to soil fertility management shows are leaf and soil sampling analysis, program and realization record of fertilizer in all estates of PT KMB, by-products (POME and EFB) application record. Time of application has follows the schedule recommended by BGA Agronomist team. Furthermore, estate management informed that several strategies that had implemented which aims to enhance soil fertility are:

- Manuring as recommended by Agronomist team.
- By-products application, i.e.: empty fruit bunch (EFB) mulching and land application by palm oil mill effluent (POME) in the permitted areas of PT KMB.
- Planting of legume cover crops (LCC) such as *Mucuna bracteata* and maintaining soft grasses on immature and terraces areas. This legume has used to enhance nutrient N and K content on the soils, at the same time could prevent soil erosion.
- To keep soil moisture through selective weeding, by-products application and LCC maintenance.

7.4.2

Procedure of leaf and soil sampling analysis for fertilizer recommendation calculation are presented in document of Internal Office Memo No. 004/IOM/RSC/III/15 and No. 53/RSC-ADM/XII/15 dated 07 December 2015, respectively. Both type of sampling has carried out annually by Analysis Laboratory of Research Department of BGA Group, with noted that soil samples has only taken from 20 % of total Blocks. Unit of certification shows leaf sampling unit (LSU) and soil sampling unit (SSU) analysis for PT KMB results that presented in several documents, for example as follows:

- Leaf analysis 2020 dated 13 May 2020 and soil analysis dated 06 May 2020.
- Leaf analysis 2021 dated 24 May 2021 and soil analysis dated 20 May 2021.

Among parameter analyzed in leaf sampling are dry matters of macro nutrient (N, P, K, Mg and Ca) and micro nutrient (B, Cu, Zn), as well as status of each nutrient. Meanwhile, parameter analyzed in soil sampling are soil type, soil group, depth of sampling, pH, CEC, C-Org, N, C/N ratio, available P, P Total, soil nutrients content (Ca, Mg, K) and soil nutrient status. Visual assessment of palm vigor land field condition by Agronomist was also carried out every year to monitor nutrient status change.

7.4.3

Apart from chemical fertilizer, unit of certification also has implementing by products application as nutrient cycle strategy, such as empty fruit bunches (EFB) mulching and palm oil mill effluent (POME) through land application on soil mineral areas. For example, application of by-products in PT KMB period January to December 2020 are summarized as follows:

- Up to July 2020, EFB had applied in GMKE for about 8.932 ton.
- Up to May 2021, POME had applied on 8 blocks with total volume about 7,604 m³ that covers 223 ha.

7.4.4

Unit of certification shows program and realization of manuring program. For example, record of fertilizer during 2020 is summarized in the following Table:

Fertilizer	GMKE	BDME	SMNE	Total
Dolomite	557.04	458.19	256.44	1,271.67
NPK-13+B	1,732.89	1,307.77	1,097.84	4,138.50

According to fertilizer application record, manuring program in 2020 has fully comply with the program.

Status: Comply

7.5

Practices minimise and control erosion and degradation of soils.

7.5.1

In general, soil type distribution in PT KMB is summarized as follows:

- Dystrudepts: 5,436.17 ha
- Haplhumods: 80.38 ha
- Local Alluvium: 4,361.01 ha
- Paleudhults: 2,356.92 ha
- Plinthudults: 287.67 ha
- Quartzpsamments: 333.21 ha
- Udifluvents: 66.47 ha

Furthermore, according to soil survey report in 11-16 February 2010 that conducted by GIS team, soil properties that categorized as marginal to fragile is summarized in the following Table:

Soil Type	Slope (%)	Coverage Area (ha)	Limitation Factor	Suitability Class
Inceptisol	15 – 25	1,228.50	Poor drainage, rolling to hilly slope and clay texture	S3 (marginal)
	25 – 45	75.43	Hilly to somewhat steep slope and heavy clay texture	N1 (currently not suitable)
	45 – 65	4.53	Steep to very steep slope and heavy clay texture	N2 (permanently not suitable)
Ultisol	08 – 15	589.05	Rolling slope	S2 (slightly suitable)
	15 – 25	250.22	Rolling to hilly slope	S3 (marginal)

Based on the Table above, it could be concluded that there is presence permanently not suitable area (N2) which currently managed under conservation area (Ehang/Setan Hill). Furthermore, there were fragile and marginal areas for oil palm cultivation due to limitation factors such as poor drainage, hilly to somewhat steep slope and heavy clay texture.

7.5.2

There is no planting in steep areas, which already managed as conservation (Ehang/Setan Hill). However, based on field observation on hilly areas, it was known that estate management has adopting terraces planting pattern on that particular areas, with additional best agricultural practices implementation such as EFB mulching, selective weeding and planting of land cover crop.

7.5.3

There is no new planting on hilly to steep areas.

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

According to soil survey report in 11-16 February 2010 that conducted by GIS team, soil properties that categorized as marginal to fragile is summarized in the following Table:

Soil Type	Slope (%)	Coverage Area (ha)	Limitation Factor	Suitability Class
Inceptisol	15 – 25	1,228.50	Poor drainage, rolling to hilly slope and clay texture	S3 (marginal)
	25 – 45	75.43	Hilly to somewhat steep slope and heavy clay texture	N1 (currently not suitable)
	45 – 65	4.53	Steep to very steep slope and heavy clay texture	N2 (permanently not suitable)
Ultisol	08 – 15	589.05	Rolling slope	S2 (slightly suitable)
	15 – 25	250.22	Rolling to hilly slope	S3 (marginal)

Based on the Table above, it could be concluded that there is presence permanently not suitable area (N2) which currently managed under conservation area (Ehang/Setan Hill). Furthermore, there were fragile and marginal areas for oil palm cultivation due to limitation factors such as poor drainage, hilly to somewhat steep slope and heavy clay texture.

7.6.2

Based on field observation, it was found several management input to overcome soil limitation for oil palm cultivation, summarized as follows:

- Heavy clay soil texture: estate management has adopting composted EFB mulching and land application, which aims to enhance organic matters on the soil, as well as to put additional nutrient for soil fertility. Dosage of EFB was 200 kg/palm/year. As sighted on the field, composted EFB has distributed to the field and ready to be applied.
- Low soil fertility: estate management has follows fertilizer schedule as recommended by Agronomist.
- Steep area: to avoid planting on this kind of slope characteristics.
- Hilly areas: for soil and water conservation purposes, estate management has adopting terraces planting pattern on those particular areas, with additional best agricultural practices implementation such as EFB mulching, selective weeding and planting of land cover crop.

7.6.3

Since there is no peat areas, thus, there is no specific water management installed on the estate operational areas. However, on hilly areas, estate management had adopting terraces planting pattern with additional best agricultural practices implementations such as EFB mulching, selective weeding and planting of land cover crop.

Status: Comply

7.7

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

7.7.1; 7.7.2; 7.7.3; 7.7.4; 7.7.5; 7.7.6; 7.7.7

Based on environment impact analysis (EIA) report in 2002, soil survey by GIS and research team dated 04 April 2017, as well as field observation to estate areas, it was known that there is no peat soil within PT KMB estate operational areas. Thus, this Indicator is not applicable.

Status: Comply

7.8

Practices maintain the quality and availability of surface and groundwater

7.8.1

The certification unit has SOPs for identification, management and maintenance of water sources and quality in having Internal Office Memo no 03/IOM/RH-1/17. Regarding the protection policy HCV Conservation areas in GMKE, BDME, BMKE, BKCE and BBGE (the scope certification is GMKE, BDME and SMNE). In the IOM it is explained that all unit leaders and employees of PT KMB to:

1. Not hunting, catching, injuring, killing, storing, possessing, maintaining, transporting and/or trading rare and protected Animals/plants both alive and dead in the entire company area
2. Participate in protecting the area that has been designated as a protected area and all parts of the ecosystem in it.
3. Report all activities of hunting, catching, killing and selling rare and protected animals and plants
4. Reporting all illegal acts of destruction, burning, mining and all other forms of action that can threaten the sustainability of biological life and protected areas
5. Not keeping and or selling animals and plants that are protected illegally originating from within the company's area or from outside the company
6. Carry out management and monitoring activities in high conservation value areas based on established technical standards and guidelines
7. The application of fertilizers to the border of a river or spring that has been identified as an HCV area is to do it in a single method, it is prohibited to apply chemical substances to the border of a river or spring that has been identified as an HCV area. Only allowed manually. The HCV conservation area must be given a warning sign in the form of red paint on the palm fronds and notice boards.
8. In the IOM it is explained that the river border has a width of 15-50 meters from either side of the river. Such as the border of the Kehu river to 25 meters, Merayak River with 50 meters, Raya River with 50 meters, Tenggara River with 15 meters.

Unit of certification has a 2021 high conservation value management plan document. This document describes the management plan for surface and underground water sources as follows:

- Conducting outreach to the surrounding community regarding the importance of river border conservation
- Carry out riverbank restoration such as: Restoration of riverbank habitat and tree planting
- Monitoring and measuring the quality of domestic water and river water on a regular basis
- Measure and monitor the quality of monitoring well water
- Controlling the use of chemicals
- Determination and control of buffer zone areas
- Soil and water conservation programs to reduce erosion and increase water absorption
- Water management program
- Signboard installation
- Monitoring the rate of erosion regularly

Another effort of the Certification Unit in anticipating environmental pollution is to conduct surface water analysis every 6 months to determine the level of quality standards that have been set.

Based on data from surface water tests in semesters 1 and 2 of 2020, for example, the BOD value in the Upstream and Downstream of the Mentaya River in 2020 is above the threshold, but the BOD value in the downstream river indicates a decrease in pollutant load even though in semester 1 2020 it is still above the threshold quality standards. This shows that environmental management efforts, especially the river border areas, have been successfully carried out.

The Certification Unit has not been able to show the Clean Water Quality Test Results for Semester I and II of 2020 due to the Covid-19 pandemic situation as evidenced by the Application for Postponing Testing Number 01/KMB-EKS/IV/2020 dated April 13, 2020 and the Certification Unit has shown News The sampling event for Emission Air Quality, Ambient and Fixed Sources and Groundwater on April 15-21 2021 by the Sucofindo Laboratory.

7.8.2

Unit of Certification shows documents for water management and maintenance of water sources which are described in several documents, for example:

- SOP on Identification of Management and Maintenance of Water Sources and Quality in Having Internal Office Memo no 03/IOM/RH-1/17. Regarding the protection policy HCV Conservation areas in BMKE and BKCE.
- Installation of buffer zone stakes around the reservoir pond and river flow Sang Sang Division 1.2 GMKE estate (Block D-16, B-25, A-2/3)
- Realization of Buffer Zone Area Management Plan in 2021:
 1. Repair and fix broken buffer zone peg
 2. Socialization of the prohibition of spraying and application of inorganic fertilizers to employees (BSS Team and BMS Team)

3. Manufacture and installation of Sign Boards is prohibited spraying and fertilizing in buffer zone areas
4. Repainting the buffer zone boundary mark
5. Inspection of buffer zone area management

Based on field observations in the Sang Sang River Border Conservation Area Division 2 Block G8 GMKE, it is known that the company has managed the HCV area in accordance with the management plan that was prepared, such as the installation of signboards and maintenance.

7.8.3

Based on the results of document verification and field visits at the WWTP of Gunung Makmur POM, information was obtained that the housing has 12 waste ponds, namely: 3 cooling ponds (1, 2, 3) with a capacity of 4,687.5 M3, 2 anaerobic ponds (4 and 5) with a capacity of 24,000 M3, 6 aerobic ponds (6, 7, 9, 10, 11, 12) with a capacity of 74,000 M3, and 1 application pond (pool 8) with a capacity of 12,000 M3. The total capacity of the sewage pond is 135,000 m3. Last pool no. 8 sampling compliance points with coordinates S 01°45'54.5" & E 112°35'85.8". Utilization land in Block F28 at coordinates S 01°45'47.1" and E 112°36'13.0"; control area of block F29 on coordinates S 01°45'40.7"E & 112°36'21.2" and monitoring wells in settlements S 01°45'67.6" and E 112°36'04.6". Before being sent to the Land Application, all liquid waste is put into the WWTP which is then processed to reduce pollutant elements so that it is suitable for application to land.

The Certification Unit shows the Decree of the Kotawaringin Timur Regent Number: 660/437/DLH-ek. SDA/VI/2017 dated 31 May 2017 valid for 5 years. Land Application area of 427.68 hectares. And the land that is not irrigated as control land is in F29 covering an area of 19.86 hectares in the Rantau Tampang Village, Telaga Antang District, Kotawaringin Timur Regency, and Kalimantan Tengah Province.

The certification unit has measured the quality of the liquid waste in accordance with the quality standard parameters. Tests were carried out at two points, namely the raw final effluent (inlet) and pool 8 (outlet). The test is carried out by an accredited laboratory. The quality standard for wastewater refers to the Minister of Environment Decree No. 28 of 2003. The results of testing the quality of liquid waste which are carried out every month, examples of test results are shown by data. The required quality, which means that the use of waste water for the land application is in accordance with the applicable regulations.

The certification unit has not been able to show the test results in May 2021 because the test results from the *Laboratorium Pengujian Komoditi dan Lingkungan Kalimantan Selatan* have not been published as evidenced by the application letter for Wastewater Analysis on 20 May 2021 at the Gunung Makmur mill sample point.

Based on the results of field visits to the WWTPs, it also showed that there was no pollution to the environment such as leaks or flooding. Based on the results of interviews with WWTP officers, it was also stated that every liquid waste that flowed into LA was always recorded, the flowmeter used was functioning properly and there had never been any leakage and flooding in the WWTP area.

7.8.4

The mill management unit shows records of water use for palm oil processing, for example for the period January to December 2020. The use of water for processing GMKM ranges from 0.88 – 0.91 m3 water/ton FFB with an average value of 0.90 m3 water/ton FFB. This figure is much lower than the annual budget, which is 1.20 m3 water/ton FFB. Then, based on observations to the WTP GMKM, it is known that all flowmeters are functioning properly

Status: Comply

7.9

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

7.9.1

The unit of certification utilizes solid waste to improve the efficiency of the use of fossil fuels and to optimize renewable energy which can be proven by documents recording the implementation of solid waste utilization.

FFB processing for the January – December 2020 period as much as 339,809 tons. Solid waste in the form of shells and fibers is used to replace diesel fuel as boiler fuel. Shell production of 16,112 kg utilized 9,498 kg and fiber production of 38,481 kg utilized 40,893 kg. The budget for the use of diesel in 2020 is 142,338 liters and the realization of the use of diesel in 2020 is 124,710 liters,

saving diesel fuel is 17,628 liters. The use of Fiber is entirely used for boiler fuel as a steam generator and for turbine propulsion. Energy efficiency of 442 KWH/year, saving 12.4% of diesel consumption.

Status: Comply

7.10

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

7.10.1

Based on document review, it was noted several facts, as follows:

- According to area statement of PT KMB and production of GKMM for period 2020, it was known that GMKN has only received RSPO certified FFB from GMKE, BDME and SMNE. Total certified area for PT KMB was 8,533.45 ha with planted areas for about 7,418.28 ha. Furthermore, there were no FFB received from BMKE and BKCE.
- Total HCV area of GMKE, BDME and SMNE in area statement is 174.84 ha.
- Based on Palm-GHG calculation of PT KMB-GMKM for period 2020, it was known that source of FFB has been classified into third parties, own estate, group estate, with detail from owned estate is presented in the following Table:

Source	Association	Total Area	Planted Area (ha)	Conservation (ha)	Others (ha)
PT Karya Makmur Bahagia	Own Estate	14,452.14	13,313.00	493.00	646.14

(*Note: Unit management has used total area of PT KMB included GMKE, SMNE, BDME, BKCE and BMKE in GHG calculation)

Unit of certification is not be able to shows that data input on Palm-GHG calculation for RSPO Gunung makmur Mill has in accordance with actual data scope of certification. It is become **non conformity No. 2021.04 with Major category.**

7.10.2

The certification unit has not carried out new developments since January 2015. So the company's current net GHG emissions are as described in indicator 7.10.1.

7.10.3

The unit already has activity records that can be used to identify significant sources of pollutants such as the Oil Palm Plantation unit, namely the use of diesel fuel for boilers and transportation. As for the Estate units, such as the use of fertilizers, pesticides, domestic waste, the use of electricity and the use of diesel fuel for transportation. Based on the results of the identification, the unit of certification has carried out GHG mitigation and plans.

The company shows evidence of realizations related to greenhouse gas mitigation, including:

- Unit of certification demonstrates monitoring of fiber and shell usage and analysis of their efficiency. Data on the use of EFB, fiber and shells used for combustion so that they can substitute for diesel fuel used are available along with the results of analysis and calculations.
- The certification unit has monitored the use of fertilizers in accordance with the recommended dose to reduce emissions due to fertilization.
- The certification unit has monitored the use of pesticides in accordance with the recommendations to reduce emissions due to spraying activities.
- The certification unit has made plans for planting stands to reduce emissions around the mill and employee housing.
- Calculate the efficiency of using fossil fuels for the period January - June 2020 as an effort to reduce the use of diesel fuel efficiency.

The certification unit conducts environmental pollution analysis in collaboration with nationally accredited laboratories so that they can find out the existing quality standards plantation activities. The results of the analysis of ambient air monitoring in the factory area are based on PP 41 of 1999 shows that all parameters measured in the second semester of 2020 are below the required environmental quality standards. Likewise for the test results of Boiler Emissions and Genset Emissions showing that all the measured parameters meet the required quality standards.

However, the results of the analysis of noise quality monitoring in the factory area, based on the Noise benchmark of the Minister of Manpower No. 5 of 2018 concerning Occupational Health and Safety, exceed the required quality standards. To overcome this, the certification unit has risk mitigation efforts, including:

- Minutes of handover of PPE April 1, 2021 employees of the Factory Division in the form of Ear Muffs were given to employees who work at the Power House Station and Boiler Station as many as 6 employees. In addition, the company also provides PPE in the form of Ear Plugs, for example to employees who work at Kernel Stations, Machine Maintenance Workshops, Presses, Fruit Reception. A total of 91 employees.
- Document Monitoring of generator and boiler maintenance on a regular basis at the PKS Location
- Regular Road Watering
- Use of dry fiber fuel
- Housekeeping
- Make and implement corrective actions if it is outside the quality threshold

The Certification Unit has not been able to show the results of the Emission, Ambient, Odor, Noise and Vibration Air Quality Testing for Semester I and II of 2020 due to the Covid-19 pandemic situation as evidenced by the Application for Postponement of Testing Number 01/KMB-EKS/IV/2020 dated April 13, 2020 and the Certification Unit has shown the Minutes of Sampling of Emission Air Quality, Ambient and Fixed Sources and Groundwater on April 15-21 2021 by the Sucofindo Laboratory. In addition, there was no issue of pollution due to factory and plantation activities based on information from the department and the surrounding community.

Critical 7.10.1 | Status: NCR No.2021.04 with Major Category

7.11

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

7.11.1

Based on the results of land used change analysis shown by the company, there was land clearing between November 2005 and December 2010, however, land preparation was carried out mechanically with heavy equipment and not by burning, this is in line with the BGA group sustainability policy issued in 13 August 2015 the first point on Forest Conservation and Sustainable Land Use mentions No peat, protection of High Conservation Value (HCV) and High Carbon Stock (HCS) landscapes, reducing the use of chemical fertilizers and pesticides, eliminating Paraquat and preventing fires. In addition, the Environmental and Biodiversity Policy issued on 11 May 2011 was approved by the director, which among other things stated a commitment to clearing land to implement a zero-burn system in all plantation development and waste management activities.

7.11.2

The certification unit has established preventive and control measures in the event of a fire which is listed in the SOP for emergency response with the number BGA-SOP-KMB13-R0 which was legalized and came into force on April 17, 2012, which explains the classification of emergency conditions which includes fire, formation of an emergency response team, the duties and responsibilities of each person as well as the flow diagram of the evacuation process, first aid, and firefighting.

In principle, the land clearing and structuring document apply the zero burning method and refers to PP no. 28 of 1995 concerning the development of national plantations.

In 2021 the company will carry out land clearing activities as indicated in the MOU document with Replanting Wholesale No. 112-RPLANT/KMBL-GMKE/JKT/03/2021 dated 01 March 2021 with contractor PT Cahaya Bumi Rezeki. Based on Article 1 of the MOU, the types of activities carried out are manual land clearing techniques consisting of uprooting, piling up, making drainage channels, building roads. Then, in Article 6 it is stated that contractors are prohibited and guarantee not to burn land in carrying out the work. The realization of land clearing activities as of June 2021 is 165.78 ha. From the description above, it can be concluded that the company already has a documented record of land clearing.

Based on field observations to GMKE, SMNE, and BDME, as well as the results of interviews with representatives of the surrounding community, the Plantation Service, and the Environmental Service of Kotawaringin Timur Regency, it is known that there are no traces of land clearing activities using the burning method. Then, soil and water conservation is carried out by applying a horseshoe cropping pattern and parallel to the contour in areas with steep slopes (> 25%).

7.11.3

The certification unit routinely conducts socialization and training to employees for fire prevention and control activities, some examples of activities that have been carried out include documentation in the form of socialization reports, simulations, and training for land, garden, and forest firefighters in collaboration between Manggala Agni and PT KMB on 8-9 September 2020 with 39 participants.

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

Based on the results of the previous audit, the company explains the land used change analysis with the following explanation:

- HCV Assessment Date Sept-October 2011.
- Land clearing prior to the November 2005 - September 2010 HCV assessment.
- The total area of the management unit is 15,056 ha.
- The total raw area is 5,268 ha.
- The total area of conservation responsibility is 1,855 ha (net area of 856 ha)
- E-mail evidence from the RSPO Compensation RSPO Executive to the Head of Sustainability BGA dated 25 April 2016 informing that the LUCA report has been received and declared as PASS.

Email from RSPO (@rspo.org) dated May 27th, 2019 informing that “kindly note that there is land liability issue for this certified unit where the compensation plan has yet to be endorsed. Therefore, the certificate for this certified unit cannot be issued upon the completion of the assessment until everything is clear”.

7.12.3

Not relevant, until a further decision is made by the RSPO.

7.12.4, 7.12.5 and 7.12.7

Based on plantation management information as well as a review of the hectare statement from the previous audit, it was found that there was no additional planting or expansion of the plantation operational area after November 15, 2018. Therefore, this indicator does not apply.

7.12.6

PT Karya Makmur Bahagia has conducted an HCV in 2012 conducted by an RSPO Approved Assessor. Identification is based on tracking HCVs in Indonesia and involving personnel and local communities in a process carried out stakeholder consultations. Based on the results, there is an HCV area of 175.84 Ha in the form of HCV 1.1, HCV 1.2, HCV 1.3, HCV 2.3, HCV 4.1, HCV 4.2, and HCV 6.

The certification unit shows a monitoring document for protecting animals and plants, dated January 14, 2021. Based on the document, there are no endangered plant and animal species, according to the protection status of the Minister of Environment and Forestry Regulation No. 106 of 2018.

The certification unit also carried out monitoring of the HCV area on May 5, 2021, the results of the monitoring were as follows:

- Availability of maps of HCV areas in good condition
- Availability of buffer zone stakes in river border HCV areas in good condition
- The condition of the river border is not found any traces of chemical activities
- Signboards are available at the river bank HCV

The certification unit has carried out socialization of the existence of endangered plants and animals to employees and the surrounding community, which is shown in the Minutes of Socialization document, as follows:

- Socialization of HCV to Chemist and Fertilizer Operators in Division 2 Gunung Makmur Estate on 23 April 2020 which was attended by 15 participants.
- Socialization of HCV to the surrounding community in Luwuk Kowan Village on 30 May 2020 which was attended by 6 participants.
- Review of HCV Management Plan Management Activities through Community Consultation Around PT KMB including Sungai Hanya Village Community, Waringin Agung Village, Bhakti Karya Village. The activity was carried out in 26-27 January 2021 with the aim of accommodating aspirations, responses, and suggestions by representatives of each apparatus and local villagers regarding the management of the HCV area at PT KMB and to evaluate the results of the realization of the management of the HCV Area in 2020 as an improvement plan. Management of HCV areas in 2021. 20 people from the surrounding

community attended.

Based on the results of interviews with management units and company employees regarding animal protection, the company has committed to protecting animals that are within the scope of corporate governance, such as implementing a prohibition on hunting, killing and maintaining wild animals in the company's environment.

7.12.8

The company has followed up on the completion status of PT KMB's RaCP on June 20, 2019, July 31, 2019 and received a reply from the last RSPO on August 2, 2019 stating that: "I have already briefed the Assurance unit on the IGC discussion especially for the certified units and RaCP issues and we would respond to you by next Monday, 5 August 2019 with the decision". Until this audit ended, there had not been any significant follow-up from the RSPO regarding the completion of PT. KMB. Furthermore, by considering conditional approval from the RSPO secretariat, this indicator will still be appointed as the NC Major, but its fulfillment will be re-verified in the next assessment **This becomes nonconformity No.2020.01 (Remote Audit)**

Verification Auditor (Onsite Audit)

RSPO inform BGA on 14 June 2021 which inform list of companies with "clarification" status, that lastly gave feedback on 3 August 2020. RSPO will not issue the conditional approval unless feed back is given. This email responded immediately by BGA which stated that the last feedback on the compensation plan related to the companies listed by RSPO is dated 14 April 2021, and have been CC'd to the email thread as well, besides other exchange of information between the Secretariat and Bumitama in regards to BGA Compensation plan. In 17 June 2021, RSPO mentioned that after internal checking and discussion within the RSPO Integrity unit, RSPO decided to provide a **Conditional Approval**.

	Status: Comply	
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3.2 Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client	X or√
ASA-1.1 & ASA-1.2	The company does not use RSPO trademark.	√
	Status: comply	
2.	Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use	X or√
ASA-1.1 & ASA-1.2	The company does not use RSPO trademark.	√
	Status: comply	
3.	Implementation of Certificate and Trademark is not used on product	X or√
ASA-1.1 & ASA-1.2	The company does not use RSPO trademark.	√
	Status: comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.	X or√
ASA-1.1 & ASA-1.2	The company does not use RSPO trademark.	√
	Status: comply	

1.5 Summary of RSPO Partial Certification.

Compliance of the uncertified management units of Bumitama Agri, Ltd against the rules for partial certification was determined through Self Assessment in accordance with RSPO Certification System clause 5.5.3. A summary of findings is as stated below.

Bumitama Agri, Ltd Time Bound Plan is explained in table 1.10. Bumitama Agri, Ltd has informed the Time Bound Plan progress, MUTU has considered that MP Bumitama Agri, Ltd is complied with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by Bumitama Agri, Ltd on March 2021.

MUTU has verified partial certification for un-certified unit's subsidiary of Bumitama Agri, Ltd based on their Time Bound Plan. There are nine (9) uncertified mills and thirty two (32) uncertified estates management units of Bumitama Agri, Ltd. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

- There is no significant land conflicts which have not been declared above
- The company has follow RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There is no labour disputes that are not being resolved through an agreed process
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above

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?	Based on the document review, there is a company internal audit that was conducted and the positive assurance is at this table that is also been verified.
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>PT Langgeng Muara Makmur Sejahtera</p> <ul style="list-style-type: none"> - RaCP Plan document are wait for LUCA documents to be submitted and approved by RSPO. - HCV conducted March 2012 by Forestry IPB. <p>PT Andalan Sukses Makmur</p> <ul style="list-style-type: none"> - LUCA was sent on January 2015 to RSPO - Documents RaCP Plan are wait for LUCA approved by RSPO - HCV was conducted on October 2013 by Sonokeling Akreditasi Nusantara <p>PT Investa Karya Bhakti</p> <ul style="list-style-type: none"> - LUCA was sent on 13 June 2016 to RSPO - Documents RaCP Plan are wait for LUCA approved by RSPO <p>PT Gunajaya Harapan Lestari</p> <ul style="list-style-type: none"> - LUCA has not been submitted to RSPO - HCV was conducted on October 2012 by Forestry IPB <p>PT Windu Nabatindo Sejahtera</p> <ul style="list-style-type: none"> - LUCA was sent on 19 June 2016 to RSPO

		<ul style="list-style-type: none"> - Documents RaCP Plan are wait for LUCA approved by RSPO - HCV was conducted on March 2012 by Forestry IPB <p>PT Ladang Sawit Mas</p> <ul style="list-style-type: none"> - LUCA was sent on 16 July 2014 to RSPO - Documents RaCP Plan are wait for LUCA approved by RSPO - HCV was conducted on December 2013 by Sonokeling Akreditasi Nusantara <p>PT Lestari Gemilang Intisawit</p> <ul style="list-style-type: none"> - LUCA was sent on 7 November 2014 to RSPO - Documents RaCP Plan are wait for LUCA approved by RSPO - HCV was conducted on 2013 by Sonokeling Akreditasi Nusantara <p>PT Agro Manunggal Sawitindo</p> <ul style="list-style-type: none"> - LUCA was sent on 7 November 2014 to RSPO - Documents RaCP Plan are wait for LUCA approved by RSPO - HCV was conducted on July 2013 by Sonokeling Akreditasi Nusantara <p>PT Karya Makmur Langgeng</p> <ul style="list-style-type: none"> - LUCA was sent on January 2015 to RSPO - Documents RaCP Plan are wait for LUCA approved by RSPO - HCV was conducted on July 2013 by Sonokeling Akreditasi Nusantara <p>PT Gemilang Makmur Subur</p> <ul style="list-style-type: none"> - HCV was conducted on November 2016 by PT Gagas Dinamika Aksenta. <p><i>Auditor verification</i> Based on internal audit results and evidence provided (communication to RSPO on liability disclosure) shows that all subsidiaries of Bumitama has been sent to RSPO and now on progress of LUCA review.</p>
2.1.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>PT Langgeng Muara Makmur Sejahtera, there is no new planting after January 1st 2010.</p> <p>PT Andalan Sukses Makmur, NPP was completed for areal 5,630 Ha and publish on March 10th 2016.</p> <p>PT Investa Karya Bhakti, NPP was completed for areal 5,700 Ha and publish on October 4th 2016.</p> <p>PT Gunajaya Harapan Lestari, there is no new planting after January 1st 2010.</p>

		<p>PT Windu Nabatindo Sejahtera, there is no new planting after January 1st 2010.</p> <p><i>Auditor verification</i> Based on internal audit, documented time of land clearing and liability disclosure sent to RSPO, there is new planting/land clearing after 1st January 2010 for PT Andalan Sukses Makmur and PT Investa Karya Bhakti but NPP has been conducted for these units. Evidence of submission to RSPO is provided and the NPP notification are at RSPO website.</p>
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>There is no land conflicts.</p> <p><i>Auditor verification</i> There is land conflicts and has been resolved with RSPO Grievance procedure or Dispute Settlement Facility.</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>There is labor disputes. There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <p><i>Auditor verification</i> There is labour dispute in uncertified unit i.e PT Bumitama Gunajaya Abadi. The dispute has been resolved as we can seen in RSPO website that the status of dispute in closed for monitoring.</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>PT Langgeng Muara Makmur Sejahtera</p> <ul style="list-style-type: none"> • Izin Prinsip Arahan Lokasi No. 525.21/660/Ek.SDA/IX/2014 dated 12 September 2014 5,325 Ha • Location Permit SK Dictrict Kotawaringin Timur No. 188.45/330/Huk-BPN/2014, 23 September 2014 5,370 Ha • Environment Permit No. 660/2140/BLH-Ek.SDA/2015, 19 October 2015 for 5,325 Ha • IUP No. 188.45/490/Huk-Ek.SDA/2014, 19 December 2014 4,810.72 Ha • SK HGU No. 5/HGU/KEM-ATR/BPN/2017, January 10th 2017. <p>PT Andalan Sukses Makmur</p> <ul style="list-style-type: none"> • Izin Prinsip Arahan Lokasi SK Dictrict Kotawaringin Barat No.590/105/Pem-XI/2012, November 21 2012 for areal 9,000 Ha. • Location Permit SK Dictrict Kotawaringin Barat No.525/68/XII/2012, December 18th 2012 for 9,275 Ha • IUP No. 525/45/ek, 06 February 2013 • HGU on process. <p>PT Investa Karya Bhakti</p>

		<ul style="list-style-type: none"> • Izin Prinsip Arahkan Lokasi No. 590/09.Pem-II/2014, 3rd February 2014 for areal 14,500 Ha. • Location Permit SK District Kotawaringin Barat No. 525/62/IX/2014, 1st September 2014, 11,746.74 Ha • IUP No. 525/014/EK, April 21 2015, 5,700 Ha <p>PT Rohul Sawit Industri and PT Masuba Citra Mandiri</p> <ul style="list-style-type: none"> • HGU on process • Panitia B Inti No. 03/RSL/HGU/2015 seluas 1,893.11 Ha • Panitia B Plasma No. 04/RSL/HGU/2015 seluas 938,16 Ha <p>PT Gunajaya Harapan Lestari</p> <ul style="list-style-type: none"> • Izin Prinsip Arahkan Lokasi No. 525/426/Bappeda-D year of 2007, 08 May 2007 for areal 3,000 Ha. • Location Permit SK District Kendawangan No. 265 year of 2007, 28 June 2007 for 3,000 Ha • Revision Location Permit No. 370 year of 2008, 07 October 2008 for 3,000 Ha • Extension Location Permit No. 415 year of 2010, 27 July 2010 for 3,000 Ha • IUP No. 365/DISBUN-D/2012, August 23rd 2012 for 1,750 Ha • HGU No. 62/HGU/KEM-ATR/BPN/2016, 1,973.45 Ha <p>PT Windu Nabatindo Sejahtera</p> <ul style="list-style-type: none"> • Izin Prinsip Arahkan Lokasi No. 02.04.28/525.26/463/XI/Ekbang/03, 8th November 2003 for areal 7,000 Ha. • Location Permit SK District Kotawaringin Timur No. 165.460.42, 26 February 2004 for 5,370 Ha • IUP No. 525.26/152/V/Ekbang/2004, 17 May 2004 for 5,370 Ha • Permit Location No. 374.460.42, December 13 2006 for 5,000 Ha (Revision) • IUP No. 525.26/386/V/Ekbang/2007, May 30th 2007 for areal 5,000 Ha (Revision) • Kadastral Map No. 355-15.05-2007, July 6th 2007 for areal 4,998.76 Ha • Surat Permohonan HGU 003/WNS-Dir/VII/2007, July 11th 2007 for areal 5,000 Ha. <p>PT Windu Nabatindo Abadi</p> <ul style="list-style-type: none"> • Sertifikat HGU No. 37/HGU/BPN RI/2014 seluas 1,987.8 Ha • Sertifikat HGU No. 48/HGU/KEM-ATR/BPN/2015 tanggal 20 Mei 2015 seluas 5.773 Ha <p>PT Nabatindo Karya Utama</p>
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		<ul style="list-style-type: none"> • Sertifikat HGU No. 17/HGU/KEM-ATR/BPN/2016 tanggal 07 April 2016 seluas 3,298.63 Ha <p>HGU on process for Ladang Sawit Mas, PT Lestari Gemilang Intisawit, PT Agro Manunggal Sawitindo, PT Karya Makmur Langgeng, and PT Gemilang Makmur Subur</p> <p><i>Auditor verification</i> Land legal process is still going on and there is a detail update progress documented by the company for each year.</p>
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1.6 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-1.1 (Remote) Assessment

NCR No.	: 2020.01	Issued by	: Sansan Suhendar
Date Issued	: 19 Agustus 2020	Time Limit	: Next assessment
NC Grade	: Critical	Date of Closing	:
Standard Ref. & Requirement	7.12.8 Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCVHCSA assessment since 15 November 2018, the Remediation and Compensation Procedures (RaCP) applies		
Evidence observed (filled by auditor):			
<p>The company has followed up on the completion status of PT KMB's RaCP on June 20, 2019, July 31, 2019 and received a reply from the last RSPO on August 2, 2019 stating that: "I have already briefed the Assurance unit on the IGC discussion especially for the certified units and RaCP issues and we would respond to you by next Monday, 5 August 2019 with the decision". Until this audit ended, there had not been any significant follow-up from the RSPO regarding the completion of PT. KMB.</p>			
Non-Conformance Description (filled by auditor):			
Based on this there is not enough evidence that the RaCP for PT. KMB has been endorsed by the RSPO. Furthermore, by considering conditional approval from the RSPO secretariat, this indicator will still be appointed as the NC Major, but its fulfillment will be re-verified in the next assessment.			
Root Cause Analysis (filled by organization audited):			
The long review process from the HCV Compensation Panel related to the approval RaCP of PT KMB.			
Correction (filled by organization audited):			
Submitted a proposal to delay the improvement time limit associated with indicators 7.3.1 (Approval of HCV Compensation Panel) to the RSPO Secretariat.			
Corrective Action (filled by organization audited):			
Intensive communication with the HCV Panel compensation until they immediately approve the HCV Compensation Plan of PT. KMB as soon as possible.			
Assessor Evaluation and Conclusion (filled by auditor):			
Verification 11 June 2021			
Unit of certification shows email to RSPO dated 11 June 2021 that seek extension of the secretariat approval for all existing RSPO certificates that are going to be subjected to ASA within the 6 months period of conditional approval provided by RSPO. Afterwards, Deputy Director of Compliance respond and ask the company to listing down the unit of certifications related to Bumitama. The list was immediately given by the unit of certification, listed as follows:			
<ol style="list-style-type: none"> 1. Gunung Makmur Mill (cert on 21 July 2014) and Bukit Makmur Mill (cert on 21 July 2014) December 2020) of PT Karya Makmur Bahagia (PT KMB); 2. Pundu Nabatindo Mill (cert on 19 June 2014) and Katari Agro Mill (cert on 26 August 2016) of PT Windu Nabatindo Lestari (PT WNL); 3. Suka Damai Mill (cert on 20 Feb 2019) of PT Rohul Sawit Industri (PT RSI) cert on 20 February 2019 and PT Masuba Citra Mandiri (PT ASM); 4. Pembangunan Raya Mill (cert on 25 March 2019) of PT Agro Sejahtera Manunggal (PT ASM); 5. Bukit Tunggal Jaya Mill (cert on 11 December 2020) of PT Ladang Sawit Mas (PT LSM). 			

Based on the story of communication above, it could be concluded that the process of conditional approval is still ongoing. Thus, this NCR is still remain **open**.

Verification 17 June 2021

RSPO inform BGA on 14 June 2021 which inform list of companies with “clarification” status, that lastly gave feedback on 3 August 2020. RSPO will not issue the conditional approval unless feed back is given. This email responded immediately by BGA which stated that the last feedback on the compensation plan related to the companies listed by RSPO is dated 14 April 2021, and have been CC'd to the email thread as well, besides other exchange of information between the Secretariat and Bumitama in regards to BGA Compensation plan. In 17 June 2021, RSPO mentioned that after internal checking and discussion within the RSPO Integrity unit, RSPO decided to provide a **Conditional Approval** (with a maximum time up to 16 December 2021, which is 6 months from the date of the email) for the Companies under Bumitama group as listed below. This is to allow all of the ongoing progresses of the RaCP process to be completed by the Companies at the soonest possible, and the Annual Surveillance audits are remaining to be carried out.

Management Unit Name	Raw Liability	Current Status	Mill	License Expiry	CB
PT Karya Makmur Bahagia	2,141.00	Clarification at Compensation Plan	Bukit Makmur	26-Sep-21	Mutuagung
PT Karya Makmur Bahagia	2,141.00	Clarification at Compensation Plan	Gunung Makmur	20-Jul-21	Mutuagung
PT Windu Nabatindo Lestari	741	Clarification at Compensation Plan	Pundu Nabatindo	18-Jun-21	Mutuagung
PT Windu Nabatindo Lestari	741	Clarification at Compensation Plan	Katari	25-Aug-21	Mutuagung
PT Masuba Citra Mandiri	861.78	Clarification at Compensation Plan	Suka Damai	20-Aug-21	Tuv Rheinland
PT Agro Sejahtera Manunggal	4,206.27	Clarification at Compensation Plan	Pembangunan Raya	24-Sep-21	Mutuagung
PT Ladang Sawit Mas	3,006.00	Clarification at Compensation Plan	Bukit Tunggal Jaya	10-Dec-21	Mutuagung

The Certification Units SHALL proactively provide a response in a timely manner to the Compensation Panel review, in which if there is a future clarification, it shall not be delayed more than 2 months of the last review/comments received from the RSPO Secretariat.

Based on explanation above, NCR No. 2020.01 is stated **open with conditional approval up to 16 December 2021**.

Verified by	:	Mohamad Amarullah
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3.4.2. Identification of Findings, Corrective Actions and Observations at ASA-1.1 & ASA-1.2 (Onsite)

NCR No.	:	2021.01	Issued by	:	Mohamad Amarullah
Date Issued	:	14 June 2021	Time Limit	:	ASA-1.3
NC Grade	:	Minor	Date of Closing	:	10 August 2021
Standard Ref. & Requirement	:	1.1.2 Non critical Information is provided in appropriate languages and accessible to relevant stakeholders			
Evidence observed (filled by auditor): Unit of certification is not be able to shows some compulsory delivery report the the respective agencies, such as Fire Monitoring period 2019 and 2020, as required by Minister of Agriculture Regulation No. 5 in 2018					
Non-Conformance Description (filled by auditor): Unit of certification is not be able to shows that compulsory periodic report has delivered to the respective Agency as required by applicable regulation.					
Root Cause Analysis (filled by organization audited): Lack of monitoring from the certification unit related to mandatory reporting to the government because there is no identification of mandatory reports and reporting schedules					
Correction (filled by organization audited): - Making identification and mandatory reporting schedule included in the Annual Sustainability Program which is reviewed by RH - Reporting Fire reports for the period 2019 and 2020					
Corrective Action (filled by organization audited): Conduct evaluation and monitoring through monthly sustainability reports as well as through internal audits and management review meetings.					
Assessor Evaluation and Conclusion (filled by auditor): Verification August 10, 2021 The company has shown evidence of improvement including: - Sustainability Work Program which is reviewed by RH and has included mandatory reporting which is the task of Sustainability - Report on Prevention and Control of Karhutla/Damkar for the period January-December 2019 and 2020 PT KMB to the Regent of Agriculture and Plantation Office of the Kotim (June 16, 2021). - Report on Prevention and Control of Karhutla/Damkar for the period January-December 2019 and 2020 PT KMB to the Governor of Central Kalimantan U/P Plantation Office of Kalimantan Tengah Province (June 16, 2021). Based on the evidence of improvement provided, the non-conformance No. 2021.01 is declared to have been fulfilled.					
Verified by	:	Satria Adi Putra			

NCR No.	:	2021.02	Issued by	:	Satria Adi Putra
Date Issued	:	14 June 2021	Time Limit	:	12 September 2021
NC Grade	:	Major	Date of Closing	:	20 August 2021

Standard Ref. & Requirement	: 3.7.1 Critical A documented programme that provides training is in place, which is accessible to all staff, workers, scheme smallholders, and outgrowers taking into account genderspecific needs, and which covers applicable aspects of P&C Principles, in a form they understand and includes assesment of the training
Evidence observed (filled by auditor): Based on observations to GMKM, it is known that the generator used have a capacity of above 200 kVA. Thus, based on Permenaker No. 33 of 2015, companies are required to have an OHS Electrical Expert. However, the absence of an OHS Electrical Expert at GMKM has not been identified in the 2021 training program. The realization of training for operators in the factory according to the plan that has been programmed, has become a record of opportunities for improvement during the previous audit assessment (Remote ASA-1.1).	
Non-Conformance Description (filled by auditor): The company has not been able to show that all workers have been equipped with work permits/licenses referring to the applicable regulations.	
Root Cause Analysis (filled by organization audited): Lack of knowledge unit in identifying compliance related to the competency requirements of the operator	
Correction (filled by organization audited): <ul style="list-style-type: none"> - Identify operator competency requirements based on regulations and machine availability in the mill - Create a training program based on the results of identification and evaluation - Sharing knowledge/coordination with related units related to compliance with sustainability requirements/regulations 	
Corrective Action (filled by organization audited): Conduct evaluation and monitoring through internal audit mechanisms and management review meetings on compliance with regulatory requirements for operator competence	
Assessor Evaluation and Conclusion (filled by auditor): Verification August 20, 2021 The company has shown evidence of improvements including: <ul style="list-style-type: none"> - Letter of Application for Training No. 001/KMB-Area 1/VI/2021 dated June 23, 2021, with the types of training covering Electrical AK3, General AK3, Steam Power Certification, Pressure Vessels, Electrical Technicians, Welders, Lifters, Heavy Equipment, First Aid Officers and Propulsion Planes /Production Personnel (Identification of Training Needs for each unit is available in the appendix). - Application for Submission of Training with No. 001/KMB-Area 1/VI/2021 dated June 23, 2021 from LSP & ISO Bumitama for AK3 Electric operators and a reply letter from PT Karya Master Mandiri Indonesia regarding price offers and rundown of events and training venues (PT Gunajaya Karya Gemilang). Based on the evidence of improvement provided, the non-conformance No. 2021.02 is declared to have been fulfilled and will be re-verified at the time of the next visit.	
Verified by	: Satria Adi Putra

NCR No.	: 2021.03	Issued by	: Satria Adi Putra
Date Issued	: 14 June 2021	Time Limit	: 12 September 2021
NC Grade	: Major	Date of Closing	: 10 August 2021

Standard Ref. & Requirement	<p>6.2.3 Critical There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, and other legal labour requirements.</p>																															
<p>Evidence observed (filled by auditor): Based on the results of the document review and interviews, it is known that:</p> <ol style="list-style-type: none"> Salary Slip for May 2021 for No. 18100053 (SMNE Employees) detailed that there is a monthly premium for generator operators is Rp 700,000,-. Based on the results of interviews with the assistant auditors, it was stated that currently there is only 1 work shift for generator operators Internal Office Memo Letter No. 070/IOM/RH-1.KMB/IX/2018 regarding the Regulation of Residential Generator Set Operating Hours states that Monday - Thursday working hours are 6 hours, Friday - Saturday is 8 and Sunday is 9 hours. Kepmenakertrans No. 102 of 2004 Article 11.b (overtime on weekly rest days and or official holidays) where the calculation of overtime work for the first 7 hours is paid 2 times the hourly wage and the eighth hour is paid 3 times the hourly wage and the ninth and tenth overtime hours are 4 times the wage an hour. Simulation such as : 																																
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Total Working Hours On Sundays (Referring to Internal Memo)</th> <th style="width: 20%;">Kemenakertrans No.102 Tahun 2004 (Sundays/Holidays)</th> <th style="width: 10%;">Overtime Multiplier</th> <th style="width: 10%;">Overtime</th> <th style="width: 15%;">Hourly Wage (Rp 2.991.946 : 173)</th> <th style="width: 10%;">Total Overtime Paid</th> <th style="width: 20%;">Total Overtime (1 month or 4 days off weekly)</th> </tr> </thead> <tbody> <tr> <td rowspan="3">9 hours</td> <td>7 hours first</td> <td>2</td> <td>7</td> <td>17.294,49</td> <td>242.122,80</td> <td rowspan="3">1.452.736,79</td> </tr> <tr> <td>Next hour -8</td> <td>3</td> <td>1</td> <td>17.294,49</td> <td>51.883,46</td> </tr> <tr> <td>Next hour -9</td> <td>4</td> <td>1</td> <td>17.294,49</td> <td>69.177,94</td> </tr> <tr> <td colspan="5">Total</td> <td>363.184,20</td> <td></td> </tr> </tbody> </table>		Total Working Hours On Sundays (Referring to Internal Memo)	Kemenakertrans No.102 Tahun 2004 (Sundays/Holidays)	Overtime Multiplier	Overtime	Hourly Wage (Rp 2.991.946 : 173)	Total Overtime Paid	Total Overtime (1 month or 4 days off weekly)	9 hours	7 hours first	2	7	17.294,49	242.122,80	1.452.736,79	Next hour -8	3	1	17.294,49	51.883,46	Next hour -9	4	1	17.294,49	69.177,94	Total					363.184,20	
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	Next hour -9	4	1	17.294,49	69.177,94																											
Total					363.184,20																											
<p>Non-Conformance Description (filled by auditor): The company has not been able to show that the overtime payment is in accordance with the applicable laws and regulations.</p>																																
<p>Root Cause Analysis (filled by organization audited): Lack of control over the fulfillment of calculations and overtime payments for generator operators at SMNE</p>																																
<p>Correction (filled by organization audited):</p> <ul style="list-style-type: none"> - Identify all units related to regulatory compliance regarding generator operator overtime calculations - Make a payment for the shortage / difference in payment - Make a memo from to re-affirm the fulfillment of overtime calculations in accordance with established mechanisms and regulations 																																
<p>Corrective Action (filled by organization audited): Conduct evaluation and monitoring by Regional HR regarding compliance with regulations in all units as well as through internal audit mechanisms and management review meetings</p>																																
<p>Assessor Evaluation and Conclusion (filled by auditor): Verification August 10, 2021 The company has provided evidence of improvements including:</p> <ul style="list-style-type: none"> - Minutes of the shortage of generator operator overtime on 27 July 2021 to the Generator Div Operator. 3 SMNE. - IOM socialization of the Confirmation of Working Hours for Genset Guard Officers on June 22, 2021 to genset officers at SMNE (photo and attendance list attached). - IOM Confirmation of Working Hours for Genset Guard Officers (Letter No. 04/INT-KMB/VI/2021 dated 21 June 2021) which contains confirmation of working hours for region 1 genset guard officers (Details of hours and work 																																

are attached).
Based on the evidence of improvement provided, the non-conformance No. 2021.03 is declared to have been fulfilled and will be observed during the next visit.

Verified by : **Satria Adi Putra**

NCR No.	: 2021.04	Issued by	: Bayu Yogatama
Date Issued	: 14 June 2021	Time Limit	: 12 September 2021
NC Grade	: Major	Date of Closing	: 10 September 2021

Standard Ref. & Requirement : **7.10.1 Critical GHG emissions for the unit of certification are identified and assessed. Plans to reduce or minimize GHG emissions are implemented, monitored through the PalmGHG calculator, and reported publicly.**

Evidence observed (filled by auditor):
Based on document review, it was noted several facts, as follows:

- According to area statement of PT KMB and production of GKMM for period 2020, it was known that GMKN has only received RSPO certified FFB from GMKE, BDME and SMNE. Total certified area for PT KMB was 8,533.45 ha with planted areas for about 7,418.28 ha. Furthermore, there were no FFB received from BMKE and BKCE.
- Total HCV area of GMKE, BDME and SMNE in area statement is 174.84 ha.
- Based on Palm-GHG calculation of PT KMB-GMKN for period 2020, it was known that source of FFB has been classified into third parties, own estate, group estate, with detail from owned estate is presented in the following Table:

Source	Association	Total Area	Planted Area (ha)	Conservation (ha)	Others (ha)
PT Karya Makmur Bahagia	Own Estate	14,452.14	13,313.00	493.00	646.14

(*Note: Unit management has used total area of PT KMB included GMKE, SMNE, BDME, BKCE and BMKE in GHG calculation)

Non-Conformance Description (filled by auditor):
Unit of certification is not be able to shows that data input on Palm-GHG calculation for RSPO Gunung makmur Mill has in accordance with actual data scope of certification.

Root Cause Analysis (filled by organization audited):
Lack of coordination between GHG specialist, Sustainability Department of GIS Region about changing and/or revision of hectare statement of PT KMB.

- Correction (filled by organization audited):**
- Correction on Pam-GHG calculation as refers to RSPO scope of certification.
 - Make a good coordination among GHG Specialist, Sustainability Department and GIS Region about hectare statement data changing or revision.

Corrective Action (filled by organization audited):
To conduct evaluation and monitoring every semester involving Sustainability Department, GHG Specialist and GIS Region on Palm-GHG calculation. Moreover, monitoring also conducted through annual internal audit and management review.

Assessor Evaluation and Conclusion (filled by auditor):
Verification 10 September 2021
Unit of certification shows several correction evidence, as follows:

- Application data for fertilizer and pesticides.
- Data of fuel consumption.
- Mill production data as refers to the scop of certification.
- Correction of Palm-GHG calculaiton throuhg application of GHG RSPO V4. Based on verification, it was known that supply base planted area was 7,414.28 ha and HCV area of GMKE, BDME and SMNE has in accordance with area statement, which was about 175.84 ha.
- Detail of Palm-GHG calculation after corretion for period 2020 is presented in the following Tables:

Summary of Net GHG Emissions

Emissions per product	tCO ₂ e/tProduct
CPO	1.05
PK	1.05

Production	t/yr
FFB processed	367,897.63
CPO produced	74,432.60
PK produced	16,687.00

Extraction	%
OER	20.23
KER	4.53

Land use	ha
Planted area on mineral	16899.39
Planted on peat	0.00
Total area planted	16899.39
Conservation Area (Forested)	175.84
Conservation Area (Non-Forested)	426.00
FFB Production per hectarage	37.73

Summary of Field Emission and Sinks

Description	Own		Group		3 rd Party		Total
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha	
Emissions Sources							
Land conversion	28451.81	3.84	14608.03	2.30	1097.54	0.17	6994
CO ₂ emissions from fertilizer	4826.35	0.65	2184.12	0.34	1097.54	0.17	1086
NO ₂ emissions from peat	0.00	0.00	0.00	0.00	0.00	0.00	
NO ₂ from Fertilizer	2258.23	0.30	1030.32	0.16	1778.86	0.01	506
Fuel consumption	991.51	0.13	1030.32	0.16	682.99	0.00	240
Peat oxidation	0.00	0.00	0.00	0.00	0.00	0.00	
Sinks							
Crop sequestration	-26953.75	-3.63	-17455.31	-2.75	-26721.54	-0.12	-7113
Sequestration in Conservation area	-625.82	-0.08	0.00	0.00	0.00	0.00	-62
Total	8948.33	1.21	1097.54	0.17	0.00	0.00	3724

Summary Oil Mill Emissions and Credits

Remarks	tCO ₂ e	tCO ₂ e/t FFB
Emissions sources		
POME	72114.17	0.20

Fuel consumption	373.62	0.00
Grid electricity	0.00	0.00
Credits		
Export of grid electricity	-420.79	0.00
Sales of PKS	-13849.00	-0.04
Sales of EFB	0.00	0.00
Total	58218.00	0.16
Palm Oil Mill Effluent (POME) Treatment		
Divert to compost (%)	26.42	
Divert to anaerobic digestion (%)	73.58	
POME Divert to Anaerobic Digestion		
Divert to anaerobic pond (%)		100
Divert to methane capture (flaring) (%)		0
Divert to methane capture (electricity generation) (%)		0
Based on root cause analysis and corrective action description, as well as correction evidence given, it could be concluded that NCR No. 2021.04 is stated closed .		
Verified by	:	Bayu Yogatama

3.4.3. Opportunity for Improvement

No.	Ref. Std.	Description
1	2.3.1 Critical	<p>Unit of certification shows list of suppliers for period 2021, as follows:</p> <ul style="list-style-type: none"> • Map of 28 FFB Suppliers which informs list name of land owners as mentioned in contract agreement, hectareage and land position on the map. • Map of 23 FFB suppliers that informs list name of land owners and coordinate points. • List Table of 43 land owners and information of hectareage. <p>According to information above, unit of certification is encourage to check completeness of actual FFB suppliers data annually.</p>
2	3.2.2 Non critical	<p>Unit of certification has deliver RSPO metric template to the CB on 05 June 2021. Based on template review, it was known that there were some information that need to be completed such as data of trining and pesticide application matters. Thus, unit of certification has an opportunity to complete those data on the metric.</p>
3	3.8.7 Critical	<p>To ensure mechanism on FFB production and PIC understanding towards overproduction monitoring and control.</p>

3.4.4. Noteworthy Positive Components

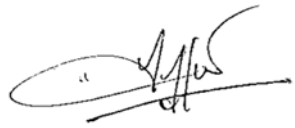
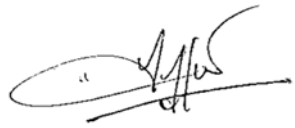
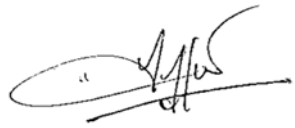
No	Description
1	Very good unit of certification commitment in implementing sustainable palm oil management principles.
2	Has develop community plantation is smallholder scheme.
3	Very good commitment in surrounding communities economic enhancement through CSR program.

3.5. Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Plantation Agency of Kotawaringin Timur District (Kepala Seksi Analisa Mutu)</p> <ul style="list-style-type: none"> The unit of certification (PT KMB) is considered transparent and cooperative in terms of providing data and information requested by the agency, and has submitted several mandatory reports on a regular basis, such as LPUP, CSR and monitoring of land fires. There were no land fire incidents during the period 2020 to June 2021. The company does not have areas that overlap with other companies. The company does not have areas that overlap with forest areas. There are no negative issues related to social conflicts with communities around plantations. The company refers to the FFB price set by the <i>Tim Penetapan Harga TBS</i> Kalimantan Tengah Province, for FFB originating from smallholders. 	<p>In general, it can be concluded that the company has a good relationship with the relevant agencies, for example in terms of providing data and information, submitting mandatory periodic reports, etc. In addition, there were no negative issues that were conveyed as a result of the company's operational activities to the community around the plantation.</p>
<p>Manpower Agency of Kotawaringin Timur District</p> <ul style="list-style-type: none"> There are no negative issues related to labor matters, included child labor. P2K3 report had given regularly by the company on a 3 months periodic basis. Furthermore, annual mandatory labor report (WLTK) has also delivered on schedule. Payment of wages has followed the minimum provisions of IDR 2.991,946 per month. At present, the company has LKS Bipartite for employee and employer relationship, instead of Labor Union. 	<p>There are no negative issues that need further verification, in term of safety and manpower impleemntation. The minimum wage has been paid in accordance with applicable regulation. Further detail is explained in Criteria 2.1.1 and 6.5.1.</p>
<p>Environment Agency of Kotawaringin Timur District (Seksi Pengawasan dan Penegakan Hukum Lingkungan)</p> <ul style="list-style-type: none"> There are no issues related to environmental pollution in the last year. Testing of emission and ambient air quality, Liquid Waste, River Water, Groundwater in semesters 1 and 2 of 2020 have delays in testing and reporting due to the Covid-19 pandemic situation. 	<p>In general, it can be concluded that the company has a good relationship with the relevant agencies, for example in terms of providing data and information and there are no negative issues related to environmental aspects.</p>
<p>National Land (BPN) Agency of Kotawaringin Timur District (Kepala Seksi Pengurusan Hak dan Pendaftaran)</p> <ul style="list-style-type: none"> PT KMB's management unit already has HGU and HGB with a long validity period above 2030. Currently PT KMB is not in the process of obtaining a new 	<p>Based on the results of the document review, it is known that the management unit has reported on the realization of land use for the 2020 period which was carried out on February 17, 2021, which was sent and received by the Regional Office of the National Land</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>permit</p> <ul style="list-style-type: none"> Up to now, there are no dispute cases in the company area that have been submitted to the Agency. The land use realization report for the 2020 period has not been received by BPN. 	<p>Agency of Kalimantan Tengah Province.</p>
<p>Local Communities Tumbang Sangai Village & Tumbang Sepayang Village</p> <ul style="list-style-type: none"> The existence of the company has a positive impact on the surrounding community, including the opening of road access and the availability of job opportunities. The company has collaborated with the community by establishing smallholders scheme. Occupation land disputes still exist but have decreased. The company is persuasively approaching the cultivators (occupation). Until now, the negative impact on the environment has not been felt. The flood that occurred in Tumbang Sangai Village was a flood that had emerged from time immemorial due to the position of the village adjacent to the river. The company periodically provides assistance to the community, starting with road repairs, assistance during floods and others. No fire incidents in the last two year 	<p>There are no crucial issues that need to be verified further, the implementation of smallholders & CSR realization has been explained by the related indicators. In general, it can be concluded that the company has a good relationship with the surrounding community.</p>
<p>Mekar Jaya Cooperative (PJS Ketua Koperasi)</p> <ul style="list-style-type: none"> Cooperative management activities are carried out in full managed by the management of PT KMB Payments are made routinely every 2 times with prices referring to the prices of the Plantation Agency. Currently the credit has been paid off, the <i>SHM</i> is still held by the company to prevent sales to other parties. Due to a full management agreement for 25 years. Meetings are held every two months to discuss the <i>Sisa Hasil Kebun</i> (SHK), harvest yields and operational costs. Payment of proceeds has been made based on the price of FFB the Plantation Agency. The company has socialized the price of FFB to the management of the cooperative, in addition, the management of the cooperative is invited to attend the FFB price fixing meeting at the Kalimantan Tengah Province level every month. There is no conflict with wildlife with the plantation side. 	<p>There are no crucial issues that need to be verified further, the implementation of smallholders realization and payment of FFB smallholders have been explained with related indicators.</p>
<p>Local Contractor (CV Putra Mandiri)</p>	<p>In general, it can be concluded that the company has</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> The contractor has a good relationship with PT KMB since 2004 for the type of construction work as well as infrastructure and bridge maintenance. Work agreements are made based on the type of project to be carried out, and each contract made contains labor and OHS aspects for workers, for example related to <i>BPJS</i> payments and the provision of PPE to workers. Monitoring of <i>BPJS Ketenagakerjaan</i> payments for contractor workers is checked annually by the management unit of PT KMB. The clinic of PT KMB can also be used by contractor workers for free. Contract payments are made in a timely, fair and transparent. The company's payment system is understood by the contractor. 	<p>established good cooperation with local contractors for a long time. The work agreement made has covered OHS and worker welfare aspects.</p>
<p>Unit Pengelola Sembako (Estate Retail Shop) of Mentaya</p> <ul style="list-style-type: none"> This retail has replaced employee's cooperative which was no active since mid of 2020. Cooperative assets that belong to cooperative member has fairly distributed to the members. This matter has settled up without any conflict. The UPS retail shop has 13 employees, that managed under UPS, paid through 2.50 % of shop income. However, Coordinator and Foreman of UPS were under PT KMB. 	<p>This kind of facility has ease employees to buy housing goods or needs inside the estate, instead of grab it on the nearest town.</p>
<p>Gender Committee of PT KMB</p> <ul style="list-style-type: none"> Gender Committee activities include socialization of sexual harassment, complaints, general health and so on. There are no issues related to sexual harassment. Female workers have the right to get menstruation leave (H1) and maternity leave (H2). 	<p>There are no negative issues that need further verification. The company was formed a Gender Committee. More detail is explained in Criteria 6.1.</p>
<p>Bipartite of PT KMB</p> <ul style="list-style-type: none"> The last meeting was held in May 2021. The salary implementation is in accordance with the Kotawaringin Timur Minimum Wage which is equal to IDR 2,991,946 per month, besides that the salary payment is in accordance with the stipulated time and through the transfer. There are no issues related to employment. The worker had an insurance (Health and Employment). There are no negative issue related labour and child labor regulation implementations. 	<p>There are no negative issues that need further verification. The company has LKS Bipartite. More detail is explained in Criteria 6.2.</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY						
4.1	Formal Sign-off of Assessment Findings						
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <table border="0" data-bbox="470 777 1331 1071"><tr><td data-bbox="470 777 779 861">PT Karya Makmur Bahagia Management Representative</td><td data-bbox="1088 777 1331 861">Mutuagung Lestari Lead Auditor</td></tr><tr><td data-bbox="503 903 747 997"></td><td data-bbox="1039 861 1331 987"></td></tr><tr><td data-bbox="470 997 779 1071"><u>Nandang Mulyana</u> Friday, 10 September 2021</td><td data-bbox="1039 987 1331 1071"><u>Mohamad Amarullah</u> Friday, 10 September 2021</td></tr></table>	PT Karya Makmur Bahagia Management Representative	Mutuagung Lestari Lead Auditor			<u>Nandang Mulyana</u> Friday, 10 September 2021	<u>Mohamad Amarullah</u> Friday, 10 September 2021
PT Karya Makmur Bahagia Management Representative	Mutuagung Lestari Lead Auditor						
							
<u>Nandang Mulyana</u> Friday, 10 September 2021	<u>Mohamad Amarullah</u> Friday, 10 September 2021						

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	Manpower Agency	Regency of Kotawaringin Timur		By phone	07 June 2021	✓	
2	Plantation Agency	Regency of Kotawaringin Timur		By phone	07 June 2021	✓	
3	Environment Agency	Regency of Kotawaringin Timur		By phone	07 June 2021	✓	
4	Land Agency (BPN)	Regency of Kotawaringin Timur		By phone	07 June 2021	✓	
5	Community Representative (Tumbang Sangai Village & Tumbang Sepayang Village)	Regency of Kotawaringin Timur		By phone	07 June 2021	✓	
6	Local contractor CV Putra Mandiri	Regency of Kotawaringin Timur		By phone	07 June 2021	✓	
7	Estate Retail Shop (UPS – Mentaya)	PT KMB		By phone	07 June 2021	✓	
8	Gender Committee	PT KMB		By phone	07 June 2021	✓	
9	Bipartite Committee	PT KMB		By phone	07 June 2021	✓	
10	GMKM: • 1 Store keeper • 1 POME operator • 3 Fire fighter 1 Genset operator	PT KMB		Interview	09 June 2021	✓	
11	GMKE: • 3 Foreman • 1 Harvester • 1 Loose-fruit Picker • 2 Fert. Applicators • 3 Pest. Applicators	PT KMB		Interview	09 June 2021	✓	
12	SMNE: • 3 Foreman • 1 Harvester • 1 Loose-fruit Picker • 1 Fert. Applicators • 1 Pest. Applicators	PT KMB		By phone	12 June 2021	✓	
13	BDME: • 3 Foreman • 1 Harvester • 1 Loose-fruit Picker • 1 Fert. Applicators • 1 Pest. Applicators • 1 Gasoline operator • 1 Paramedic • 1 BGS Foreman • 1 BMS Foreman	PT KMB		By phone	12 June 2021	✓	

No	Institution/NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
	<ul style="list-style-type: none"> • 1 Store Keeper 						
14	NGO: <ul style="list-style-type: none"> • WWF • WALHI • Sawit Watch 	Jakarta		E-mail	07 June 2021		✓

Appendix 2. Assessment Program

Date	06 to 14 June 2021	
Time	PROCESS	AUDITOR
Sunday, 06 June 2021		
14.45 – 16.45	Jakarta → Palangkaraya (GA 552)	Team Auditor
17.00 – 19.00	Palangkaraya → Pundu Area	Team Auditor
Monday, 07 June 2021		
08.00 – 09.00	Opening meeting (auditee speech, company profile, introduction of PIC, etc)	MAH
09.00 – 12.00	<ul style="list-style-type: none"> Interview with stakeholder (via phone) <ul style="list-style-type: none"> BPN, previous land owner, community representatives Plantation Agency, local contractor, company cooperative Manpower Agency, Labour Union, Gender Committee Environment Agency Document review and verification 	BYT MAH SAP MAH/ALS
12.00 – 14.00	Break	Team Auditor
14.00 – 16.00	<ul style="list-style-type: none"> Document review and verification Review on TBP, partial certification and basic info 	Team Auditor
16.00 – 17.00	Presentation of daily progress	Team Auditor
Tuesday, 08 June 2021		
08.00 – 12.00	<ul style="list-style-type: none"> Test PCR Auditor team (takes 4 hours for result) 	Tim Auditor
13.00 – 14.00	Break	Team Auditor
14.00 – 17.00	Pundu → PT KMB	Team Auditor
Wednesday, 09 June 2021		
08.00 – 12.00	Observation to Gunung Makmur Estate: <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), peat management (if any), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place) 	MAH / ALS
12.00 – 14.00	Break	Team Auditor
14.00 – 16.30	Observation to Gunung Makmur Mill <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge) Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect, security post, FFB Sorting, Processing Activity, Despatch CPO) Implementation of Environmental aspect, Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond & land application 	BYT SAP SAP
16.30 – 17.00	Presentation of daily progress	Team Auditor
Thursday, 10 June 2021		
08.00 – 12.00	Observation to Bukit Daman Estate: <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control 	MAH SAP

	<p>Monitoring, EFB Application), peat management (if any), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect</p> <ul style="list-style-type: none"> Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place) 	BYT / ALS
12.00 – 14.00	Break	Team Auditor
14.00 – 16.00	Document review and verification	Team Auditor
16.00 – 17.00	Presentation of daily progress	Team Auditor
Friday, 11 June 2021		
08.00 – 11.30	<p>Observation to Sungai Mentaya Estate:</p> <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), peat management (if any), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place) 	<p>MAH SAP</p> <p>BYT / ALS</p>
11.30 – 14.00	Break	Team Auditor
14.00 – 16.00	Document review and verification	Team Auditor
16.00 – 17.00	Presentation of daily progress	Team Auditor
Saturday, 12 June 2021		
08.00 – 11.00	<p>Interview with worker/operator representatives</p> <ul style="list-style-type: none"> Gunung Makmur Mill, Bukit Makmur Mill Gunung Makmur Estate, Sungai Mentaya Estate Bukit Damen Estate Beringin Agung Estate, Batang Hijau Estate 	<p>MAH SAP ALS BYT</p>
11.00 – 12.00	Internal meeting auditor	Team Auditor
Sunday, 13 June 2021		
08.00 – 13.00	PT KMB → Palangkaraya (stay in Hotel)	Team Auditor
Monday, 14 June 2021		
08.00 – 10.00	Closing meeting	Team Auditor
01.00 – 16.00	Check out, swab antigen test, etc → Palangkaraya Airport	Team Auditor
17.30 – 19.10	Palangkaraya → Jakarta (GA 553)	Team Auditor
19.30 – ...	Jakarta → Depok (mess quarantine)	Team Auditor