

***Roundtable on Sustainable Palm Oil Certification  
RSPO***

**[✓] Surveillance**

Name of Management Organisation : Jangkang Palm Oil Mill – PT Sahabat Mewah & Makmur, subsidiary of Austindo Nusantara Jaya Agri

Plantation Name : Jangkang Estate, Balok Estate, Joseph Jaya Estate, Sari Bunga Estate, Air Ruak Estate, Mitra Lestari Cooperative, Mitra Anugrah Cooperative, Sambar Jaya Makmur Cooperative, Berhimpun Sejahtera Cooperative and Lindong Raya Cooperative

Location : Village of Jangkang, Sub District of Dendang, District of Belitung Timur, Province of Bangka Belitung, Indonesia

Certificate Code : **MUTU-RSPO/090**

Date of Initial Registration : 06 January 2011

Date of Certificate Issue : 10 February 2021                      Date of License Issue : 20 January 2022

Date of Certificate Expiry : 05 January 2026                      Date of License Expiry : 05 January 2023

Assessment	Assessment Date	PT Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA 2.1	22 to 26 November 2021	Moh. Arif Yusni, Ardiansyah, Afiffuddin, Darwin Simatupang	M. Rinaldi	Octo HPN Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA 2.1	24 December 2021

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Figure 1. Location Map of PT Sahabat Mewah & Makmur

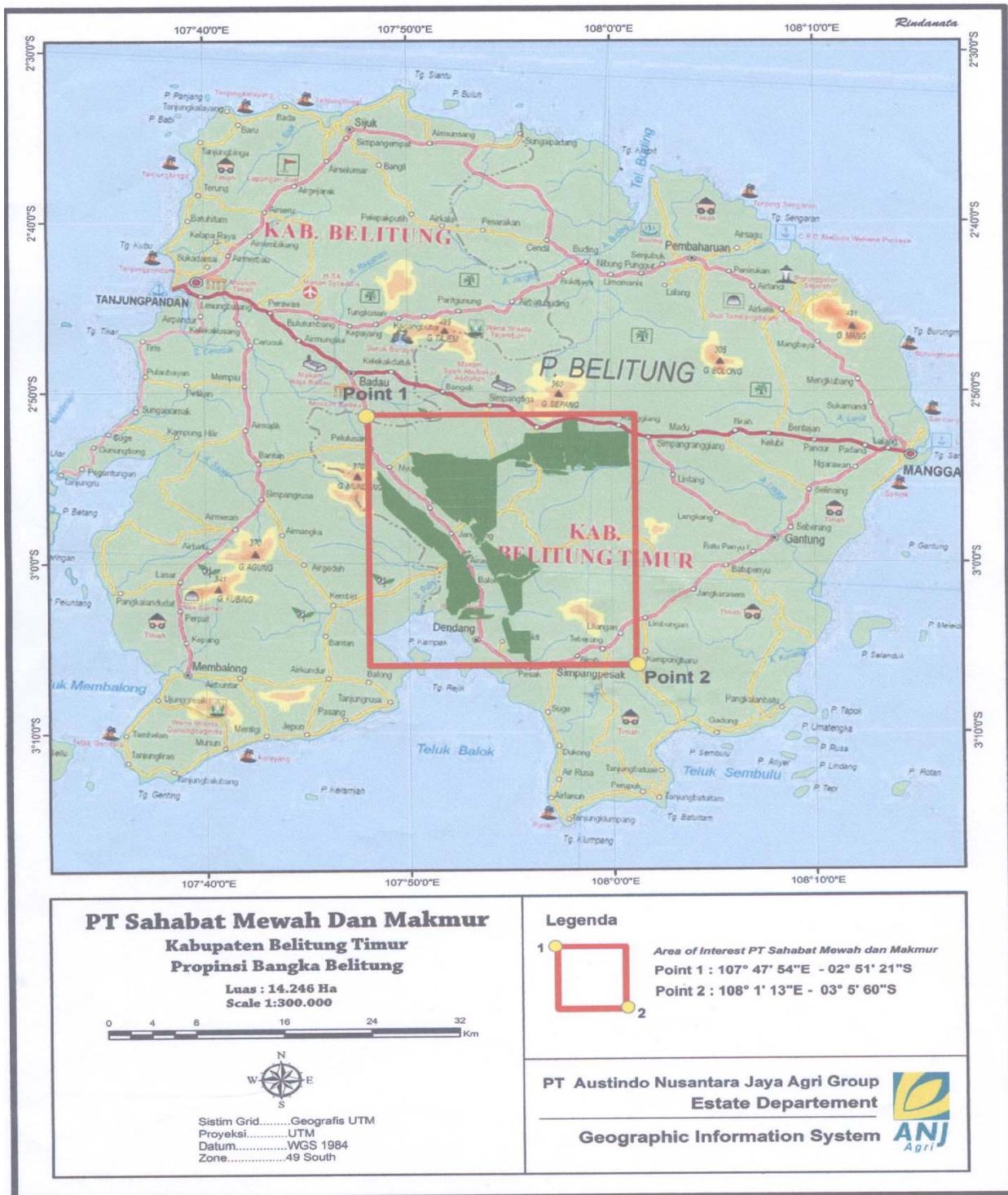


Figure 2. Operational Map of PT Sahabat Mewah dan Makmur

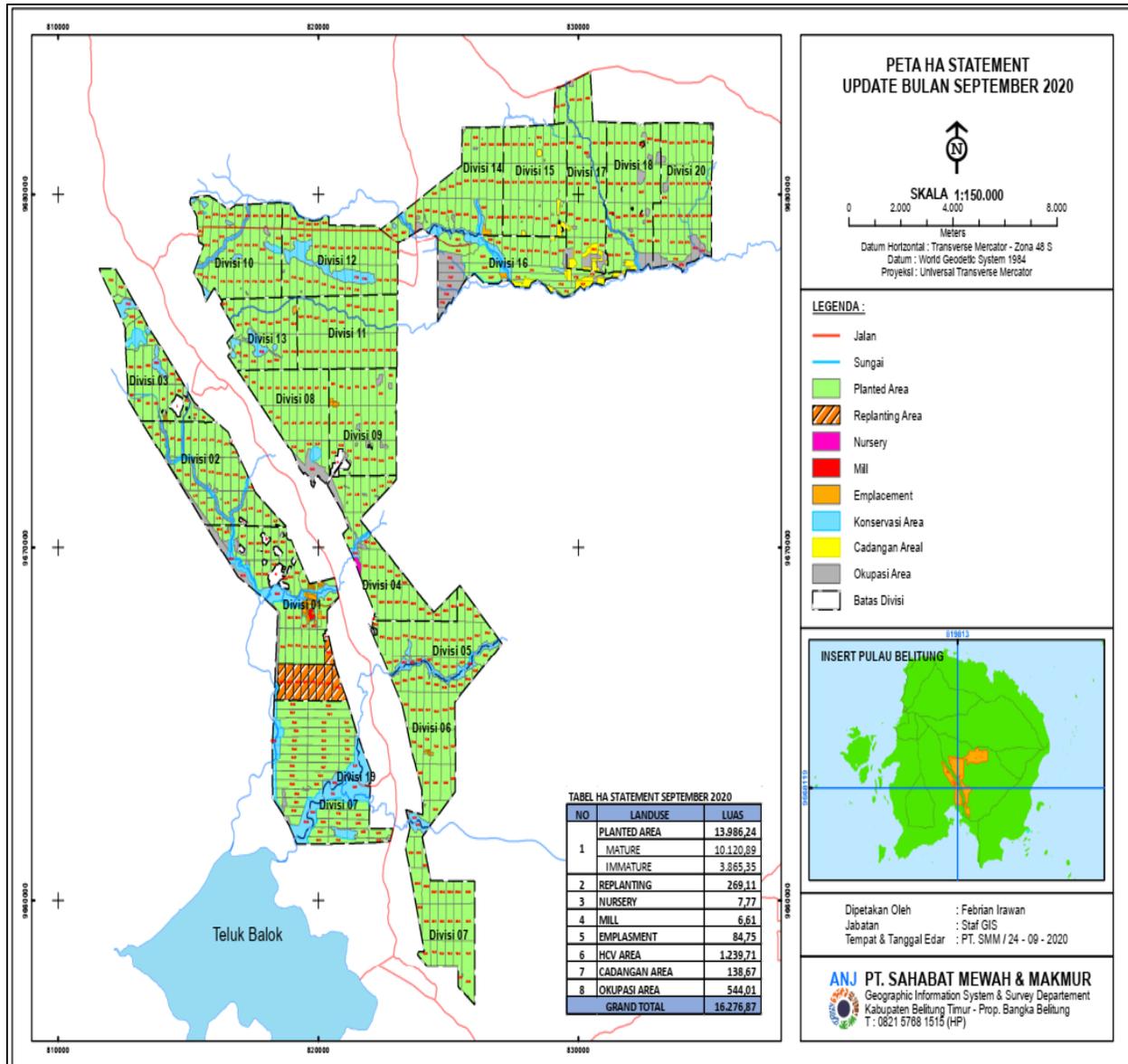
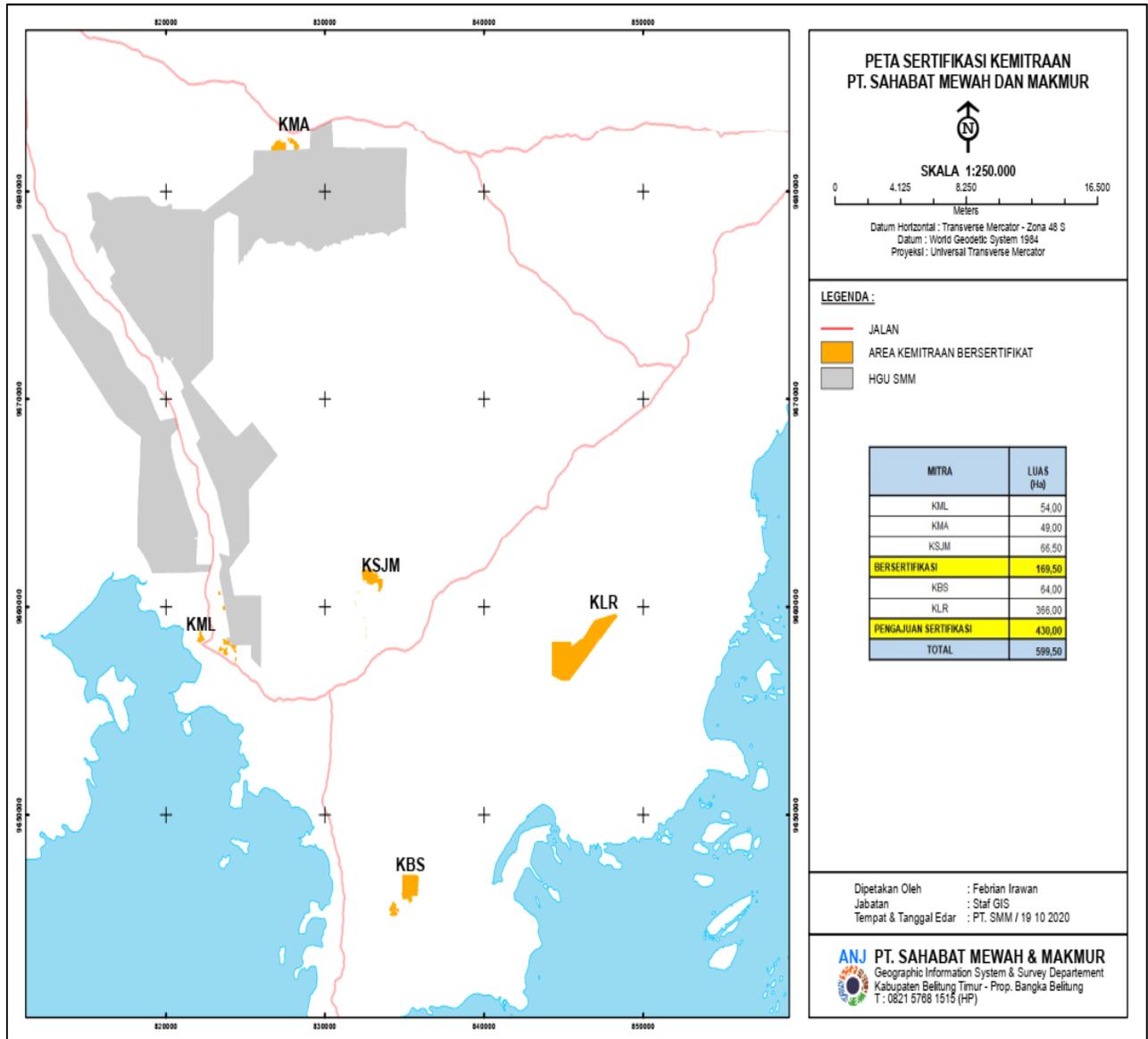


Figure 3. Operational Map of Mitra Lestari Cooperative, Mitra Anugrah Cooperative, Sambar Jaya Makmur Cooperative, Berhimpun Sejahtera Cooperative and Lindong Raya Cooperative



Abbreviations Used

ANJ	:	Austindo Nusantara Jaya
AMDAL	:	<i>Analisis mengenai dampak lingkungan</i> (Environmental impact analysis)
ASA	:	Annual Surveillance Assessment
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> / Social Security Administrator
Bumdes	:	<i>Badan Usaha Milik Desa</i> (Village Owned Enterprises)
B3	:	<i>Bahan Berbahaya dan Beracun</i> (Hazardous Waste)
CB	:	Certification Body
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Community Social Responsibility
EIA	:	Environment Impact Assessment
EFB	:	Empty Fruit Bunch
FFB	:	Fresh Fruit Bunch
FPIC	:	Free, Prior, Informed, Consent
GPS	:	Global Positioning System
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> (Land Use Title)
IP	:	Identity Preserved
IPM	:	Integrated Pest Management
KBS	:	<i>Koperasi Berhimpun Sejahtera</i> / Berhimpun Sejahtera Cooperative
KMA	:	<i>Koperasi Mitra Anugrah</i> / Mitra Anugrah Cooperative
KML	:	<i>Koperasi Mitra Lestari</i> / Mitra Lestari Cooperative
KLR	:	<i>Koperasi Lindong Raya</i> / Lindong Raya Cooperative
KSJM	:	<i>Koperasi Sambar Jaya Makmur</i> / Sambar Jaya Makmur Cooperative
KUD	:	<i>Koperasi Unit Desa</i> (Village Unit Cooperative)
MB	:	Mass Balance
NGO	:	Non-Government Organizations
LSU	:	Leaf Sampling Unit
OHS	:	Occupational Health and Safety
OER	:	Oil Extraction Rate
OFI	:	Opportunity for Improvement
PIC	:	Person In Charge
PK	:	Palm Kernel
P&C	:	Principles and Criteria
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
PT SMM	:	PT Sahabat Mewah dan Makmur
P2K3	:	<i>Panitia Pembina Kesehatan dan Keselamatan Kerja</i> (Committee of Health and Safety)
RKL/RPL	:	<i>Rencana Pengelolaan Lingkungan / Rencana Pemantauan Lingkungan</i> (Environment Management and Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil
SAP	:	Systems Applications and Products
SCCS	:	Supply Chain Certification Standard
SIA	:	Social Impact Assessment
SMM	:	Sahabat Mewah dan Makmur
SOP	:	Standard Operational Procedure
SPPL	:	<i>Surat Pernyataan Pengelolaan Lingkungan</i> (Environmental Management Statement Letter)

STDB	:	<i>Surat Tanda Daftar Budidaya</i> (Cultivation Register Letter)
TM	:	<i>Tanaman Menghasilkan</i> (Mature Plant)
UKL UPL	:	<i>Upaya Pengelolaan dan Pemantauan Lingkungan</i> (Environmental Management and Monitoring Efforts)
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> <li>• RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020</li> <li>• RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020</li> </ul>	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT SAHABAT MEWAH & MAKMUR subsidiary of PT AUSTINDO NUSANTARA JAYA AGRI.	
1.2.2	Contact person	Antoperis Tarigan	
1.2.3	Organisation address and site address	<ul style="list-style-type: none"> <li>• RSPO Registered Company: Sinarmas Land Plaza, Lantai 7, Jalan Pangeran Diponegoro No.18, Medan 20152, Sumatera Utara.</li> <li>• Liaison Office: Menara BTPN Lantai 40   Jalan Dr. Ide Anak Agung Gde Agung Kav 5.5 – 5.6, Kawasan Mega Kuningan, Jakarta 12950.</li> </ul>	
1.2.4	Telephone	+62 21 2965 1777	
1.2.5	Fax	+62 21 2965 1788	
1.2.6	E-mail	<a href="mailto:antoperis.tarigan@anj-group.com">antoperis.tarigan@anj-group.com</a>	
1.2.7	Web page address	<a href="http://www.anjagri.com">www.anjagri.com</a>	
1.2.8	Management Representative who completed the application for certification	Ridwan Damanik (General Manager)	
1.2.9	Registered as RSPO member	1-0032-07-000-00, 27 February 2007	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base Jangkang Palm Oil Mill, 5 Estates: Jangkang Estate, Balok Estate, Joseph Jaya Estate, Sari Bunga Estate and Air Ruak Estate and 5 smallholder cooperatives (399 members) i.e Mitra Lestari, Mitra Anugrah, Sambar Jaya Makmur, Berhimpun Sejahtera and Lindong Raya	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Jangkang POM	Jangkang Village, Dendang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 02° 59' 54"      E 107° 52' 35"
1.4.2	Location of Certification Scope of Supply Base		
	<b>Name of Supply Base</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>

Jangkang Estate	Jangkang Village, Dendang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 02° 59' 54"	E 107° 52' 33"
Balok Estate	Balok Village, Dendang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 03° 02' 02"	E 107° 54' 56"
Joseph Jaya Estate	Jangkang Village, Dendang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 02° 56' 42"	E 107° 52' 58"
Sari Bunga Estate	Nyuruk Village, Dendang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 02° 55' 16"	E 107° 52' 13"
Air Ruak Estate	Simpang Tiga Village, Simpang Renggang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 02° 54' 04"	E 107° 56' 06"
Mitra Lestari Cooperative Unit (44 smallholders)	Dendang Village, Dendang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 03° 05' 30"	E 107° 54' 43"
Mitra Anugrah Cooperative Unit (30 smallholders)	Simpang Tiga Village, Simpang Renggang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 02° 52' 18"	E 107° 56' 32"
Sambar Jaya Makmur Cooperative Unit (35 smallholders)	Birah Pesak Village, Simpang Pesak Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 03° 03' 33"	E 107° 59' 34"
Berhimpun Sejahtera Cooperative Unit (32 smallholders)	Kelumpang Village, Dendang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 03° 11' 29"	E 108° 00' 19"
Lindong Raya Cooperative Unit (198 smallholders)	Limbungan Village, Gantung Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 03° 04' 54"	E 108° 03' 38"

<b>1.5</b>	<b>Description of Area Statement</b>			
1.5.1	Tenure			
	• State		16,276.87	Ha
	• Community		599.50	Ha
1.5.2	<b>Area Statement</b>			
		<b>Own Estate (Ha)</b>	<b>Scheme Smallholder (full managed) (Ha)</b>	<b>Total</b>
	• Total area	16,276.87	599.50	16,876.37
	• Mature area	10,937.07	599.50	11,536.57
	• Immature area	3,317.09	-	3,317.09
	• Building	84.85	-	84.85
	• Mill	6.61	-	6.61
	• Reserve Area	182.40	-	182.4
	• Occupied Area	467.75	-	467.75
	• Nursery	7.77	-	7.77
	• Conservation area	1,273.33		1,273.33

There is an increase number of HCV compare with previous audit due to HCV expansion during replanting activity

1.6	Planting Year and Cycles							
1.6.1	Age profile of planting year							
	Planting Year	Hectarage (Ha)						
		JKE	BLE	JJE	SBE	ARE	Smallholder	Total
	1992	-	639.98	-	-	260.86	-	900.84
	1993	-	-	-	-	1,182.05	-	1,182.05
	1994	-	-	-	-	80.90	-	80.90
	1995	-	429.08	-	-	-	-	429.08
	1996	-	142.30	-	-	821.86	-	964.16
	1998	-	194.93	785.79	266.15	-	-	1,246.87
	1999	233.86	-	-	402.18	827.90	-	1,463.94
	2000	301.48	-	-	472.94	416.77	-	1,191.19
	2001	-	-	-	-	30.85	-	30.85
	2004	137.95	251.63	-	-	-	-	389.58
	2005	620.73	-	-	140.22	281.00	-	1,041.95
	2006	-	-	-	-	187.57	-	187.57
	2011	-	-	-	-	-	19.09	19.09
	2012	-	-	-	-	-	34.91	34.91
	2013	-	-	-	-	-	101.56	101.56
	2014	-	-	-	-	-	77.94	77.94
	2015	-	-	-	547.83	-	-	547.83
	2016	463.73	-	-	-	-	366.00	829.73
	2017	-	-	816.53	-	-	-	816.53
	<b>Sub Total Mature Area</b>	<b>1,757.75</b>	<b>1,657.92</b>	<b>1,602.32</b>	<b>1,829.32</b>	<b>4,089.76</b>	<b>599.50</b>	<b>11,536.57</b>
	2018	43.87	1,226.84	506.10	241.10	101.84	-	2,119.75
	2019	887.04	-	-	-	42.03	-	929.07
	2020	268.27	-	-	-	-	-	268.27
	<b>Sub Total Immature Area</b>	<b>1,199.18</b>	<b>1,226.84</b>	<b>506.10</b>	<b>241.10</b>	<b>143.87</b>	<b>-</b>	<b>3,317.09</b>
	<b>TOTAL</b>	<b>2,956.93</b>	<b>2,884.76</b>	<b>2,108.42</b>	<b>2,070.42</b>	<b>4,233.63</b>	<b>599.50</b>	<b>14,853.66</b>
1.6.2	New Planting area after January 2010				- Ha			
1.6.3	Planting Cycle				2 <sup>nd</sup> Cycle			
1.7	Description of Mill and Supply Base							
1.7.1	Description of Mill							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	

	Jangkang POM	60	342,527.57	73,189.61	21.37	16,187.21	4.73
	<i>*Production data source from November 2020 to October 2021</i>						
1.7.2	Description of Certification Scope of Supply Base						
	<b>Name of Estate</b>	<b>Total Area (Ha)</b>	<b>Production Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/ha/year)</b>	<b>Supplied to Mill</b>	
						<b>FFB (tonnes/year)</b>	<b>%</b>
	Jangkang Estate	3,592.95	1,757.75	31,609.54	17.98	31,609.54	100
	Balok Estate	3,274.46	1,657.92	43,092.04	25.99	43,092.04	100
	Joseph Jaya Estate	2,195.83	1,602.32	34,700.93	21.66	34,700.93	100
	Sari Bunga Estate	2,327.55	1,829.32	41,384.47	22.62	41,384.47	100
	Air Ruak Estate	4,886.08	4,089.76	78,942.82	19.30	78,942.82	100
	Mitra Lestari Cooperative Unit (44 smallholders)	54.00	54	1,276.38	23.64	1,276.38	100
	Mitra Anugrah Cooperative Unit (30 smallholders)	49.00	49	1,134.54	23.15	1,134.54	100
	Sambar Jaya Makmur Cooperative Unit (35 smallholders)	66.50	66.5	1,615.50	24.29	1,615.50	100
	Berhimpun Sejahtera Cooperative Unit (32 smallholders)	64.00	64	1,688.32	26.38	1,688.32	100
	Lindong Raya Cooperative Unit (198 smallholders)	366.00	366	2,995.74	8.19	2,995.74	100
	<b>TOTAL</b>	<b>16,876.37</b>	<b>11,536.57</b>	<b>238,440.28</b>	<b>20.67</b>	<b>238,440.28</b>	<b>100</b>
	<i>*Production data source from November 2020 to October 2021</i>						
	<i>* In October 2021 there was a change of name of Ladang Jaya Estate became Joseph Jaya Estate in accordance with letter No 036/GMO/SMM/XI/2021 dated 05 October 2021</i>						
1.7.3	FFB description from other source						
	<b>Name of sources/Organisation (RSPO certified / non-certified)</b>	<b>Type of Organisation</b>	<b>Number of smallholders</b>	<b>Production Area (Ha)</b>	<b>Supplied to Mill FFB (tonnes/year)</b>		
	Mitra Lestari Cooperative	Associated Smallholder	1	1.79	70.53		
	Sambar Jaya Makmur Cooperative		1	4.03	19.91		
	Mitra Anugrah Cooperative		1	3.86	34.65		
	Gunung Nyerudong Cooperative		245	154.07	2,334.39		
	Tiong Sejahtera Cooperative		49	66.11	1,550.72		
	Bumdes Tebing Tinggi (Balok)		-	29.41	586.24		
	Anugrah Cooperative	Independent smallholder	-	-	6,357.24		
	Bumi Makmur Cooperative		-	-	39,321.11		
	Sawit Sepakat Maju Cooperative		-	-	922.73		
	CV Subur Mandiri		-	-	799.10		
	PT Tata Subur Makmur		-	-	3,274.51		
	PT Sawit Alam Permai		-	-	8,472.56		
	PT Rawi Agro Mandiri		-	-	2,224.49		
	Bakti Cooperative		-	-	10,724.24		
	PT Agro Inti Abadi		-	-	2,745.01		

PT Henco Bilitone Agroindo	-	-	2,076.90
PT Tri Selaras Agri	-	-	9,622.98
PT Hasil Sawit Bina Sejahtera	-	-	5,542.91
PT Beltim Karya Mandiri	-	-	4,800.32
CV Harapan Baru	-	-	556.43
CV Sinar Cahaya Abadi	-	-	1,127.94
CV Agung Permata	-	-	1,017.10
<b>TOTAL</b>			<b>104,182.01</b>

*\*Production data source from November 2020 to October 2021*

*\*all FFB from other sources are non certified*

1.7.4	Product categories	FFB, CPO, PK			
<b>1.8</b>	<b>Tonnage of Product</b>				
1.8.1	Past Annual Claim Certified Product	Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (MT)		
	FFB Processed	244,600	237,309.04		
	CPO Production	55,500	55,447.77		
	Palm Kernel (PK) Production	12,200.9	12,126.08		
1.8.2	Product selling	Actual selling product for last year (MT)			
	Type of selling product	Actual selling product for last year (MT)			
	CSPO sold as RSPO certified product	17,000.00			
	CSPK sold as RSPO certified product	3,200.00			
	CSPO sold under other scheme	0			
	CSPK sold under other scheme	0			
	CSPO sold as conventional	36,969.03			
	CSPK sold as conventional	8,396.27			
1.8.3	Estimate of Certified FFB Claim				
	<b>Name of Estates</b>	<b>Total Area (Ha)</b>	<b>Production Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/ha/year)</b>
	Jangkang Estate	3,592.95	1,757.75	33,000	18.77
	Balok Estate	3,274.46	1,657.92	44,000	26.54
	Joseph Jaya Estate	2,195.83	1,602.32	36,000	22.47
	Sari Bunga Estate	2,327.55	1,829.32	43,500	23.78
	Air Ruak Estate	4,886.08	4,089.76	82,500	20.17
	Mitra Lestari Cooperative Unit (44 smallholders)	54.00	54.00	1,500	27.78
	Mitra Anugrah Cooperative Unit (30 smallholders)	49.00	49.00	1,250	25.51
	Sambar Jaya Makmur Cooperative Unit (35 smallholders)	66.50	66.50	1,750	26.32
	Berhimpun Sejahtera Cooperative Unit (32 smallholders)	64.00	64.00	1,750	27.34

	Lindong Raya Cooperative Unit (198 smallholders)	366.00	366.00	4,750	12.98			
	<b>TOTAL</b>	<b>16,876.37</b>	<b>11,536.57</b>	<b>250,000</b>	<b>21.67</b>			
	<i>*Projected FFB production for 12 months of certificate</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	<b>Name of Mill</b>	<b>Capacity (tonnes/ hour)</b>	<b>FFB Processed (tonnes/year)</b>	<b>CPO</b>		<b>Palm Kernel</b>		<b>Supply Chain Module</b>
				<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	
	Jangkang	60	250,000	55,000	22.00	12,500	5.00	MB
	<i>*Projected CSPO and CSPK production for 12 months of certificate</i>							
1.9	<b>Other Certifications</b>							
	ISCC	EU-ISCC-Cert-ID215-2301264, valid to 24 December 2021						
	Proper	Gold						
1.10	<b>Time Bound Plan</b>							
1.10.1	<b>Time Bound Plan for Other Management Units</b>							
	<b>Management Unit</b>		<b>Estate (Supply Base)</b>	<b>Time Bound Plan</b>	<b>Location</b>	<b>Status</b>		
	<b>MILL</b>	<b>Time Bound Plan</b>						
	ANJA Siais (PT ANJA Siais)	2014	Lembah Subur Utara	2014	Tapanuli Selatan District, Sumatera Utara Province, Indonesia	Certified		
			Lembah Subur Selatan	2014				
			Binasari Cooperative	2021				
	Jangkang (PT Sahabat Mewah Makmur)	2009	Jangkang	2009	Belitung Timur District, Bangka Belitung Province, Indonesia	Certified		
			Balok	2009				
			Ladang Jaya	2009				
			Sari Bunga	2009				
			Air Ruak	2009				
			Mitra Lestari Cooperative	2019				
			Mitra Anugerah Cooperative	2019				
			Sambar Jaya Makmur Cooperative	2019				
			Lindong Raya Cooperative	2020				
			Berhimpun Sejahtera Cooperative	2020				
			Tiong Sejahtera Cooperative	2021				
			Gunung Nyerudong Cooperative	2021				
			Bumdes Tebing Tinggi Cooperative	2021				
	Binanga (PT ANJ Agri)	2012	Estate Wilayah Timur	2012	Padang Lawas Utara District, Sumatera Utara Province, Indonesia	Certified		
			Estate Wilayah Tengah	2012				
			Estate Wilayah Barat	2012				
	KAL POM	2019	Sungai Gemilang Teduh 1 (SGT-1)	2019		Certified		

(PT.Kayung Agro Lestari)		Sungai Gemilang Teduh 2 (SGT-2)	2019	Ketapang District, Kalimantan Barat Province, Indonesia	
		Gunung Sejahtera Tumbuh 2 (GST-2)	2019		
		Gunung Sejahtera Tumbuh 1 (GST-1)	2019		
		Mitra Estate (Laman Mayang Sentosa)	2020		
		Mitra Estate (Bina Satong Lestari)	2021		
		Mitra Estate (Lestari Abadi Bersama)	2022		
		PT Galempa Sejahtera Bersama	2022	Empat Lawang Distict, Sumatera Selatan Province, Indonesia	-
PMP POM (PT PPM)	2021	PT Putera Manunggal Perkasa	2021	Sorong Selatan District, Papua Barat Province, Indonesia	IC
		PT.Permata Putera Mandiri	2021	Sorong Selatan District, Papua Barat Province, Indonesia	IC
		PT. Austindo Nusantara Jaya Tbk (Ex. PT PAM)	2024	Sorong Selatan District, Papua Barat Province, Indonesia	Not yet development
<p>TBP is updated May 2021 signed by Chief Executive Officer</p> <p>Document of revision of certification time-bound statement of PT ANJA and its subsidiaries on May 2021, with justification i.e:</p> <ul style="list-style-type: none"> <li>- RSPO certification of PT GSB, which was originally targeted to be obtained in 2018, has been changed to 2022 (previously 2020) because the land compensation process has not been completed so planting and factory construction were also delayed. PT GSB's palm oil mill is planned to be built in mid-2020 (previously 2018) and is expected to start operating in by 2022. RSPO certification will take place after the mill is operational.</li> <li>- PT ANJT is ex PT Pusaka Agro Makmur, on 2017 not registered as ANJA subsidiary has been reported on ACOP to be certified on 2024, PT PAM legally become PT ANJT on 2015, for further activities will be use entity as PT ANJT.</li> </ul>					
1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>				
	There are three smallholders not yet obtained certificate (Gunung Nyerudong Cooperative; Tiong Sejahtera Cooperative; Bumdes Tebing Tinggi (Balok)), the process postponed due to legal aspect and NPP Process				

2.0	<b>ASSESSMENT PROCESS</b>
2.1	<b>Assessment Team</b>
ASA - 2.1	<ol style="list-style-type: none"> <li><b>Moh Arif Yusni (Lead Auditor).</b> Indonesian citizen. Bachelor of Agriculture, majoring in Plant Protection. Has experience as an operational staff at a private oil palm plantation company in Indonesia on 2010 to 2012. Has attended several trainings, i.e.: ISO 19011, ISO 9001; ISO 14001, SA 8000, RSPO lead auditor, ISPO lead auditor, OHS expert, OHS auditor based on National Government No. 50/2012, SCCS, etc. Has conducting ISPO, RSPO and MSPO audit as an auditor and lead auditor with expertise on best management practices for estate and mill, legality, worker welfare, safety, social, environment, conservation, transparency, long term economic management plan and supply chain for palm oil mill aspects. During the audit, he verified Legality, Social, TBP and Partial certification.</li> <li><b>Ardiansyah (Auditor).</b> Indonesian citizen, Bachelor of Forest Resources Conservation, Department of Forestry. Had work experience in Environmental NGO for 6 month (2007) and consultant for making EIA Document and KLHS for 3 years (2009 – 2012). Had attend training such as RSPO Lead Auditor course, Lead Auditor ISPO, OHSAS (ISO 18001 – 2007), land cover crop mapping and Management System Certification (ISO 9001-2008), Environmental Management System Certification (ISO 14001-2004), Social Auditing and Conflict Resolution. Had many times following audit activities related to sustainable palm oil certification system which is ISPO as an auditor since 2012 for legal, environmental aspect, conservation, worker welfare, OHS and social. During assessment, he assigned to verification towards Environment, HCV, Social, and GHG Aspects.</li> <li><b>Afiffuddin (Auditor).</b> Indonesian citizen, Diploma III majoring Palm Oil Plantation, Bogor Agricultural University. Five years working experience since 2010 at Oil Palm Plantation Company in Indonesia as agronomy operational staff and followed several trainings namely: Basic Plantation Management Program, Auditor Training Indonesian Sustainable Palm Oil (ISPO), Training of RSPO lead auditor, RSPO SCCS, OHS General Expert, OHS System Management based on PP 50 2012 and Management System Certification (ISO 9001-2015/SNI 19011-9001:2015) ISO 17021, ISO 17065, SA 8000 training. He has been involved in several audit activities related to sustainable palm oil certification since 2016 covering Best Management Practices aspect, health and safety aspect and worker welfare aspect. During this audit, He conducted an assessment on SCCS, BMP Agronomy and long-term budget.</li> <li><b>Darwin Simatupang (Auditor Trainee).</b> Indonesian citizen. Bachelor of Agriculture, majoring in Soil Science and Land Resource from IPB University. Has one year experience as agronomist in palm oil plantation company. Training has been attended including Indonesian Sustainable Palm Oil (ISPO), Lead Auditor of ISO 9001: 2015, Awareness ISO 17021: 2015, Awareness ISO 17065: 2012, Awareness ISO 14001: 2015, Awareness ISO 45001: 2018, Awareness ISO 19011: 2018. During this assessment has verified Worker Welfare, OHS, Transparency and Social supervised by Lead Auditor.</li> </ol>
2.2	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
2.2.1	<b>Figure of person days to implement assessment</b>
ASA- 2.1	<p>Number of auditors: 3 auditor and 1 auditor trainee</p> <p>Number of days for Onsite Assessment at site: 5 days</p> <p>Number of working days for Onsite Assessment at site : 15 Working days</p>
2.2.2	<b>Assessment Process</b>
ASA- 2.1	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Sahabat Mewah dan Makmur to the requirements of Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020</p> <p>The audit program is included as Appendix 2. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.</p>

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.

During the COVID-19 pandemic, there were several modifications to the audit activity due to health protocols. Audit process carried out with high safety protocol procedure that developed by Certification Body and the unit of certification. before an onsite audit carried out, there are several meetings to discuss health protocol procedures. There are several activities that are not possible to do face to face, such as public consultations with government agencies, communities, or previous landowners so that these activities are carried out by telephone. Furthermore, during field observation auditor only verification the activity and interview process carried separately by telephone. Document verification conducted separately through the electronic files.

Public Stakeholder Notification was made on Mutu Website. There is no written negative feedback receive. Stakeholder consultation involved internal and external stakeholders. Meetings were held with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings. The comments made by external stakeholders were also taken into account in the assessment

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal meetings at their housing. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix I.

Commonly, the audit activities went smoothly with good support from the unit management. The presentation of documents is presented quite well by involving related personnel. There is a change in estate name, previously Ladang Jaya Estate become Joseph Jaya Estate.

Some opportunities for improvement of the results ASA-2.1 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-2.2). Improvement of findings from main assessment findings were observed by auditors at this ASA-2.1 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-2.2

The assessment program please find Appendix 2

2.2.3	Locations of Assessment
ASA-2.1	<p>The sampling location consider the issue arise from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p> <p><b>Jangkang POM</b></p> <ul style="list-style-type: none"> <li>• <b>Weighbridge Station.</b> Observations and interviews related to workers welfare, training, FFB traceability and supply chain system.</li> <li>• <b>Chemical warehouse.</b> Field observations and interview related chemical management, OHS, and environmental aspect.</li> <li>• <b>Workshop.</b> Field observations and interview related workshop activity, OHS, environmental and worker welfare aspect.</li> <li>• <b>Waste water treatment plant.</b> Observation about WWTP condition and interview with WWTP operator about his job description and WWTP management</li> <li>• <b>WTP.</b> Observations and interviews related to water management, recording of water use, health checks, PPE and waste management.</li> </ul>

- **Solid Waste.** Observation of the management of Solid waste consist of EFB, fiber and shell from the production process of mill
- **Composting area.** Observation for empty bunch management and effluent.
- **Reservoir.** Observation regarding to condition in water source
- **Hydrant Simulation.** To ensure that emergency response equipment can be used properly.
- **Biogas Plant.** Interview and overview regarding to renewable energy and OHS implementation.
- **Grading station.** Observation and interview with grading operator related OHS, work instruction and worker welfare.
- **Press station.** Observation and interview with press operator related OHS, work instruction and worker welfare.
- **Boiler Station.** Observation and interviews with Boiler operator regarding employment aspect, OHS aspect and working procedures specified.
- **Engine room.** Observation and interviews with power house station operator regarding employment aspect, OHS aspect and working procedures specified.
- **Sterilizer Station.** Observation and interviews with operator Sterilizer regarding employment aspect, OHS aspect and working procedures specified.

#### Jangkang Estate

- **Sparepart storage.** Observation for material handling and OHS aspect.
- **Chemical storage.** Observation for material handling, OHS, and environmental aspects.
- **Fertilizer storage.** Observation for material handling, OHS, and environmental aspects.
- **Diesel fuel tank.** Observation for material handling, OHS, and environmental aspects.
- **Workshop.** Observation and Interview with workers related to OHS, environmental and workers welfare aspects.
- **Temporary hazardous waste storage.** Observation for OHS, waste disposal, and environmental aspects.
- **Firefighting facilities storage.** Observation of firefighting facilities and the team readiness.
- **Clinic.** Observation of the facilities, paramedic legality, and infectious waste management.
- **Workers housing complex.** Observation of housing appropriateness, sanitation, and domestic waste management.
- **Worker welfare facilities: mosque, sport court, children daycare, children playgroup, worker cooperative store.** Observation of company's supporting facilities to improve worker welfare.
- **Block H07, Conservation area 1.** Observation and interview regarding management of HCV area and HCV condition
- **Block M18 and M17, Occupation area.** Observation and interview regarding condition of occupation
- **Blok I10, HGU poles (AGR 72) and HCV area (Aek Bentaian Riparian).** Observation and interview regarding management of HCV area, HCV condition and HGU boundary.
- **Block I11, HGU poles (AGR 73).** Observation and interview regarding to HGU boundary.

#### Joseph Jaya Estate

- **Diesel and gasoline fuel tank.** Observation for material handling, OHS, and environmental aspects.
- **Sparepart storage.** Observation for material handling and OHS aspect.
- **Chemical storage.** Observation for material handling, OHS, and environmental aspects.
- **Fertilizer storage.** Observation for material handling, OHS, and environmental aspects.
- **Workshop.** Observation and Interview with workers related to OHS, environmental and workers welfare aspects.
- **Temporary hazardous waste storage.** Observation for OHS, waste disposal, and environmental aspects.
- **Clinic.** Observation of the facilities, paramedic legality, and infectious waste management.
- **Workers housing complex.** Observation of housing appropriateness, sanitation, and domestic waste management.
- **Worker welfare facilities: mosque, sport court, children day-care, children playgroup, worker cooperative store.** Observation of company's supporting facilities to improve worker welfare.
- **Block K26/ 27, Air Nyatoh Spring.** Observation and interview regarding management of HCV area and HCV condition.
- **Block K30, Occupation and enclave area.** Observation and interview regarding condition of occupation
- **Block K33/ 34, Occupation and enclave area.** Observation and interview regarding condition of occupation

- **Block I36, Occupation area.** Observation and interview regarding condition of occupation
- **Block J36, HGU pole (AGR 059).** Observation and interview regarding to HGU boundary.

#### Sari Bunga Estate

- **Firefighting facilities storage.** Observation of firefighting facilities and the team readiness.
- **Diesel and gasoline fuel tank.** Observation for material handling, OHS, and environmental aspects.
- **Sparepart storage.** Observation for material handling and OHS aspect.
- **Chemical storage.** Observation for material handling, OHS, and environmental aspects.
- **Fertilizer storage.** Observation for material handling, OHS, and environmental aspects.
- **Workshop.** Observation and Interview with workers related to OHS, environmental and workers welfare aspects.
- **Temporary hazardous waste storage.** Observation for OHS, waste disposal, and environmental aspects.
- **Workers housing complex.** Observation of housing appropriateness, sanitation, and domestic waste management.
- **Worker welfare facilities: church.** Observation of company's supporting facilities to improve worker welfare.
- **Block E20, HGU pole (BPN 009).** Observation and interview regarding to HGU boundary.
- **Block E19, HGU pole (BPN 010).** Observation and interview regarding to HGU boundary.
- **Block E17, HGU pole (BPN 011).** Observation and interview regarding to HGU boundary.
- **Block E13, HGU pole (BPN 014) and HCV area (Anak Sungai Lenggang Riparian).** Observation and interview regarding management of HCV area, HCV condition and HGU boundary.
- **Block E20/ 21, HCV area (Bukit Jungkong).** Observation and interview regarding management of HCV area and HCV condition.
- **Block F23, Occupation area.** Observation and interview regarding condition of occupation area
- **Harvesting, block F-19 Division 10.** Observation of harvesting and interviews with harvesters and foreman associated with work such as the distribution harvesting plots, crop rotation, criteria and penalties harvest, the wage system tonnage, health insurance and labor protection, safe work practices and use of PPE.
- **Hand pollination, block D-16 Division 10.** Observation of hand pollination activity and interviews with contractor worker and foreman regarding with work such as the wage system, health insurance and labor protection, safe work practices and use of PPE.
- **Pick loose fruit with upkeep worker, block E-13 Division 10.** Observation of pick loose fruit activity and interviews with upkeep worker and foreman regarding with work such as the wage system, health insurance and labor protection, safe work practices and use of PPE.
- **Replanting area (planting year 2018), block E-13 Division 10.** Observation of the replanting area related to the replanting system without burning, planting *Mucuna bracteata*, making *rorak* (trench) and others.
- **Barn owl box, block E-13 Division 10.** Observation of the implementation of rat pest control with biological methods.
- **Herbicide Application, block E-37 Division 12.** Observation spraying activities and interviews with workers spray related to the duties and responsibilities (job description), work procedures, a dose of agrochemical application, safe work practices, use of PPE, periodic medical examinations, first aid foreman, wage system, labor protection (Health Insurance and employment), training in the use of pesticides is limited and transportation workers.

#### Balok Estate

- **Harvesting, Block F41.** Observation and interviews with workers related harvesting, OHS, and employment.
- **Manual Weeding, Block F44.** Observation and interviews with workers related manual weeding, OHS, and employment.
- **Compost Application, Block E42.** Observation and interviews with workers related compost application, OHS, and employment.
- **FFB Transportation, Block E42** Observation and interviews with workers related FFB Loader, OHS, and employment.
- **Nursery,** Observation related nursery activities,
- **Spare part Warehouse.** Field observations and interview related spare part management, OHS, and environmental aspect.
- **Emergency Preparedness Warehouse.** Observations related to preparedness and completeness of emergency

response equipment.

- **Agrochemical storage.** Observation chemical such as pesticides management keeping.
- **Pesticide applicator PPE rinse room & Pesticide applicator PPE.** Observation related to management of agrochemical material and waste, MSDS and emergency response facilities.
- **Fertilizer warehouse.** Observations relating to the implementation of storage fertilizer, Health safety and labor management.
- **Hazardous waste temporary warehouse (temporary).** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
- **Oil warehouse and fuel tank station.** Observations relating to the implementation of storage hazardous material, health safety and labor management.
- **Daycare.** Observations related to facilities provided and the feasibility of existing facilities.
- **Landfill.** Observation related to waste management.
- **Housing complex.** Observation related facilities for workers, sanitation, water, electricity, and domestic waste management.

**Berhimpun Sejahtera Cooperative**

- **Block T01 (harvester).** Observation and interview with harvester related fruit ripeness, safe working practices and also worker welfare.
- **Berhimpun Sejahtera Cooperative Secretariat.** Observation and interview with the cooperative official related best practices mechanism, legality, and administration system.

**Sambar Jaya Cooperative**

- **Harvesting Block B06.** Observation and interview with harvester related fruit ripeness, safe working practices and also worker welfare.
- **Block B06 .** Observation area boundaries between landowners.

**Mitra Anugerah Cooperative**

- **Harvesting Block A02.** Observation and interview with harvester related fruit ripeness, safe working practices and also worker welfare.

**Mitra Lestari Cooperative**

- **Harvesting Block D04.** Observation and interview with harvester related fruit ripeness, safe working practices and also worker welfare.

**Lindong Raya Cooperative**

- **Spraying tool, house rinse & PPE storage.** Observation the management of tool and PPE of spraying, environment and safety aspect.
- **Harvesting Block W05.** Observation and interview with harvester related fruit ripeness, safe working practices and also worker welfare.
- **Manual Weeding Block W04,** Observation and interview regarding works procedures, worker welfare and OHS Aspect
- **Block W05 .** Observation area boundaries between landowners.

2.3	<b>Stakeholder Consultation and Stakeholders Contacted</b>
2.3.1	<b>Summary of stakeholder consultation process.</b>
ASA-2.1	Summary of stakeholder consultation process Consultation of stakeholders for PT Sahabat Mewah dan Makmur was held by: <ul style="list-style-type: none"> <li>• Public Notification on website PT Mutuagung Lestari</li> <li>• Public consultation with NGOs (by email) such as WALHI, WWF, and Sawit Watch 15 November 2021</li> <li>• Public consultation by phone with government institution 22 - 23 November 2021</li> </ul>

	<ul style="list-style-type: none"> <li>• Public consultation meeting with communities on 23 November 2021</li> <li>• Public consultation meeting with internal stakeholders and contractor 22 - 23 November 2021</li> </ul> <p>Numbers of input from stakeholders were clarified by PT Sahabat Mewah dan Makmur.</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	Please find appendix 1
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit (ASA 2.2) will be conducted 8 (eight) 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 an assessment of Jangkang POM – PT Sahabat Mewah & Makmur, Subsidiary of Austindo Nusantara Jaya Agri operation consisting of one (1) mill, five (5) oil palm estates and five (5) cooperative unit plantation partnership (total of 339 smallholders).

During the assessment, there were Nil (0) Nonconformity was assigned against RSPO Indicators and one (5) 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.

MUTUAGUNG LESTARI found that Jangkang POM – PT Sahabat Mewah & Makmur, Subsidiary of Austindo Nusantara Jaya Agri 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 adopted at the 15<sup>th</sup> Annual General Assembly by RSPO Member on 15 November 2018 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	
<b>PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY</b>		
<b>1.1</b>	<b>The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>	
<b>1.1.1</b>	<p>The certification unit shows the document "Public Document PT SMM 2021" updated March 12, 2021, which explains the list of management documents available to the public with general categories, through approval and confidential. Based on these documents, it is known that there are 166 documents with details of 15 classified documents, 89 documents through approval categories and 62 general documents. The documents available at the certification unit if requested and in accordance with the company's considerations, including:</p> <ul style="list-style-type: none"> <li>• Land use rights document</li> <li>• OSH committee implementation report</li> <li>• Environment document (HCV and management and monitoring environment report)</li> <li>• Report of SIA and its management report</li> <li>• Complaint and grievance document</li> <li>• Continual improvement document</li> <li>• RSPO Audit Report</li> <li>• Human right</li> <li>• Etc.</li> </ul>	
<b>1.1.2</b>	<p>Based on interview with local communities, nearest community, and agency it is known that they are quite easy to access information. Information can be accessed by submitting requests verbally, e-mail, fax, telephone, and direct visits. According to them, during communication with the company they used Indonesian. Some sample document that can be access by Government Agency such as Implementation report of RKL-RPL, Hazardous waste management report and POME report.</p>	

Based on the results of document review and interviews with agencies, such as the Agriculture and Food Office of Belitung Timur District, the Environment Agency, and the Manpower Agency, it is known that the information presented by the certification unit has been presented in an appropriate language and can be accessed by the agency. In addition, based on the results of interviews with village heads, for example in Jangkang Village, it is known that information is presented in an appropriate and accessible language, including through short messages or WhatsApp applications, such as information on job vacancies.

### 1.1.3

The certification unit shows a recording of requests for information and responses given, which are listed in the PT SMM External Communication and Information Provision Logbook document in 2021, which among others informs the date of receipt of the letter, letter number, date of letter, sender, purpose, subject, response, date of grant responses and information. For example, for the period July 2021 there is the following information:

- Date of receipt of the letter is July 1, 2021, letter number 140/093/DRG/VI/2021, date of the letter is June 28, 2021, the sender of the Renggiang Village Office, the purpose of the request for assistance, regarding the banners for the commemoration of the Republic of Indonesia's Anniversary in 2021, the response is assisted by 30 units banners, the date of response is 14 July 2021, and the information is complete.
- Date of receipt of letter 13 July 2021, letter number 525/ST/42/DPP/VII/2021, letter date 13 July 2021, sender of the Belitung Timur District Agriculture and Food Service, purpose of assignment letter, regarding Plantation Business Assessment, response received, date giving a response July 13, 2021, and the information is complete.

The company has provided mandatory reports to relevant agencies such as RKL/RPL, POME, Hazardous waste, Mandatory Employment Report, P2K3 Reports, Fire Reports, Utilization of HGU and LPUP.

### 1.1.4

The certification unit has consultation and communication procedures, which are listed in the SOP for Management of External Stakeholder Complaints, number SOP-CID-03, November 1, 2020. Some of the things regulated in the document include:

- Complaints received and recorded in the complaint form will be followed up to the next process a maximum of 3 working days from the time the complaint is received.
- The process of responding to divinity is carried out a maximum of 14 working days from the time the complaint is received and recorded in the Complaint Form
- Personnel appointed to receive and respond to complaints such as Government Relations/ EA (External Affairs)-CID (Community Involvement and Development) Officer, Government Relations/ EA-CID Manager, Security Post Guard and Security Manager/ CSO (Chief Security Officer).

Based on the results of interviews with village community representatives, for example the Village Head of Jangkang Village, it is known that communication with the company has been going well and the company has appointed special officers to communicate and convey information with the village community.

The certification unit has submitted consultation and communication procedures to all stakeholders, which are shown in the Notes of the Stakeholder Meeting, March 3 – 5, 2021, held at the relevant Meeting Hall or Village Office, such as the Simpang Tiga Village Meeting Hall, Balok Village Meeting Hall and the Dendang Village Office.

### 1.1.5

An up-to-date list of contacts and detailed information on stakeholders and their appointed representatives is available, which is listed in the PT SMM Stakeholder List document, updated October 1, 2021. The document describes stakeholders consisting of:

- Provincial government: 18 stakeholders
- Local government: 40 stakeholders
- *Musyawarah Pimpinan Kecamatan* and village: 28 stakeholders
- Police and military: 8 stakeholders
- Media, company associations and NGOs: 12 stakeholders
- Cooperative partnership: 8 stakeholders

- Suppliers/ independent oil palm smallholders: 16 stakeholders
- Stakeholders: 18 contractors
- Community organizations, religion & education: 10 stakeholders
- Community leaders: 20 stakeholders
- Internal stakeholder: 6 stakeholders

In addition, the document also informs the name of the stakeholder, location, category and contact person.

Status: Comply

**1.2**

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

**1.2.1**

The unit of certification can demonstrate a policy to act ethically, which is implemented in all business operations and transactions, some of which are listed in the attachment to the cooperation agreement. For example, in the Kernel Transport Work Agreement document, number 016/SMM/COM/PK/I/2020, dated January 2, 2020 (the term of the agreement is until December 31, 2020), with PT Sarana Multiguna. In Attachment II to the work agreement, it is stated that the Integrity Pact is signed by the contractor. As for what is stated, namely that the second party hereby declares and confirms the ability not to offer, give or receive anything (including but not limited to money, gifts, or certain facilities) to or from employees, agents or people who work for the first party and its business groups that aim to influence a decision. The second party also states that the first party has the right to unilaterally terminate the Employment Agreement, if the second party is proven to have committed acts that are contrary to the principles of integrity and honesty as stated in the agreement. In addition, the integrity pact has also been signed by other contractor parties, such as the FFB Sale and Purchase Agreement number 0118/COM/SMM/2020, dated January 31, 2020, with CV. Agung Permata.

**1.2.2**

There is a system in place to monitor compliance and the implementation of policies and ethical business practices, some of which have been implemented in mill, namely at grading stations. Based on the results of field observations at the grading station, it was found that there was information/ notification regarding the reporting facilities provided by the company if indications of violations were found such as fraud, corrupt practices, violations of business ethics or company regulations via email, telephone, WhatsApp or SMS. In addition, the company also equips the grading area with CCTV cameras to monitor ethical business practices in the factory area.

Status: Comply

**PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS**

**2.1**

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

**2.1.1**

The company has list of regulations of 2021 that includes local regulations and national regulation updated annually. List of laws/regulations listed has covers several aspects such as land permit and legality, manpower, occupational health and safety, best management practices and environment. Some examples of regulations compliance that have been done such as:

**Legality Aspect**

In term of legal aspect, the CH has shown evidence towards legal aspect, The Certificate Holder has complied with regulations in the field of plantation and land legality, such as HGU (land use title), IUP P (plantation business permit for mill) as well as mandatory reports on annual land use to BPN.

**Environmental aspect**

The company has shown evidence of compliance with regulation, such as has had:

- AMDAL document
- Land Application permit

- Hazardous waste warehouse permit
- Implement RKL-RPL
- Routine reporting to government agency regarding RKL-RPL report, POME report, hazardous waste report.

This information also in line with interview result with Environmental Agency of Belitung Timur District.

The other compliances of regulations regarding to environment aspects are EIA management and monitoring in routinely, hazardous waste storage license approved by local government.

#### **Best Management Practice aspect**

In best management practices, it is known that plantation and mill management have implemented several laws and regulations in Indonesia, for example, using mechanical or non-burning methods during land clearing and replanting, the oil palm planted comes from seed producers (DxP) recognized by the government Indonesia, such as Lonsum, Socfin Indonesia and PPKS. Furthermore, the plantations (every management unit) have implemented integrated pest control, biological control and only use pesticides registered on the government website Pesticide.id.

#### **Employment and OHS regulatory compliance**

The company has fulfilled the regulatory compliance in the aspects of employment such as the implementation of minimum wage, registered Labor Union-Bipartite Cooperation Institutes, national employment and health insurance (BPJS), no child and force labor, etc. In the OHS implementation, the company providing decent PPE to all workers, having licensed/permitted steam engineers, boiler men, welder, electrician, etc. Moreover, the company implement hazard identification, risk assessment and control to identify working unit that has specific hazard and risk especially in the Mill, such as temperature variation, dust, vapor, sound and vibration by providing specific PPE as well as regular medical examination. The detail will be described in the related indicators.

Compliances of workers and OHS regulations are provided the minimum wage, company safety & occupational health, transporting and forklift operator, etc.

Based on OFI verification of previous audit activities, it is known that smallholders workers are temporary workers. Meanwhile, based on verification of employee list document period November 2021 which includes own estate and smallholders, it is known that all workers have permanent employee status.

Based on interview with stakeholders such as government agencies it is known that the company has comply the related regulations for example: has plantation business permit, land use right, no workers underage of 18, hazardous waste storage permit, etc.

#### **2.1.2**

The Management Unit already has a list and a copy of the applicable laws and regulations. The legal requirements documentation system contained in the Legal Requirements Evaluation Procedure (No. Doc: SOP-Leg-01, Edition 01, Rev. 03) was established on March 30, 2015. Identification is done by various methods including:

- Identification/request for information directly to the issuing regulatory agency.
- Identification through the official website of the issuing agency and/or the official website for the regulation updates.
- Through seminars/training/workshops conducted by regulatory issuing agencies and/or other private agencies.
- Obtain information from an accredited institution related to the update of rules and regulations.

Monitoring and evaluation results are listed in form of list regulations and act that was renewed in March 2021. The document is an inventory of national and local regulations related to aspects of legal, labor, health, and safety, and environmental. furthermore, a list of relevant laws has been included the latest law that is relevant for example Omnibus Law Act, ISPO regulation etc. To ensure compliance with law or regulations, the company conducts an internal audit. Internal audits have been conducted continuously and are documented and reviewed in the management review activities, latest audit was carried out on 12 – 16 July 2021 that carried out by the Sustainability compliance department.

#### **2.1.3**

Boundaries pole maintenance and monitoring are carried out twice a year in accordance with work instruction No. IK-SOP Leg 001-001 valid 1 Jan 2019 about demarcation, maintenance, and mitigation of boundaries Poles. The realization report for the period 2021 was verified during this assessment. Field observations were conducted to ensure that the poles are available in a place and maintained, the positions were checked using GPS

**Status: Comply**

**2.2**

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

**2.2.1**

Companies can show a list of contractors for the period 2021 with a total number of contractors as many as 33 companies (PT or CV), consist of FFB Suppliers, transporter (CPO, PK, FFB) and Scott Harvesting. All of contractors provide worker on permanent status.

**2.2.2, 2.2.3**

Based on agreement sampled such as agreement with contractor of weeding (No. 663/SMM-SPK/09-2021 dated 1 September 2021) and FFB supplier (No. 599/SMM-SPK/08-2021 dated 2 August 2021), has been stated the clauses of contractor's obligation to comply the relevant employment and OHS regulations, such as in the aspects of no child and force labor, working contract, employment and OHS insurance, FFB from legal sources, etc. The company can demonstrate the monitoring system to ensure these contractor's implementation of regulatory compliance, such as by showing Membership Certificates of Employment Insurance (BPJS *Ketenagakerjaan*) for contractor of PT Rayyan Abadi Jaya.

Based on document review and interview with the PT Rayyan Abadi Jaya's workers in Balok Estate known that the workers (scott harvesting) have been employed in accordance with applicable regulation, such as provided by appropriate PPE, minimum wage as well as employment insurance. Interview with the contractor workers also known that they provided by payment slip that describe their actual earning and deduction (Health & Employment Insurance).

**Status: Comply**

**2.3**

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

**2.3.1**

Records of the origins of all third-party FFB sourced are available on computerized system at Jangkang POM. The result of filed visit, document review and interview with the management, known that there are FFB's sourced from third party.

The company has list of FFB's direct suppliers such as CV Subur Mandiri, CV Tata Subur Makmur, PT Rawi Agro Mandiri, PT Sawit Alam Permai, PT Agro Inti Abadi, PT Henco Bilitone Agro Indo, PT Hasil Sawit Bina Sejahtera, PT beltim Karya Mandiri, CV Agung Permata, CV Harapan Baru and CV Sinar Cahaya Abadi.

The unit of certification can present the requirements of directly sourced FFB as follows the Information on geo-location of FFB origins and proof of the ownership status or the right/claim to the land by the grower, For example

1. CV Subur Mandiri  
Legal and traceability document presented are:
  - o Deed of incorporation of CV Subur Mandiri No 15 dated 12 April 2007
  - o Location coordinate (Y) -2.733158 and (X) 107.661696
  - o Address Jl. Air Ketekok RT.12 / RW.004, Village of Air Ketekok, Regency of Belitung
  - o Legal Document: Land register certificate
  
2. PT Henco Bilitone Agro Indo  
Legal and traceability document presented are:
  - o Deed of incorporation of PT Henco Bilitone Agroindo No 299 dated 19 November 2014
  - o Location Permit based on Regent of Belitung Decree No 188.45/320/KEP/II/2015 dated 01 September 2015 regarding location permit for area covering 407 Ha on behalf of PT Henco Bilitone Agroindo
  - o Location coordinate (Y) -2.805411 and (X) 107.602708
  - o Address Jl. Jendral Sudirman RT 013 RW 003 Tanjung Pandan, Regency of Belitung

**2.3.2**

The company has list of FFB's indirect suppliers such as Koperasi Sawit Sepakat Maju; Koperasi Anugerah; Koperasi Bhakti; Koperasi Bumi Makmur; PT Tri Selaras Agri. as part of efforts to trace the supply of FFB from external parties, especially indirect suppliers, the company has conducted a traceability audit to ensure that the FFB supplied comes from legal sources. During the audit process, evidence of legal compliance from each supplier can be shown, for example:

1. Sepakat Maju Cooperative

Legal and traceability document presented are:

- o Deed of incorporation of Sepakat Maju Cooperative No 007/BH/KDK.6.1/IX/2000 dated 13 September 2000
- o Location coordinate (Y -3.032615 and (X) 108.036993
- o Address: Sub-village of Lilangan RT.002, Sub District of Gantung, Belitung Timur Regency
- o Number of Supplier: 13 persons
- o Legal Document: Land register certificate and Freehold Tittle
- o Total Area: 97.69 Ha

2. PT Tri Selaras Agri

Legal and traceability document presented are:

- o Deed of incorporation of PT Tri Selaras Agri No 17 dated 09 February 2017
- o Location coordinate (Y) -2.76899 and (X) 107.717407
- o Address Jl. Raya Badau RT/RW: 006/002, Tanjung Pandan, Belitung Regency
- o Number of Supplier: 56 persons
- o Legal Document: Location Permits, Land register certificate and Freehold Tittle
- o Total Area: 740.69 Ha

**Status: Comply**

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

**3.1**

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

**3.1.1**

The unit of certification shows a timed management plan, which is documented and includes business feasibility, which is shown in the 5-Years Financial Projection 2021-2025 Statement of Operation Projection including estate and smallholders, which includes planting program, hectare statement, FFB Production, extraction rate, oil and kernel production, sales, inventory, income, expense, income before tax and profit after tax. For example, for 2022, the projected production of FFB amount 272,756 tons and a total FFB processing of 320,000 tons.

**3.1.2**

There is an annual replanting program that is projected for at least the next five years, some of which are listed in the PT SMM Replanting Program document for 2021 – 2031 (updated October 1, 2021), which among others explains the replanting plan in 2022, which is 1,055.59 ha. The certification unit also conducts a review every year, as shown for example related to replanting 2017 Ha planted with an area of 815.59 Ha because an area of 13.91 Ha was not planted because it included HCV and replanting 2019 Ha planted an area of 882.8 Ha due to an unplanted area of 2.69 Ha (Emplacement, office) & an area of 28.24 Ha (including HCV).

**3.1.3**

The unit of certification has carried out a management review within the planned time according to the scale and nature of the activities carried out, as indicated in the Minutes of the Management Review Meeting, dated August 7, 2021, which was attended by the General Manager, Manager, HR, EHS, GIS and others. The matters under discussion are:

- Follow up on previous management review meetings
- Changes and developments in the management system in the company's operations
- Improvement of management goals and objectives
- Communication from external parties
- Performance management system implementation

- Status of corrective and preventive actions related to OHS
- Recommendations for improvement
- Internal and External Audit Result
- And others

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**

The company implements an action plan for continuous improvement, considering the main social and environmental impacts and opportunities faced by the certification unit, which are carried out in the RSPO internal audit activities. The company showed the Sustainability Internal Audit Report for the period 2021, July 12 – 16, 2021. Based on these activities, 14 nonconformities were found with grades 6 major and 8 minor, including regarding training, identifying the needs of pregnant women, integrated pest control and waste management. All non-conformities were complied during the management review activity on August 7, 2021.

**3.2.2**

Unit of certification shows RSPO metric template Version 2.1 during the time of audit. As checked properly, it was known that all data provided were match with actual situation.

Based on document verification, for The RSPO metric template known annual data 12-month periods use (January to December 2020) for schedule reporting annual data social and environmental, included monitoring data of water consumption, management dan monitoring HCV.

Status: Comply

**3.3**

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

**3.3.1**

The certificate holder has a documented procedure for the mill and estate. The estate procedure starts from the procedure of plant material, then the technique of nursery, fertilization, weed control, integrated pest management to harvesting and transporting it contained in the document of Standard Operating Procedure (SOP) of Agronomy, document number 07 / AGR / IM / IA / 08 / 13 , dated August 1, 2013 signed by Chief Executive Officer and Estate Director. The certificate holder also has a procedure for the process of receiving fresh fruit bunches to dispatch the CPO and kernels. Operational procedures in general have been socialized to all employees in accordance with their respective fields of work. The entire procedure both of plantation and mill has been included of safe working instruction, other than those described in the HIRAC document. Based on the results of document review and interviews with management regarding the SOP, it is known that there are no changes/revisions from the previous assessment.

Based on the results of field observations and interviews with workers, it is known that these SOPs have been implemented and understood by workers. For example, related to spraying work, employees can show how to work according to existing procedures. Based on the results of field observations at the factory, it is known that at each station there are SOPs that are installed and are easy to read.

**3.3.2**

There is a mechanism to check the consistent implementation of procedures, which are stated in the Quality Assurance (QA) Manual document, document number QA-OPR-01, dated February 01, 2016. These procedures include explaining that the Quality Assurance Department as the internal controller of plantations and mills ensures the implementation of Best Practices. according to SOP and help share information/ technology for improvement. QA visits are set by VP Operations. If there is a nonconformity, the Estate/ Mill must provide feedback after 1 week of being sent to QA.

RSPO internal audit activities are conducted once a year, including contractor performance. Mechanisms to ensure compliance with RSPO standards for contractor workers are overseen by operational departments such as foremen, foreman I, assistants, security personnel, managers and so on. Then, the safety officer also supervises the contractor's

OHS implementation such as the use of PPE and ownership of heavy equipment licenses and others by the contractor. Then the sustainability team also oversees the ongoing work agreement. For example, the addition of insurance provisions and OHS aspects.

3.3.3

The unit of certification shows a recording of the monitoring of operating procedures and follow-ups carried out in 2021, including through the Final Report of Quality Assurance Examination and Recommendations conducted by the Quality Assurance Department, April 2021, number 01/QA MILL/ANJA-BELITUNG/APRIL/2021. Based on the document, the monitored operating procedures include grading inspection conditions, mill cleanliness condition inspections, mill performance indicator inspections (processes, laboratories, machines), FFB processing inspections and processing capacity, production achievements, oil content testing, waste condition inspections (effluent), check SOP index and others.

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, 3.4.2

Based on interviews, document review and field visit it was found that no new plantings or operations were carried out by CH. PT SMM has environmental documents consisting of:

1. Environmental Impact Analysis Document (AMDAL) of Oil Palm Plantation and Processing Factory in Dendang and Gantung Subdistricts, Belitung Regency. The scope of the study covers a HGU area of 15,873.24 Ha.
2. Environmental Impact Analysis Document (UKL-UPL) for biogas plant in 2009.
3. Environmental Management Document for Oil Palm Plantation Activities, 2015 with a study of ± 418.46 Ha of plantation land.
4. Environmental Impact Analysis Document (UKL-UPL) for Koperasi Lindong Raya on 2015.
5. Environmental Impact Analysis Document (SPPL) for Koperasi Mitra Lestari, Koperasi Mitra Anugrah, Koperasi Sambar Jaya Makmur and Koperasi Berhimpun Sejahtera in 2015.

Beside AMDAL, UKL-UPL and SPPL, CH also conduct HCV assessment in 2009 for all area of certification scope and CH not have any land clearing after 18 November 2018 so the HCS is not applicable. While for GHG calculation, CH has calculate every year the GHG emission from their operation.

PT SMM have conducted a Social Impact Assessment (SIA) on 11 to 14 October 2013 in collaboration with a consultant. To update the social issue, CH conduct SIA review every 2 years and stakeholder meeting every year. CH can provide SIA review in 2019 and 2021 which has been involve by external stakeholder. The last SIA review was conducted in 3 to 5 March 2021 with participant from Simpang Tiga Village, Balok Village, Dendang Village, Jangkang Village, and Nyuruk Village. While for internal issue, CH collect the information from union meeting which held every month, such as meeting on October 2020 with participant from representative of staff, workers and union.

Based on interview with government agency, communities, contractor, smallholders and workers, mostly social issue has been mitigated by CH, but there is one issue regarding to smallholder profit and loss information especially in Koperasi Sambar Jaya Makmur which arise since February 2021. Regarding to this issue, both parties has been communicated and will be discus during yearly reporting on last week of November 2021. The mitigation of this issue will be observed during next assessment (OFI).

3.4.3

CH shows a report on the results of the implementation of environmental management and monitoring (RKL RPL) which reported every quarterly. Implementation of environmental management and monitoring (RKL RPL) quarter 4 of 2020 has been inline with all environmental document, which cover:

- Erosion
- POME
- Solid waste

- Noise
- Social and Cultural Affairs
- Land fire hazard
- Employment Opportunity
- Occupational safety and health problems
- Decrease in surface water quality
- Decreased air quality and increased noise
- Smooth traffic disruption
- Attitudes and perceptions of society
- Improved vegetation function
- Missing job opportunities

To maintain the social impact, CH has implemented social program in 2021 such as:

- Empowerment program of Sahabat Lais
- Project for empowering farmer groups who concerned with fire
- Horn beetle attack mitigation program
- Community empowerment program for the Kretak Nibung tourism management
- Socio-cultural and educational
- Infrastructure
- Stakeholder meeting

Based on routine monitoring of environmental aspect such as quarter 3 of 2021, there is no one parameter that excess the environmental threshold.

**Status: Comply**

**3.5**

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

**3.5.1**

The employment procedures have been set in the SOP of Recruitment (No. SOP-HRCM-002 dated 1 November 2019), Guidance of Recruitment, Promotion, and Mutation (No. 018/HR&GA/CP/05-2009 dated 1 May 2009), as well as the Collective Labor Agreement of 2020-2022 between the company and Worker Union. In these documents has been covered the clause related recruitment mechanism and process, promotion, mutation, and termination in accordance with National Act No. 13 of 2013 related employment.

Based on recruitment documents and agreements review, as well as interview with the workers and Worker Union, the procedure of recruitment, promotion and retirement has been disseminated and implemented well. There is no discrimination related those processes, which the application and promotion assessed based on requirements and assessments of competencies and achievements, that has been described in the vacancies in advance. There is no distinguishment of rights and obligations in the same employment types.

**3.5.2**

Employment procedures has been set in Collective Labor Agreement (CLA) period of 2020 – 2022, ratified on 14 December 2020 by Manpower Agency and valid until 10 December 2022. The CLA set the company and worker rights and responsibilities, recruitment process, promotion and demotion, work time management, payment system, social insurance, contract termination, and so on. Based on interview with the worker, it is known that they understand about worker's rights and obligation as written in collective labor agreement. It has been disseminated to the worker by management representative.

In the CLA set that the minimum wage referred to the governmental regulation. Based on the payment slip verification, there is no change in the minimum wage payment reference and still refers to the Bangka Belitung Island Province Minimum Wage of 2021 based on Governor Decree No. 188.44/943/DISNAKER/2019 dated 25 October 2019, amount of Rp. 3,230,023.66. The company shown that the minimum wage for all workers do not bellow that amount.

**Status: Comply**

**3.6**

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

**3.6.1**

All operational activities risk has been assessed and put in the document of Hazard Identification, Risk Assessment and Risk Control (HIRARC) latest update on 10 January 2021. The document describes the description of every operational activity, potential hazards, risk assessment and risk control/risk mitigation.

Based on field observation and interview to the workers at the Mill and Estates sampled, the mitigation plan stated in the HIRARC has been implemented such as the usage of PPE in accordance with specific identification, routine program and monitoring of machine condition, proper training to the workers, the installation of plank and sign related OHS at the workplace, office and housing, having licensed/permitted steam engineer, boiler men, welder, electrician, etc.

**3.6.2**

As part of the OHS plan, to minimize the potential for fire hazards in the company's operational areas, it is not allowed to have parties that trade or store fuel oil stocks. In addition, the company has also conducted socialization regarding Hazardous Waste/Hazardous Material and routine activities such as clean Fridays in the PT SMM as a control or supervision measure but based on field observations in the employee housing complex, it was found that residents of housing were storing gasoline at home. Therefore, the company can improve supervision in order to avoid potential risks that have been identified by the company. **OFI**

**Status: Comply**

**3.7**

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

**3.7.1**

The company has set annual training program of 2021 for every unit including scheme smallholders and contractors. The training program covered all operational and RSPO aspects, such as agronomy best practices, chemical/pesticide handling, OHS, and environmental. There is no gender discrimination in the program but based on the operational and previous evaluation. Moreover, the gender specific need training has been handled by the Gender Committee.

**3.7.2**

Records of trainings and its evaluation available, such as the training of pesticide application in Joseph Jaya Estate on 4 January 2021. The implementation has been in accordance the program, even though several programs hampered due to Covid-19.

Based on field observation and interview with the workers including female workers, contractor workers, contractor, smallholders, and Gender Committee, known that the company has implement its commitment to maintain the workers competency without gender or position discrimination, including to the smallholder and cooperative official. Can be concluded based on operational activity performed by the workers, has shown the competency maintaining and development program has been well implemented. The crucial and high-risk job such as pesticide applicator, workshop and Mill processing including who exposed by high noise level has been provided by specific training or mandatory training, has shown by the operator licenses they have such as electricity license, welder license, boilerman license, etc.

**3.7.3**

The specific training of SCCS, especially to the new standard of P&C SCC requirements for mill updated 1 February 2020 has been conducted on 23 – 29 April 2021, with the participants being administration officers, weighbridge, laboratory officers, and security. The training topics are awareness of RSPO SCC, traceability, and mass balance. Observation and interview to the PIC involved in the supply chain, they understood the system and implementation of supply chain standards.

**Status: Comply**

**3.8**

**Supply Chain Requirements for Mills**

**3.8.1; 3.8.2**

SCSS module used in Jangkang Mill is Mass Balance (MB) because the mill receives FFB certified by RSPO and non-certified RSPO. Source or supplier of FFB received by the mill can be classified into three categories: own estates,

smallholder, and independent suppliers / third parties. The Mill has been recorded well the separation of FFB and products (CPO and PK) from certified and uncertified sources. The Mill only claims certified products from certified sources.

**3.8.3**

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

Product	Estimate Production 11 November 2020 – 10 November 2021 (MT)	Actual Production November 2020 October 2021 (MT)	Estimate Production next 12 months (MT)
FFB Estate	236,900	237,309.04	250,000
FFB Scheme or associate Smallholders	7,700		
CSPO	55,500	55,447.77	55,000
CSPK	12,200.9	12,126.08	12,500

**3.8.4**

PT Sahabat Mewah dan Makmur, subsidiary of Austindo Nusantara Jaya has registered in RSPO membership 1-0032-07-000-00 (registered since 27 February 2007).

PT Sahabat Mewah dan Makmur has been registered in IT platform palm trace RSPO <https://palmtrace.rspo.org/web/rspo/member-directory> which information as follows:

- Member Name: PT Sahabat Mewah dan Makmur
- Account UID: RSPO\_AC1000000559
- Core Product: Palm Oil
- Member ID: RSPO\_PO1000000531
- Type of Business: Oil Mill
- Supply chain model: Mass Balance

All transaction has been announced to RSPO IT Platform and confirmed shipped. The Mill has conducted SCCS mechanism such as announcement in Palm Trace of RSPO CSPO and CSPK sold as certified and confirming the shipping announcement, as well as remove of certified stock for products sold as other scheme or as non-certified/conventional as described in indicator 3.8.8 and 3.8.16

**3.8.5**

The Mill has the documents of supply chain procedures for Mass Balance models No. document FRM-SOP SCD 01-04 dated 1 July 2020, describes the responsible PIC, references, the reception process of FFB (separating record keeping of certified and non-certified), processing of FFB and CPO/PK production (recorded in the 3 monthly basis with appropriate ratio calculation), shipment of CPO certified and PK certified (should be of positive stock, specify RSPO certificate number on the sales documents) and palm trace data entry. The procedures established and covering all elements of the supply chain model requirements, records, and reports of compliance with supply chain requirements including training records. The procedure is according to RSPO P&C 2018.

The procedures also identified role of implementation responsibility persons that trained. Responsible person in the whole process of supply chain: Security (registrar of all FFB expeditions and dispatch of CSPO/CPO), Weigh operators (weighing in all received FFB and shipping products), Logistics (calculation results of CSPO/CPO production, dispatch, reports of the products delivery and traceability report), Head of Administrator (acceptance control of FFB and CSPO/CPO, FFB acceptance report, dispatch, product delivery reports and traceability reports).

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

**3.8.6**

The internal audit procedure is imposed in SOP Internal Audit of System management (No SOP-SCD-03) dated 01 October 2018. On the procedure described if internal audit minimum carries out at least one time a year. Due to this current pandemic situation, there is an internal memorandum from COO ANJ Group No 001/COO/SC/IM/IV/2020 dated 09 April 2020 that mentioned if internal audit System management can be conducted remotely

The last internal audit was carried out on 12 to 16 July 2021 by the Sustainability compliance department. Based on the internal audit there is no non-conformity-related requirement of RSPO. Furthermore, the unit of certification can present the result of the management review meeting on 07 August 2021 with the one issue that was discussed are the result of the internal audit.

**3.8.7**

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

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
Nov-20	23,798.98	11,220.84	35,019.82
Dec-20	23,878.39	10,587.40	34,465.79
Jan-21	19,984.77	9,849.77	29,834.54
Feb-21	18,232.84	9,730.10	27,962.94
Mar-21	22,754.32	10,496.27	33,250.59
Apr-21	18,557.97	10,594.11	29,152.08
May-21	18,555.47	8,891.15	27,446.62
Jun-21	18,355.40	8,713.88	27,069.28
Jul-21	16,522.57	7,471.59	23,994.16
Aug-21	20,371.21	6,544.84	26,916.05
Sep-21	17,234.25	5,538.44	22,772.69
Oct-21	19,062.87	5,675.78	24,738.65
<b>Total</b>	<b>237,309.04</b>	<b>105,314.17</b>	<b>342,623.21</b>

Estimated certified product recorded in the certificate, actual certified produced has been verified during this assessment (ASA-2.1), that describes in the following table:

Product	Estimate Production 11 November 2020 – 10 November 2021 (MT)	Actual Production November 2020 – October 2021 (MT)
FFB Estate	181,900	237,309.04
FFB Scheme or associate Smallholders	5,900	
CSPO	43,000	55,447.77
CSPK	10,400.9	12,126.08

Based on table above there are overproduction if compared with projected. Regarding this matter the unit of certification can present evidence that been informed to CB about proposing additional volume of CSPO, CSPK and FFB in the Palm Trace through email on 25 November 2021 with the volume:

- FFB: 56,800 MT
- CSPO: 12,500 MT
- CSPK: 1800 MT
- 

The mechanism for handling non-conforming oil palm products and/or documents described in the SOP handling of nonconformities, corrective action, and preventive action (SOP-SDD-10 rev 01) aims to determine the analysis system for the occurrence of management system inconsistencies that apply within the company and determine preventive actions and ensure that the actions taken are effective. During audit carry out it was known there is no non- non-conformity in the handling of the product either physically or documents regarding SCCS.

### 3.8.8

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

Based on documents verifications, interviews with management as well as verification through Palm Trace it was known during the period during November 2020 – October 2021 there are 17000 MT CSPO and 3200 MT CSPK Sold under RSPO Certified.

Documents verification and interview during an audit it was known the claimed RSPO product of CSPO and CSPK is no longer than 3 months since the product delivered. The unit of certification can present the supporting documents were contract agreement, delivery order, delivery ticket, report of loading, weighing minutes, weighing card, and delivery note. Those documents cover information of delivery date, description of product and supply chain model, product quantity, identification number, certificate number, sender's name, and address of the seller. Based on documents verifications the unit of certification can present if the Shipping announcement is announced no longer than three months, as presented in the sample below:

- **CSPK**
  - Shipping announcement with transaction id TR-d7b831db-7cc4 volume of CSPK 300 MT, a module of SCCS MB, dated 11 November 2021, the mill can present
  - Weighbridge document covering 3000 MT from Jangkang POM on 09 November 2011
  - Delivery order letter No 060/SMM/2021 dated 22 October 2021 regarding shipping of CPO in accordance sales contract no 040/SMM/CPO/X/2021 (RSPO Certificate No MUTU-RSPO/090) to PT Synergi Oil Nusantara covering 3000 MT
  - Despatch of Palm Kernels documents on 09 November 2021 for sales contract No 041/SMM/PK/X/2021 (RSPO Certificate No MUTU-RSPO/090) to PT Sumber Indah Perkasa with transporter PT Sarana Multi Guna
- **CSPO**
  - Shipping announcement with transaction id TR-65204b9f-9bd9 volume of CSPO 3000 MT, the module of SCCS MB, dated 28 October 2021, the mill can present
  - Weighbridge document covering 3000 MT from Jangkang POM to boat name TK.Alfapasifik / TB Burung Laut with the period of transportation on 27 – 28 October 2021
  - Ships Statement of Cargo who described quantity of CPO on the boat that total quantity area 3000.00 MT and this acknowledged by third party suppliers on 28 October 2020
  - Delivery order letter No 060/SMM/2021 dated 22 October 2021 regarding shipping of CPO in accordance sales contract no 040/SMM/CPO/X/2021 (RSPO Certificate No MUTU-RSPO/090) to PT Synergi Oil Nusantara covering 3000 MT
  - Despatch of CPO documents on 28 October 2021 for sales contract No 040/SMM/CPO/X/2021 (RSPO Certificate No MUTU-RSPO/090) to PT Synergi Oil Nusantara with Load Port Tanjung Resing, Bangka Belitung Island with boat name TK.Alfapasifik / TB Burung Laut

### 3.8.9; 3.8.10; 3.8.11

Based on document verifications it was known if PK and CPO Transportation was outsourced to independent third parties. There were two contractors namely:

- PT Sarana Multiguna (PK transporter) address in street of Ali Uyup No. 26, Sub District of Tanjung Pandan, District of Belitung
- PT Insani Mitra Utama Belitung (CPO transporter) address in Village of Pilang, Sub District of Tanjung Pandan, District of Belitung

Clause about granting access to company audit activities both internal and external and commitment clause to follow RSPO Supply Chain Standard has been imposed in the work agreements that approved by both parties, for example:

- PT Sarana Multiguna (PK transporter), agreement No. 016/SMM/COM/PK/II/2021 dated 2 January 2020.
- PT Insani Mitra Utama Belitung (CPO transporter), agreement No. 015/SMM/COM/CPO/II/2020 dated 2 January 2021.

Based on review list of transporters verified on Previous Assessments with this ASA-2.1, there is no new contractor added. There are one contractor which physical handling of RSPO certified oil palm products. It will be verified on next surveillance, if any new contractor

### 3.8.12

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

The record keeping saves in "Mass Balance Report" for example periods November 2020 – October 2021. Within this record, the certificate holders maintain the FFB's sources based on monthly bases.

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
Nov-20	23,798.98	11,220.84	35,019.82
Dec-20	23,878.39	10,587.40	34,465.79
Jan-21	19,984.77	9,849.77	29,834.54
Feb-21	18,232.84	9,730.10	27,962.94
Mar-21	22,754.32	10,496.27	33,250.59
Apr-21	18,557.97	10,594.11	29,152.08
May-21	18,555.47	8,891.15	27,446.62
Jun-21	18,355.40	8,713.88	27,069.28
Jul-21	16,522.57	7,471.59	23,994.16
Aug-21	20,371.21	6,544.84	26,916.05
Sep-21	17,234.25	5,538.44	22,772.69
Oct-21	19,062.87	5,675.78	24,738.65
<b>Total</b>	<b>237,309.04</b>	<b>105,314.17</b>	<b>342,623.21</b>

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

#### CPO production and Dispatch for Jangkang POM

Months	CPO Product (MT)			CPO Despatch (MT)		Stock (MT)
	Certified	Non Certified	Total	Certified	Non Certified	Certified
Opening Stock	2,901.78		2,901.78			2,901.78
Nov	5,147.82	2,197.80	7,345.62		3,302.20	4,747.40
Des	5,072.48	2,073.56	7,146.04	3,000.00	426.44	6,393.44
<b>Subtotal Period IV 2020</b>	<b>13,122.08</b>	<b>4,271.36</b>	<b>17,393.44</b>	<b>3,000.00</b>	<b>3,728.64</b>	<b>6,393.44</b>
Jan	4,369.43	1,931.99	6,301.41		7,068.01	3,691.64
Feb	4,361.21	1,919.15	6,280.36		3,580.85	4,467.01

<b>Sub Total Period 1 2021</b>	<b>8,730.63</b>	<b>3,851.14</b>	<b>12,581.77</b>		<b>10,648.86</b>	<b>End of license (downgrade)</b>
Mar	5,131.66	2,057.87	7,189.53		9,021.25	577.42
Apr	4,181.09	2,075.53	6,256.62		3,812.34	946.17
Mei	4,068.89	1,741.72	5,810.61		3,120.14	1,894.92
<b>Sub Total Period 2 2021</b>	<b>13,381.64</b>	<b>5,875.12</b>	<b>19,256.76</b>		<b>15,953.73</b>	<b>1,894.92</b>
Jun	3,952.68	1,705.35	5,658.03	3,000.00	465.80	2,379.93
Jul	3,522.62	1,459.67	4,982.29		4,540.33	1,362.13
August	4,530.50	1,282.94	5,813.43	5,000.00		892.63
<b>Sub Total Period 3 2021</b>	<b>12,005.80</b>	<b>4,447.96</b>	<b>16,453.75</b>	<b>8,000.00</b>	<b>5,006.13</b>	<b>892.63</b>
Sep	3,862.73	1,085.39	4,948.11	2,660.82	1,631.67	462.87
Oct.	4,344.89	1,112.66	5,457.56	3,339.18		1,468.58
<b>Sub Total Period 4 2021</b>	<b>8,207.62</b>	<b>2,198.05</b>	<b>10,405.67</b>	<b>6,000.00</b>	<b>1,631.67</b>	<b>1,468.58</b>
<b>Total</b>	<b>55,447.77</b>	<b>20,643.63</b>	<b>76,091.39</b>	<b>17,000.00</b>	<b>36,969.03</b>	<b>1,468.58</b>

PK production and Dispatch for Jangkang POM

Period	PK production (MT)		Total	Cert PK Dispatch (MT)		Stock (MT)
	Cert	Non-Cert		Certified	Non-Cert	Certified
Opening Stock	692.61					692.61
Nov	1,072.56	504.99	1,577.56		545.01	1,220.16
Des	1,153.84	478.19	1,632.03		1,521.81	852.19
<b>Subtotal Period IV 2020</b>	<b>2,919.01</b>	<b>983.18</b>	<b>3,209.59</b>		<b>2,066.82</b>	<b>852.19</b>
Jan	1,091.23	447.52	1,538.75	617.87	552.48	773.07
Feb	1,057.06	444.36	1,501.41	82.13	955.64	792.36
<b>Sub Total Period 1 2021</b>	<b>2,148.29</b>	<b>891.88</b>	<b>3,040.16</b>	<b>700.00</b>	<b>1,508.12</b>	<b>792.36</b>
Mar	1,051.04	472.66	1,523.70	400	627.34	816.06
Apr	858.3	476.94	1,335.24	643.41	473.06	557.89
Mei	838.34	400.24	1,238.58	156.59	549.76	689.88
<b>Sub Total Period 2 2021</b>	<b>2,747.68</b>	<b>1,349.84</b>	<b>4,097.52</b>	<b>1,200.00</b>	<b>1,650.16</b>	<b>689.88</b>
Jun	771.94	391.5	1,163.45	500		961.82
Jul	780.84	336.47	1,117.32	200	522.03	1,020.63
August	993.29	295.43	1,288.72	200	804.57	1,009.35
<b>Sub Total Period 3 2021</b>	<b>2546.07</b>	<b>1023.4</b>	<b>3569.49</b>	<b>900</b>	<b>1326.6</b>	<b>1,009.35</b>
Sep	781.16	249.27	1,030.43	400	1150.73	239.78
Oct.	983.87	256.16	1,240.03		693.84	529.81
<b>Sub Total Period 4 2021</b>	<b>1765.03</b>	<b>505.43</b>	<b>2270.46</b>	<b>400</b>	<b>1844.57</b>	<b>529.81</b>

Total	12,126.08	4,753.73	16,187.22	3,200.00	8,396.27	529.81
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**3.8.13; 3.8.14**

Based on document verifications and interview with management it was known if there is no conversion rate of production of CPO (OER) and PK (KER) that applied by the mill. The production of CPO (OER) and PK (KER) are based on actual daily, monthly, and yearly production. Jangkang POM set their OER and KER estimation for next year i.e OER 22 % and KER 5%.

**3.8.15**

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

**3.8.16**

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

Based on documents verifications, interviews with management as well as verification through Palm Trace it was known during the period during November 2020 – October 2021 there are 17000 MT CSPO and 3200 MT CSPK Sold under RSPO Certified.

Documents verification and interview during an audit it was known the claimed RSPO product of CSPO and CSPK is no longer than 3 months since the product delivered. The unit of certification can present the supporting documents were contract agreement, delivery order, delivery ticket, report of loading, weighing minutes, weighing card, and delivery note. Those documents cover information of delivery date, description of product and supply chain model, product quantity, identification number, certificate number, sender's name, and address of the seller. Based on documents verifications the unit of certification can present if the Shipping announcement is announced no longer than three months, as presented in the sample below:

- CSPK
- Shipping announcement with transaction id TR-d7b831db-7cc4 volume of CSPK 300 MT, a module of SCCS MB, dated 11 November 2021, the mill can present
- Weighbridge document covering 3000 MT from Jangkang POM on 09 November 2011
- Delivery order letter No 060/SMM/2021 dated 22 October 2021 regarding shipping of CPO in accordance sales contract no 040/SMM/CPO/X/2021 (RSPO Certificate No MUTU-RSPO/090) to PT Synergi Oil Nusantara covering 3000 MT
- Despatch of Palm Kernels documents on 09 November 2021 for sales contract No 041/SMM/PK/X/2021 (RSPO Certificate No MUTU-RSPO/090) to PT Sumbed Indah Perkasa with transporter PT Sarana Multi Guna
  
- CSPO
- Shipping announcement with transaction id TR-65204b9f-9bd9 volume of CSPO 3000 MT, the module of SCCS MB, dated 28 October 2021, the mill can present
- Weighbridge document covering 3000 MT from Jangkang POM to boat name TK.Alfapasifik / TB Burung Laut with the period of transportation on 27 – 28 October 2021
- Ships Statement of Cargo who described quantity of CPO on the boat that total quantity area 3000.00 MT and this acknowledged by third party suppliers on 28 October 2020
- Delivery order letter No 060/SMM/2021 dated 22 October 2021 regarding shipping of CPO in accordance sales contract no 040/SMM/CPO/X/2021 (RSPO Certificate No MUTU-RSPO/090) to PT Synergi Oil Nusantara covering 3000 MT
- Despatch of CPO documents on 28 October 2021 for sales contract No 040/SMM/CPO/X/2021 (RSPO Certificate No MUTU-RSPO/090) to PT Synergi Oil Nusantara with Load Port Tanjung Resing , Bangka Belitung Island with boat name TK.Alfapasifik / TB Burung Laut

For CSPO sold as conventional or other scheme during this period has been allocated to credit in palm trace as follows:

Stock Transaction ID	Date	Product	Supply Chain Model	Transaction Type	Volume
ST-TR-baef3a0b-2998	01-04-2021	CSPO	Mass Balance	Credit Allocation	10,000
ST-TR-ac0f9018-3445	11-05-2021	CSPO	Mass Balance	Credit Allocation	5,000
ST-TR-23838d08-3772	26-07-2021	CSPO	Mass Balance	Credit Allocation	5,000

3.8.17

Unit management did not use logo during communication with customer.

Status: Comply

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

4.1

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

4.1.1; 4.1.2

The Policy on Respect for Human Rights ruled in ANJ Sustainability Policy (31 October 2019) that described, ANJ recognizes the universal declaration of human rights, which articulates fundamental rights and freedom for all. Furthermore, on that policy also described prohibiting retaliation against Human Rights Defenders (HRDs) as well as prohibits intimidation and harassment by the unit of certification and contracted services, including contracted security forces.

During the audit carried out, the team auditor has been trying to ensure this policy has been communicated and implemented through stakeholder consultation. Based on interviews with workers, the surrounding community (village head, community leaders, smallholder's representative), and contractors knew that the company has socialized company policies regularly including policies on human rights.

Until this assessment, there were no conflicts and land disputes within the PT SMM. This is also in line with the results of interviews with surrounding communities and related agencies during a public consultation, which stated that there were no complaints related to the human rights violations as well as no coercion uses for all company operations.

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; 4.2.4

Mechanism for consultation and complaints is listed in some procedure, such as:

- SOP for Handling Differences of Opinion with Communities and Land Ownership Disputes (Document No. SOP-EAD-01; Edition 01/00) dated 01 August 2013
- SOP for communication and information provision with document no. SOP-Leg-02 with the effective date of September 1, 2015
- Internal Memo No. 034 / GMO / KAL / IM / IX / 2016 dated 8 September 2016. Based on this mechanism, it is explained that complaints can be submitted to direct superiors or higher superiors or to the HRD department.
- Company regulations for the period 2020 – 2022

The procedure above has explained about the person in charge of receiving and resolving complaints (external and internal officers including HRD), response timeframe (between 14 - 28 days), the confidentiality of the reporter and whistleblower until further handling of complaints is possible to a tripartite level. (Mediation and settlement by the government). The complaint can be delivered directly and documented in the logbook, by putting a letter in the mailbox with anonymity, or through a complaint phone number. The management will provide protection against the complainant. The complaint will be addressed in deliberation and with no coercion or intimidation. The complainant is also able to have third-party assistance or legal body support. The procedure is available in Bahasa Indonesia and if there are any complaints/grievances that the resolution has not found mutually, the complainants can bring that compliance to RSPO Complaints System.

**4.2.2; 4.2.4**

The procedure to ensure the system of complaint handling is understood by stakeholders including illiterate persons, a state in the SOP of Dispute Handling (No. SOP-EAD-01 dated 1 August 2013), stated that the system must be disseminated regularly to stakeholders including illiterate person. Based on document review and stakeholder consultation, the system has been disseminated annually to the workers and external stakeholders, last socialization was carried out on 03 – March 2021 for community surrounding company (Village of Simpang Tiga, Village of Balok, Village of Dendang, Village of Jangkang and Village of Nyuruk) and for Contractors and FFB Supplier on 23 – 29 April 2021. Furthermore, during stakeholder consultation (Village Heads, FFB supplier, contractor, cooperative heads) known that the stakeholders already know the complaint submitted through written or mailbox. furthermore, they also stated that there is no illiterate person in the surrounding community.

**4.2.3**

Based on document review and stakeholder consultation, there is some complaint from community-related:

- The oryctes (horn beetle) infestation that attacks community coconut plants. This outbreak indicated caused by the replanting that was carried out by the company.
- Complaints related to profit sharing residual net income of scheme smallholders

The Company has made some efforts to address this issue, such as coordination efforts with affected parties and the local government. For example, by forming a team of the Movement to Exterminate Oryctes with the Dendang community by involving related parties, including the Dendang Police, Dendang Sub-district, Village Governments in Dendang sub-district, Belitung Timur District Environmental Service, Belitung Timur District Agriculture, and Food Service, coconut farming communities and the community. Dendang sub-district. This team will work as a facilitator in an effort to suppress Oryctes pests and to reduce the issue of Oryctes attack which can be exploited by irresponsible parties by providing incentives for the community to collect larvae and horn beetles which will later be paid by the company costs IDR 25,000 / kg for oryctes larvae and IDR 45,000 / kg for mature oryctes, furthermore as pest control the company has been installment pheromone traps in the affected village as evidenced with minutes of installment pheromone traps in Balok Village, Dendang Village, Jangkang Village and Nyuruk Village on 13 October 2021 and 31 January 2021.

In addition, the Company has coordinated with the village official regarding the plan to provide coconut seeds to the villagers of Jangkang, Balok, Dendang, and Nyuruk. The programs have been a realization in December 2020 and March 2021 with evidenced with minutes of handover of provides coconut seeds in those villages

Furthermore, regarding complaints related to profit sharing residual net income of scheme smallholders, the company has been sent a letter to Mitra cooperative regarding a financial statement update September 2021 on 16 November 2021 and a formal discussion between the cooperative and management will be carried out at the end of November 2021.

Status: Comply

**4.3**

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

**4.3.1**

Based on the results of interviews with representatives of Jangkang Village regarding the company's contribution to development in surrounding villages, it is known that the company has helped with Edamame cultivation and Floating Rice Fields. Based on the explanation in question, this is based on the results of consultations with the local community regarding productive businesses.

In addition, based on the results of the document review, it is known that the company has contributed to sustainable development at the local level, including social matters as stated in the Minutes of Handover of Participation Donations for the delivery of the Nyuruk Village community with mental disorders to the Social Rehabilitation Center for People with Mental Disorders, September 15, 2021.

Status: Comply

**4.4**

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

**4.4.1**

The scope of certification is covering 16,876.37 Ha that consists of 16,276.87 Ha own estate (5 estates) and 599.50 Ha scheme smallholders (5 Mitra cooperatives). Land legality for own estate is based on Decree by National Land Agency No. 50/HGU/BPN/2005 dated 16 May 2005 covering 15,873.24 Ha valid until 31 December 2045 and Decree by National Land Agency No. 21/HGU/BPN RI/2011 dated 28 March 2011 covering 403.63 Ha valid until 23 June 2046. Furthermore, for scheme smallholders, the land ownership documents are in the form of SHM (*sertifikat hak milik* freehold title) and SKT (*surat keterangan tanah* Land register certificate) for 599.50 Ha with 339 smallholders.

**4.4.2;**

There were no customary rights and traditional rights within the certification area. The scope of certification consists of own estate and scheme smallholders with cooperation with PT Sahabat Mewah Makmur. The area of PT Sahabat Mewah Makmur originated from state-owned land and traditional ownership that have been compensated. Furthermore, for the scheme smallholders the land originated from community land which then joins and forms a cooperative, then cooperates with the company to manage the land with certain agreements agreed by both parties

Based on documents verifications and interviews with managements obtained information if the entire planted area has been compensated prior to 2006. Result of discussion with the previous landowner and community leader All compensation process has been held with transparency regarding the mutual agreement. The whole area has been compensated. Based on interviews with representatives of Village community leaders, cooperative and previous landowners obtained information if that the entire planted area of the company had been compensated.

**4.4.3; 4.4.4; 4.4.5; 4.4.6**

Although PT SSM has gained land rights legally there are still many people using and cultivating in permit Areas. The area is managed by the community because previously no compensation has been carried out or the owner is not willing to be compensated. for the area, the company respects and there is no coercion to occupants to hand over the land to the company. the occupied area has been mapped and identified by the company and known by affected parties in appropriate scale and forms. Based on those maps, currently in the operational area, there is about ± 467.75 Ha still managed by the community.

To maximize the production area in the permit for suitable planting areas, PT SMM has approached the community who manages it in the company's permit to be willing to be compensated (*tali asih*). the approach is in line with the principle of FPIC where there is no element of coercion or threat. During the period September 2017 – July 2019 an area of ± 238.60 Ha has been compensated.

The compensation process is based on the basis of consultation and negotiations are transparent and meet the demands for social justice. The company has been shown evidence of land compensation to related parties. The sample of process land compensation present to the landowner was sighted, the copy was made in Bahasa and known by all relevant parties. Although the legal status acquired land is located within the Land Use Title area of the company, which is in the law the company is controlled legally. These processes involved the landowner and were approved by the head of the village and the head of the sub-district. The documented process of land compensation was signed by a related party, filed in each estate. The company can show examples of compensation documents, such as:

- Letter of application for measuring arable land
- Certificate of ownership of cultivated land
- Measurement minutes
- Minutes of cultivated land negotiations
- Minutes of compensation price agreement
- A statement that the land is not in dispute
- Statement of the release of rights to cultivated land
- Payment receipt
- Attached map of arable land
- Documentation in the form of photos of compensation fund submission

The company has a procedure for land compensation as outlined in the Land Acquisition and Growth Procedure No. 021 / HR & GA / CP / Land Acquisition / 06-09, 1 June 2009. The procedure shows that in the process of compensating for

land, it must go through the approval of the relevant landowner and involve relevant parties according to the type of land ownership

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 change / new development in the area of PT Sahabat Mewah Makmur until this assessment.

Based on documents verifications and interview with managements obtained information if the entire planted area has been compensated prior 2006. However, to maximize the production area in the permit for suitable planting areas, PT SMM has approached the community who manages it in the company's permit to be willing to be compensated (*tali asih*). the approach is in line with the principle of FPIC where there is no element of coercion or threat. during the period September 2017 – July 2019 an area of ± 238.60 Ha has been compensated.

The compensation process is based on the basis of consultation and negotiations are transparent and meet the demands for social justice. The company has been shown evidence of land compensation to related parties. The sample of process land compensation present to the landowner was sighted, The copy was made in Bahasa and known by all relevant parties. Although the legal status acquired land is located within the Land Use Title area of the company, which is in the law the company is controlled legally. These processes involved the landowner and were approved by the head of the village and the head of the sub-district. The documented process of land compensation was signed by a related party, filed in each estate. The company can show examples of compensation documents, such as:

- Letter of application for measuring arable land
- Certificate of ownership of cultivated land
- Measurement minutes
- Minutes of cultivated land negotiations
- Minutes of compensation price agreement
- A statement that the land is not in dispute
- Statement of the release of rights to cultivated land
- Payment receipt
- Attached map of arable land
- Documentation in the form of photos of compensation fund submission

The company has a procedure for land compensation as outlined in the Land Acquisition and Growth Procedure No. 021 / HR & GA / CP / Land Acquisition / 06-09, 1 June 2009. The procedure shows that in the process of compensating for land, it must go through

Status: Comply

4.6

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

4.6.1; 4.6.2; 4.6.3; 4.6.4

The company has a procedure for land compensation as outlined in the Land Acquisition and Growth Procedure No. 021 / HR & GA / CP / Land Acquisition / 06-09, 1 June 2009. The procedure shows that in the process of compensating for land, it must go through the approval of the relevant landowner and involve relevant parties according to the type of land ownership.

The compensation process is based on the basis of consultation and negotiations are transparent and meet the demands for social justice. The company has been shown evidence of land compensation to related parties. The sample of process land compensation present to the landowner was sighted, the copy was made in Bahasa and known by all relevant parties. Although the legal status acquired land is located within the Land Use Title area of the company, which is in the law the company is controlled legally. These processes involved the landowner and were approved by the head of the village and

the head of the sub-district. The documented process of land compensation was signed by a related party, filed in each estate

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

There is no change / new development in the area of PT SMM until this assessment.

There were no customary rights and traditional rights within the company's area. Based on documents verifications and interviews with managements obtained information if the entire planted area has been compensated prior to 2006. However, to maximize the production area in the permit for suitable planting areas, PT SMM has approached the community who manages it in the company's permit to be willing to be compensated (*tali asih*). the approach is in line with the principle of FPIC where there is no element of coercion or threat. during the period September 2017 – July 2019 an area of ± 238.60 Ha has been compensated.

The compensation process is based on the basis of consultation and negotiations are transparent and meet the demands for social justice. The company has been shown evidence of land compensation to related parties. The sample of process land compensation present to the landowner was sighted, The copy was made in Bahasa and known by all relevant parties. Although the legal status acquired land is located within the Land Use Title area of the company, which is in the law the company is controlled legally. These processes involved the landowner and were approved by the head of the village and the head of the sub-district. The documented process of land compensation was signed by a related party, filed in each estate

The company has a procedure for land compensation as outlined in the Land Acquisition and Growth Procedure No. 021 / HR & GA / CP / Land Acquisition / 06-09, 1 June 2009. The procedure shows that in the process of compensating for land, it must go through the approval of the relevant landowner and involve relevant parties according to the type of land ownership.

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

There is no open land dispute within the certification area. The company has a Land Compensation Mechanism and Land Conflict Resolution Mechanism that reflects the FPIC process in the process of acquisition and resolution of land conflicts.

The results of interviews with representatives including the previous landowners obtained information if that the entire operational area of the company had been compensated. The compensation process involved all community witnessed also by the Village Head, Customary leader, Sub-district. Until the audit was carried out, there was no written complaint from the community regarding the land dispute.

Although PT SSM has gained land rights legally there are still many people using and cultivating in permit Areas. The area is managed by the community because previously no compensation has been carried out or the owner is not willing to be compensated. for the area, the company respects and there is no coercion to occupants to hand over the land to the company. the occupied area has been mapped and identified by the company, and currently, in the operational area, there is about ± 467.75 Ha still managed by the community.

In conflict resolution SOP has been explained that any problems and conflicts will be settled by mediation and deliberation, and if no agreement is reached it will be resolved by legal means (court or police). The company does not use mercenaries in maintaining peace and order and based on interviews with the villages mentioned there has been no act of confrontation and intimidation by the company.

Status: Comply

PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION

**5.1**

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

**5.1.1; 5.1.2**

The price of FFB used for all FFB suppliers from outside the company (smallholder and third parties) is the price set by the Plantation Office of the Bangka Belitung Islands Province, where the price is set once a month. The price of FFB can be accessed by CH smallholder, where the price is posted on a bulletin board located in each cooperative. As for outside FFB suppliers, prices are informed through “eTIS ANJ” application. Interview with smallholder and third-party supplier, inform that they always get update regarding FFB price information.

**5.1.3; 5.1.4; 5.1.5**

CH already has a Cooperation Agreement Letter that has been agreed by both parties, which is also known by the village, sub-district and district governments. The document contains, among others, the following:

- All costs of developing and managing partner plantation are separate land from plantations belonging to one party.
- The term of the agreement is 30 years or 1 planting cycle starting from the signing of the agreement by the 3rd party
- Agree and agree that the FFB selling price refers to and is guided by the applicable provisions in the Bangka Belitung Islands Province.
- The Cooperative agrees that the financing for the development and management of partnership plantations under this agreement will come from a Bank loan.
- The net income received by the cooperative is the result of the sale of FFB after deducting the costs and liabilities borne by the cooperative.

Based on interviews with partnership administrators and management representatives, it is known that there is no independent organization that supports/ assist smallholders regarding management for oil palm plantation. the parties involved in this activity only from PT SMM, local government (village, sub-district, and district) and community itself.

Agreement with existing outside FFB suppliers is made fairly, in accordance with applicable laws and are transparent, and have an agreed time. The Agreement period for all FFB suppliers is 2 years. Here are some examples of agreement that were verified at the time of the audit such as agreement with PT Rawi Agro Mandiri, KUD Bakti, CV Subur Mandiri and Koperasi Sawit Sepakat Maju.

**5.1.6**

Based on the plasma development report, the production results of all cooperatives have been published based on not having recorded a positive profit balance. So that payments made by the company are only bailout funds and depend on whether or not there is a request for bailout funds from the cooperative. From the report, the determination of the FFB price each month is accordance with the price issued by the Bangka Belitung Province Plantation Office.

CH can show payment receipt for the purchase of FFB from outside suppliers, for example payment to Kop Bumi Makmur on September 2, 2021, for the purchase of FFB for the period of August 2021 as much as 2,352.85 Tons. Based on data on FFB sales invoices for the period of August 2021, it is known that the FFB received from Kop Bumi Makmur was 2,352.85 Tons with a bill of Rp. 5,870,416,938. Based on data verification, it is known that FFB is paid according to the price set by the Plantation Service of the Bangka Belitung Islands Province for the period August 2021.

**5.1.7**

The weighbridge calibration has been conducted for weighbridge capacity of 50 mt, such as the Calibration certificate no. 510/020/SKHP/DPMPTSP.5 dated 14 April 2021 for weighbridge with serial number DFWL/0100578041 and Calibration certificate no. 510/019/SKHP/DPMPTSP.5 dated 14 April 2021 for weighbridge with serial number DFWL/0100578476 by Head Section of Metrology and Customer Protection of One Service of Investment and Trading Institution of Belitung Timur.

**5.1.8**

CH has carried out socialization related to RSPO certification to smallholders / plasma cooperatives, both those included in the scope of certification and those outside the scope of certification. CH has supported independent smallholders for certification where CH is the one who carries out full management of the oil palm plantations owned by smallholders. From 8 partnership organization, there are 5 partnership organization that have followed the certificate process, while 3 partnership organization are still in the process of preparing for certification.

**5.1.9**

The company has mechanisms for handling complaints, including the following:

- Internal Memo no 036 / HRO / SMM / 06/14 dated 7 June 2014 related to the complaint handling mechanism.
- SOP for Communication and Information Provision (Document number: SOP-Leg-02 dated 01 September 2015).
- SOP for Handling Differences of Opinion with Communities and Land Ownership Disputes (SOP-LEG-03 rev 01/00 dated 1 September 2015. Procedures for handling disagreements with communities and land disputes include procedures for receiving and handling complaints, protests, objections, or disappointments. may arise in the community regarding policies or decisions made by the company. Public opinion delivery to the company can be done through written letters, e-mails, telephone calls, short messages or by meeting company staff or other officers in the operational unit appointed by the company.

Based on the results of interviews with the head of the cooperative and the workers, they already know the mechanism for submitting complaints to the company. So far, the company has carried out good cooperation related to cooperation in the management of partnership plantation, and this has had a very positive impact on the cooperative and its members.

Based on the results of consultations with the Sambar Jaya Cooperative, it is known that there has been a complaint related to profit sharing for the partnership plantation and the company has responded to the complaint by sending a September 2021 financial report on November 16, 2021.

**Status: Comply**

**5.2**

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

**5.2.1; 5.2.2; 5.2.3**

CH has supported independent smallholders for certification where CH is the one who carries out full management of the oil palm plantations owned by smallholders. From 8 partnership organization, there are 5 partnership organization that have followed the certificate process, while 3 partnership organization are still in the process of preparing for certification.

CH has conduct communication with smallholders to improve livelihoods and their interest in RSPO certification. There is 1 independent smallholder that interest in RSPO certification (outside the 8 smallholders' partnership) and CH has been plan to conduct HCV assessment in 2022.

Based on the 5-year work program of Sustainability Compliance Certification Activities, it is known that the work programs prepared are:

- Legal compliance for smallholders
- HCV assessment
- NPP assessment
- RSPO Certification
- ISPO Certification
- Internal audit

**5.2.4**

The company conducted provide training on pesticide handling and the socialization to workers who work in smallholders area such as on 21 July 2021. Based on an interview with pesticide operator in a cooperative (Minta Anugrah and Mitra Lestari Cooperative) sighted they are understood procedures of pesticide application. The workers who carry out management in smallholder area are CH workers and this is inline the agreement.

**5.2.5**

CH as subsidiary of PT Austindo Nusantara Jaya Tbk has publicly reported the progress of its independent smallholder support program in sustainability report 2020.

Status: Comply

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

**6.1**

**Any form of discrimination is prohibited.**

**6.1.1.**

The company has ANJ's Sustainability Policy document dated 31 October 2019 and signed by the directors of PT Austindo Nusantara Jaya Tbk and includes the point "non-exploitation" and explains that the company will not approve of any form of exploitation in all operations and business practices. All elements of the sustainability policy are guided by adherence to the commitment to Zero-exploitation in any form and type.

**6.1.2.**

To ensure the implementation, the auditor conducted a review of the worker list document, and it was found that the recruited workers had various educational, ethnic, and religious backgrounds. In addition, based on field observations, it is known that workers come from various ethnic groups, religions, races, and genders.

**6.1.3.**

Based on review of recruitment and promotion document, known that the recruitment is conducted in accordance with the procedure. It is based on skill, capabilities, and health condition for all workers. Worker promotion, mutation or demotion is done through the employee performance assessment. Certification holder has shown documentation of new recruitment and promotion such as application letter, copy of identity card, result of medical examination, letter of submission of appointment to permanent worker and work agreement. For instance, the promotion of initial name RNO in Jangkang POM has include the documentation of assessment, promotion letter, and promotion decree No. 001/SMM-HRO/S-Prm/VII-2021 dated 30 July 2021.

**6.1.4**

In the SOP of Recruitment (No. SOP-HRCM-002 dated 1 November 2019), there is no stated the pregnancy test during the process of recruitment. In the Internal Memo of General Manager (No. 073/GM/12-2013 dated 11 December 2013) concerning the protection of the reproductive rights of female workers, stated that female workers who were pregnant and breastfeeding (until the baby reaching 9 months old) prohibited from carrying out spray activities or other work related to chemical contamination.

Based on field observation and interview with the Gender Committee and female workers, known that there is no pregnancy test during the recruitment process. The company conducts pregnancy test and examination every month. The worker who pregnant will be transfer to the non-chemical activity. Audit team also got information that the personnel have understood that female personnel cannot work with chemical material if they are pregnant or lactating.

**6.1.5.**

The Company has established Protection of Women and Children Committee which has the following organizational structure:

- Protector: Juli Wankara Purba
- Advisor: Ridwan Damanik
- Chairman: Martha Puspita
- Vice Chairman: Artisto Arnanda
- Members: 7 person.

The results of interview with Protection of Women and Children Committee revealed that the policies related to gender and women's rights that had been established by the company became a reference for the administrators to carry out activities and socialize to workers. During the past year, there have been no incidents or issues related to sexual harassment, domestic violence, child labor or human rights violations.

**6.1.6.**

Based on recapitulation of the payment and the list of workers, known that there is no payment discrimination in the same scope regarding to the religion, race, gender, or area of origin. This mater also has been verified through interview to the workers, Labor Union, and Gender Committee. The differentiation of wage occurs due to the competencies, productivity, working period, or promotion.

The company pay the minimum wage to the workers referred to the Bangka Belitung Island Province Minimum Wage of 2021 based on Governor Decree No. 188.44/943/DISNAKER/2019 dated 25 October 2019, amount of Rp. 3,230,023.66.

**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 had a Collective Labor Agreement (CLA) period of 2020 – 2022, ratified on 14 December 2020 by Manpower Agency and valid until 10 December 2022. The CLA set the company and worker rights and responsibilities, recruitment process, promotion and demotion, work time management, payment system, social insurance, contract termination, and so on. Based on interview with the worker, it is known that they understand about worker's rights and obligation as written in collective labor agreement. It has been disseminated to the worker by management representative.

In the CLA set that the minimum wage referred to the governmental regulation. Based on the payment slip verification, the company paid the minimum wage to the workers referred to the Bangka Belitung Island Province Minimum Wage of 2021 based on Governor Decree No. 188.44/943/DISNAKER/2019 dated 25 October 2019, amount of Rp. 3,230,023.66.

Based on employment document review of Mitra Lestari Cooperative, it is known that workers has been paid according to the government minimum wage, also has been provide by national employment insurance.

**6.2.2.**

Based on verification document, it is known that the company already has a list of workers, work agreements and related documents that regulate detailed wages and work requirements, as well as salary details documents that provide accurate information on compensation. Then, Certification Holder has a deduction decision only for premium payment, but not for wage. For example, cutting harvest premiums when harvesting unripe fruit. Based on interviews with harvest workers, it is known that workers are aware of deduction policy when harvesting unripe fruit.

In addition, the company policy explains that the company has also committed not to use child labor, forced labor and comply with labor standards regulated in the ILO, but based on the results of interviews with workers or residents in housing, sometimes they will come with their husbands or invite family members work in the field in high fruit conditions, for example to help pick loose fruit. Related to this, companies are encouraged to ensure that there are no unregistered workers working in the company's operational areas. **OFI**

**6.2.3.**

Based on document verification of payment, working hour, overtime, maternity leave, termination, as well as verification during interview with the workers, Gender Committee, and Labor Union, known that there is no violation against national employment regulation regarding those matters, including there is no child labor. The company has had policy of no child labor, and it is having been disseminated to the workers.

**6.2.4**

Based on field observation, it is known that the housing facilities and infrastructure are in good condition and are maintained, garbage is periodically carried out and clean Friday activities are carried out, but the auditor team found one of the drainage channels that had a leak from the housing bathroom channel. Certification Holder has the opportunity to ensure that sanitation facility is maintained in good condition. **OFI**

**6.2.5**

Adequate food supply can be accessed through worker cooperative that provide basic food. Moreover, there are some stores in housing complex. Personnel can get the staple food with reasonable price

**6.2.6.**

The company has calculated the prevailing wage and in-kind benefit for each workers year of 2021 as follows: average of wage, housing allowance, school transport allowance, health allowance, pension allowance, workers allowance, rice allowance, bonus, and religious holiday allowance. Based on that calculation sighted that company has paid wages above the minimum wages of 2021.

**6.2.7**

Based on verification document of worker list period October 2021 it is known that the total number of workers at PT SMM is 1.880 workers and all workers are included in Permanent Workers.

**Status: Comply**

**6.3**

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

**6.3.1.**

The policy related to form and join worker union is stated in Internal Memorandum No 074/ANJA Belitung/GM-HRD/IM/12/2013 dated 11<sup>th</sup> December 2013. The policy is written in Indonesian language and can be understood by workers. Based on interviews with workers at the Joseph Jaya Estate, it was found that workers were aware of the policy of free association without coercion.

**6.3.2**

Has been shown the minutes of regular meetings between the company and worker union. The latest meeting on 4 October 2021 discussed 4 points, including discussing the implementation of the Covid-19 vaccine.

**6.3.3**

Based on interview with representative of worker union of PT SMM, it is true that company is giving freedom for worker to establish a worker union. Also, the company did not give any intervention related to worker union activity. Interview with workers, it is known that some workers are registered in worker union and there are also those who are not. Workers also stated that participation in trade unions was voluntary. The worker union of PT SMM has been registered to Labor Agency of Belitung Timur Regency dated 20 August 2021.

**Status: Comply**

**6.4**

**Children are not employed or exploited.**

**6.4.1.**

Based on internal memorandum from General Manager No 009/GM/SMM/IM/3/2013 dated 4<sup>th</sup> March 2013, instructed to all managers, assistants, and foremen not to employ children under the age of 18 in all occupations. Furthermore, no child labor policy also has been mentioned in the contractual agreement with the contractors.

**6.4.2**

Based on verification of employment contract at the time of acceptance, it was found that no workers under 18 years old were found in the company at the time of initial acceptance. This is shown by attaching an identity card when applying for a job.

**6.4.3**

Based on verification document, field observation, and interview with the workers including Labor Union and Gender Committee, there are no young workers, including there are no internship student in PT SMM.

**6.4.4.**

Based on interview with the workers in the mill, estates, and smallholders unit, as well as Labor Union and Gender Committee, they already received dissemination related prohibition of child labor. In the housing and office area also has been installed the plank of no child labor policy.

**Status: Comply**

**6.5**

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

**6.5.1, 6.5.4**

The company has a policy to prevent all forms of sexual harassment and reproductive right protection written in Internal Memo of Act General Manager No 076/GM/HRO/12-2013. The company has formed Gender Committee for handling the harassment issue around female workers. Interview with management it is known that Gender Committee consists of male and female workers from various groups of workers, including office workers and field workers.

Based on interview with female workers in Mill and Estates, as well as Worker Union and Gender Committee, they are understood the policy and mechanism of complaint submission. Complaint can be submitted to board of bipartite cooperation, gender committee, or their foreman. Stated that the company also guarantees anonymity and protection whistle blower. There is no issue or complaint related to sexual harassment on the workplace.

**6.5.2**

Based on interview with representative of Gender Committee, the company provides the female worker with maternity leave for about 3 months. Pregnant and nursing female worker is prohibited to work related to chemical. And, the company give special breast-feeding time for female worker, but prohibit the worker from working with chemical material.

**6.5.3**

Based on interviews with the management unit, it is known that the company has carried out a needs assessment for new mothers. As an example, the female workers who have just given birth will get specific post-childbirth care (*posyandu*) facilities and get special time for breastfeeding. The company also has an implementation related of reproductive right such as giving the leave (paid leave) for pregnant worker, beside that if there is worker who detected as pregnant, a work mutation will be carried out.

**Status: Comply**

**6.6**

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

**6.6.1.**

Based on document review, field observation, and interviews with worker and stakeholders (including Labor Union), it is known that there is no migrant labor, including forced labor and illegal labor. The recruitment is done according to the company's procedure, such as there is no payment on recruitment process and not hold identity document. All workers have work agreement that explain about the obligation and rights of the worker, and other provision. They work based on the contract and work order. Based on field observation and interviews with the workers in Estate and Mill, it is known that there is no discrimination among them, no in-voluntary over time and withholding wage.

**6.6.2.**

Based on verification document of employee list period November 2021 it is known that there are no temporary workers or migrant labor in PT SMM. Then, based on field visit and interview with workers at estate, mill and smallholders, it is known that there are no temporary workers or migrant in PT SMM.

**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 established the OHS Committee (P2K3) which served as the persons in charge of the OHS identification, program, and implementation. The OHS Committee has been registered by Manpower Agency (Decree No. 188.4/029/P2K3/DISNAKER/2020 dated 16 September 2020). The Secretary of OHS Committee has been complied with Manpower Minister Law No. 4 of 1987, that are the OHS experts initial name BP and initial name ERJ (license valid until 30 September 2024).

The OHS Committee regularly conduct monthly meetings on OHS issues in the workplace. The documentation of the meeting was recorded and stored well. The meeting commonly discussed the consistency of PPE usage, work accident report, fire simulation, checking of emergency response equipment, OHS sign board, cleanliness of work area, as well as the mitigation of Covid-19.

**6.7.2.**

Policy on OHS has issued by the President Director, General Manager of ANJ Agri on 9 January 2017. The policy indicates CH's commitment towards OHS implementation through:

- To communicate policy and OHS procedures to all employees and stakeholders which have interest.
- To comply with government OHS related regulations.
- To ensure implementation of OHS as a part of operational process.
- To identify, appraising, and control of continuous improvement to avoid work accident.
- To manage and monitor OHS indicators and conducting a continuous improvement.

Based on interview with workers known that they have been known about the OHS policy, for example workers are required use PPE while working and safe working practices. They also said that Field Officer perform morning briefing every day before starting work and ensure the completeness of the PPE of all workers. Management 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 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 management review to assess effectiveness.

Based on field observation also known that the foreman and specific working area has provided by first aid kit, and the foreman can demonstrate the specific first aid handling.

**6.7.3**

The company has set up a PPE replacement mechanism based on Internal Memo Number 07MM/PT.SMM/X/2018. Furthermore, the company has provided socialization and training related to the mechanism for replacing PPE, including when applying when the service period is less than 8 months. Based on field observations and interviews with workers, it is known that there are workers who still do not understand the mechanism for replacing PPE, especially the submission of PPE with a service life of less than 8 months. Thus, the company has the opportunity to evaluate the effectiveness of the communication and socialization carried out to each employee, especially regarding the procedure for replacing PPE.

**OFI**

**6.7.4**

The company has registered all employees into work accident insurance, namely employment insurance. This can be proven by paying employment insurance premium every month. It is also verified during interview to the workers and Labor Union. Based on document review, all workers have been registered in the accident insurance. The company can also show proof of work accident claims to agencies related to the conditions of work accidents experienced by workers during 2021.

In addition, for health care, the company provides clinic facilities and employees can seek free treatment. In addition, based on interviews with workers, it is known that the company also provides health insurance to employees.

**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 October 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. In 2021, there are nine accidents cause 66 working days lost.

	<b>Status: Comply</b>	
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**PRINCIPLE #7 PROTECT, CONSERVE AND ENHANCE ECOSYSTEMS AND THE ENVIRONMENT**

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

**7.1.1**  
An IPM plan is budgeted annually which consists of detection, census and monitoring of pest and disease attacks, biological control such as installation of owl nests and planting beneficial plants. The unit of certification demonstrates the implementation and monitoring to ensure effective pest control, including those listed in the Immature Pest Attack Census Data for the period September 2021 Balok Estate Division D OP. The document describes the results of the new attack census of *Oryctes rhinoceros* and the rat infestation below the economic threshold.

The certification unit has implemented recognized IPM techniques by combining traditional, biological, mechanical, and physical methods to minimize the use of chemicals, such as using *Antigonon leptopus*, *Turnera subulata* and *Tyto alba* in biological control. The company shows documents related to monitoring *Tyto alba*, for example at Joseph Jaya Estate for the period 28 October – 2 November 2021, which explains that for an area of 2,108.42 ha, 170 owl cages are available or a ratio of 1:12 ha and are in good condition.

Based on the results of field observations in block E-13, Division 10 Planting Year 2018, it is known that the owl cage is in an inactive condition where there is no visible rat droppings, feathers, and bones. In addition, during visits, for example to Sari Bunga Estate and Balok Estate, it was found that the beneficial plants *Turnera subulatan* and *Antigonon leptopus* were well developed and maintained as biological methods to control nettle caterpillar and bagworms.

**7.1.2**  
The unit of certification uses the beneficial plants *Antigonon leptopus* and *Turnera subulata* as a form of biological control for oil palm leaf eating caterpillar pests. In addition, the unit of certification also uses the owl species (*Tyto alba*) as a form of biological control for rat pests. Referring to the applicable regulations, namely Permen LHK No.P. 94/MENLHK/SEKJEN/KUM.1/12/2016 concerning Invasive Species, *Antigonon leptopus*, *Turnera subulata* and *Tyto alba* are not invasive species.

**7.1.3**  
Based on the results of document review, interviews, and field observations, it is known that there is no use of fire for pest control.

Status: Comply

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

**7.2.1**  
There is a justification for the use of all pesticides, which are listed in the SOP for Chemical Safety Instructions, document number SOP-AGR-19, valid since August 1, 2013, which among others explains how to use chemicals safely, levels of poisoning, safe storage for action. prevention, mixing (making) solutions and spraying (application), first aid and about the use of protective clothing.

In addition, the company also prioritizes products and application methods selectively specifically to handle targeted pests, weeds, or diseases, which have been regulated in the SOP for Integrated Pest Management, document number SOP-AGR-20, dated April 1, 2016, which explains the types of pesticides/ active ingredients used based on the pest. As an example:

- Nettle Caterpillar (*Setothosea asigna*)
  - *Lambda sihaltorin* at a dose of 250mL/ha
  - *Cypermethrin* at a dose of 300 mL/ha
  - *Alpha/ beta cypermethrin* at a dose of 250mL/ha
- *Oryctes rhinoceros*
  - *Cypermethrin* with a concentration of 2-3 mL/L of water and a base dose of 100 mL of solution/palm

The company also has a Weed Control SOP, document number SOP-AGR-17, dated August 1, 2013, which among other things explains the materials and use of herbicides and pesticides for selective and specific use of weeds, pests, and diseases. For example, at the age of 3 years to control weeds in discs, path and FFB collection point use herbicides with the active ingredients Glyphosate, Glyphosate, Fluroxipir or Methyl Metsulfuron according to the recommended dose or product label using a knapsack sprayer and nozzle VLV 200 with a rotation per year 4 x a year, the type of pesticide used per weed type.

#### 7.2.2

The company records each pesticide use that explains the Active Ingredients, Number of pesticides used, content of active ingredients, LD50, area of pesticide application (Ha). For example, the unit of certification shows a record of pesticide use, as shown by Joseph Jaya Estate in the 2021 Pesticide Use Data document, which explains the number of uses and the area applied, such as Basta until October 2021, 2,780.72 liters have been applied for the application area. 4,235.99 ha.

#### 7.2.3

As part of reducing the use of pesticides, the company has integrated biological control in pest control, for example by using beneficial plants aimed at controlling oil palm leaf eating caterpillar and *Tyto alba* for controlling rats' pests and weeds and pests without using chemicals. Based on the results of field visits, for example at the Sari Bunga Estate, it is known that the company has planted and taken care of plants such as *Turnera subulata* and *Antigonon leptopus* as a habitat for *Sycanus sp.* In addition, the company uses a pesticide rotation system so that pesticides and herbicides are not used continuously and will cause resistance.

#### 7.2.4

There is no preventive use of pesticides for the prevention of pests and diseases (prophylactic use). The use of pesticides based on census results that exceeds the economic threshold. This is shown in the Rat Attack Census Form documents and the Poison Application Monitoring Form, for example in the Division 4 of Balok Estate. Based on this document, it is known that there were rat attacks in blocks L36 and M31 on the census on April 24, 2021, which were 8.13% and 5.73%, respectively. Control has been carried out using Racumin until 3 rotations. Based on the results of the census after the application on June 6, 2021, it is known that the rat attack rate is 3.59% and 1.72%, respectively.

#### 7.2.5

Attached are the active ingredients that are prohibited and limited according to the above classification in the Internal Memo from the General Manager, Ref. No. 056/GM/SMM/IM/XI/2016, dated November 3, 2016, regarding Monitoring the Use of Paraquat Pesticides and the Prohibition of the Use of Pesticide Active Ingredients to All Estate Managers. In summary, it is conveyed not to use paraquat, a WHO class 1A, 1B classification chemical, the Rotterdam Convention, and the Stockholm Convention in operations. Also attached are the active ingredients that are prohibited and limited according to the above classification.

The company shows documents on the use of chemicals, grams of active ingredients per ha and per tonne of FFB for the period 2020-2021. Based on these data, there is information on the use of Racumin which is based on the results of the census.

The use of the active ingredient (Coumatetralyl) is based on the results of the census that have passed the threshold value set by the company, namely >5% for blocks without *gupon* (barn owl box) and >10% for blocks with owl applications. Based on the results of field observations in chemical warehouses in SBE, JKE and BLE, it is known that there is no paraquat.

#### 7.2.6

Pesticides are handled, used or applied only by persons who have completed the required training. This is shown in the training recordings shown, including:

- Training spraying report on January 5, 2021, at block F23 SBE, which was attended by 92 participants.
- Training spraying report on July 21, 2021, in Divisions 4,5, and 6 Balok Estate, which was attended by 8 participants.
- Training spraying report on January 4, 2021, at the Joseph Jaya Estate field, which was attended by 31 participants.

- Spraying calibration on October 29, 2021, in block E32 Sari Bunga Estate, which was attended by 86 participants.

Based on field observations on herbicide application activities in block E-37 Division 12, it is known that pesticides are applied according to product labels, such as the use of complete PPE in the form of carbon masks, rubber gloves, aprons, and boots. Mixing is done in a special mixing place located in the agrochemical warehouse. Then, for filling pesticides into the knapsack sprayer, it is accommodated with a bucket so as not to pollute the soil. For the transportation of pesticides, it is carried out by special officers using baskets to be launched into the field. All warning information affixed to the product is properly observed, implemented, and understood by workers. The agrochemical warehouse is equipped with the appropriate hazard symbols and an MSDS is also available.

**7.2.7**

Based on the results of field observations in the SBE, JKE and BLE pesticide warehouses, it is known that the storage of all pesticides is in accordance with recognized best practices, which refers to PP No. 74 of 2001 concerning Management of Hazardous and Toxic Materials. Based on the results of these field observations, it can be explained that the storage area has been equipped with the hazardous materials symbol, MSDS, ventilation, channels to accommodate pesticide spills, eyewash and showers, fire extinguishers, first aid kits, emergency handling flows, stacking racks according to packaging and others.

**7.2.8**

Based on field visits and interviews, it is known that the waste of used pesticide container has been managed in accordance with regulations and procedures, namely stored in a special place (temporary hazardous waste warehouse) which has been permitted by government. During observation if housing complex, estate area and warehouse area, there were no traces of pesticide packaging made irresponsibly.

**7.2.9**

Based on the results of document review, interviews, and field observations, it is known that the certification unit does not spray pesticides through the air.

**7.2.10**

The company has list of pesticide operator for every Estate. However, the latest medical examination conducted on 2019, for 2020-2021 hampered by Covid 19 pandemic. The company shown Decree of Employment Minister (No. M/7/AS.02.02/VI/2020 dated 20 May 2020), stated that all legal entity shall postponed the medical examination to support state program in Covid-19.

**7.2.11**

The company has an Internal Memo from General Manager No. 073/GM/12-2013 dated 11 December 2013 concerning Protection of the reproductive rights of female employees explaining that in accordance with SOP-EHS-001, it was conveyed that female workers who were pregnant and breastfeeding (until the baby was 9 months old) prohibited from carrying out spray activities or other work related to chemical contamination.

Based on field visit, there was no spray activity during the audit, but pesticide operator was transferred to upkeep activity. Interview with the management, it was known that there are 2 spray workers who are pregnant during the 2021 period. Furthermore, workers have been transferred to jobs that are not heavy or have the potential for chemical exposure, based on verification document. Then, interviews with pesticide operator, it is known that there is no pesticide operator who are pregnant. Workers also understand about prohibition on working in chemical areas while pregnant.

Status: Comply

**7.3**

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

**7.3.1; 7.3.2**

CH has a Waste Management Plan SOP (No. SOP-EHS-008; Revision 02/01, dated 29 April December 2017). This SOP has the objective of making efforts to reduce, reuse and control based on applicable regulations. Based on field visit and interview, sighted those workers and manager has been aware about waste management plan, such as:

- Domestic waste is collected in housing complex before dumped to landfill
- POME is applied in estate area which has been permitted. There is daily report to know the POME volume and location of POME application.
- EFB is used as composting.
- Waste that categorizes as hazardous waste is managed by storing in temporary hazardous waste warehouse before collected by licensed third party.

Regarding the management of hazardous waste, CH has permit for storing hazardous waste based on the Decree of the Head of the One Stop Services Investment Service and Trade in Belitung Timur District on 2 October 2019 which is valid for 5 years. Sources of waste Hazardous and toxic waste comes from the activities of oil palm plantations, oil palm processing factories and biogas plant units located in the company's working area. Hazardous and toxic waste is stored in the Temporary Storage. The hazardous and toxic waste is stored with the coordinates S 02°59'45.1" and E 107°52'37.2".

CH also has a Cooperation Agreement for the Transport and Management of Hazardous Waste of PT Primanru Jaya with PT Sahabat Mewah and Makmur om 7 January 2021 which is valid for 1 year. CH can provide the permit of PT Primanru Jaya such as business permit that issued on January 2019 and transport recommendation from Forestry and Environmental Ministry in 2019.

Records of hazardous waste management and handling are available in the form of a hazardous waste logbook and balance which is routinely recorded by special officers in the temporary storage of hazardous and toxic waste. As of October 2021, the details of the amount of hazardous waste in Central Workshop are as follows:

- Used Oil 3,158.10 kg
- Used filter 280.50 kg
- Used Rag and gloves 141.90 kg
- Clinical waste 24.70 kg
- Battery: 174 kg
- Used neon 7.5 Kg
- Hazardous container 1,063.80 kg

CH can show the manifest document of hazardous waste sent to the licensed hazardous waste transporter (PT Primanru Jaya). The last shipment conducts on 14 June 2021 and the previous shipment conduct in 21 December 2020. It means hazardous was stored in CH area is accordance with government regulation.

Based on field visit and interview with workers, assistant and manager sighted that workers has been aware about how to manage the waste including hazardous waste.

**7.3.3**

The company has a Waste Management Plan SOP (No. SOP-EHS-008; Revision 02/01, dated 29 December 2017). This SOP has the objective of making efforts to reduce, reuse and control based on applicable regulations.

Based on the results of field visits to housing sites and plantation areas, there was no indication of any traces of burning the waste.

**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**

The certificate holder already has a procedure related to fertilization activities contained in the procedure of Fertilizer (No. Doc. SOP-AGR-11) which includes technical fertilization, empty fruit bunch application and compost application on immature plants and mature plants. The procedure also explains when and how the application of fertilizer in the field.

The unit of certification shows a record of the implementation of practices according to established procedures, including:

- Preparation of fertilizer recommendations based on leaf and soil nutrient levels in 2020/2021 and the results of field

- observations including symptoms of nutrient deficiency in plants, which are described in indicator 7.4.2.
- Application of organic fertilizers (mill waste) such as empty fruit bunches and palm oil mill effluent, which is described in indicator 7.4.3.
  - Documentation of fertilizer recommendations and realization in 2020/2021, which is explained in indicator 7.4.4.

Based on the results of the document review, interviews with management and field observations, it is known that fertilization for 2021 has been completed in accordance with the established recommendations.

#### 7.4.2

There are records of leaf and soil sample analysis activities on a regular basis to monitor and manage changes in soil fertility and plant health, which are shown as follows:

- Test Result Report from the Testing Laboratory of the Indonesian Biotechnology and Bioindustry Research Center, the date of completion of the test is 3 May 2021, the type of soil sample, the number of samples is 18, with testing parameters pH, % N, % C-Org, Na, K, Ca, Mg, textures and more.
- Certificate Number 1.069.1.1/03/21, order number /R&D/SMM/EM/III-21, PT SMM, type of leaf sample, analysis date March 26, 2021, analysis of N, P, K, Mg, Ca, B tests, Cl, report date April 5, 2021.

#### 7.4.3

Nutrient recycling strategies are available, which include recycling empty fruit bunch, mill liquid waste and optimizing non-organic fertilizers, which are included in the Management Plant 2021 Balok Estate document which explains the plan and realization of composting applications. Based on the document, for 2021, 3,977 tons are planned for application and 2,503 tons have been realized until October 2021. For Joseph Jaya Estate, up to October 2021, 3,126.34 tons have been applied from 4,044.05 tons in Division 8.

Based on the results of field observations and interviews with workers who apply compost in block J-25 Division 8 Joseph Jaya Estate, it is known that the dose per plant is 50 kg per tree.

For mill liquid waste, based on the results of document review and field observations in block P-25 Division 1 of the Jangkang Estate, it is known that mill liquid waste is only applied to the Jangkang Estate. The unit of certification shows a record of the strategy for recycling nutrients through mill liquid waste, some of which are listed in the 2021 Liquid Waste to Land Application Report, which explains the number of flat beds applied, volume to land application, total volume to land application (m<sup>3</sup>). For example, for the period of October 2021, the flat bed applied was 4,261, the volume to land was 1,285 m<sup>3</sup> and the total volume to land application was 19,693 m<sup>3</sup>. Based on document review, it is known that the land application area has had permit from Investment Service, One Stop Services and Trade of East Belitung Regency No. 503/001 / PAL / DPMTSPP / V / 2019 dated 28 May 2019 which is valid for 5 years from the date of stipulation. The land for utilizing POME is located in Dendang sub-district, East Belitung regency with blocks O22, O24, O25, O26, P24, P25, P26, P27 (new block name) or equal to 63, 62, 61, 60, 68, 69, 70, 71 (old block name) with a total area of the applicable block of 182.76 ha

#### 7.4.4

The unit of certification shows a record of fertilizer use, as shown in the Joseph Jaya Estate 2021 Fertilizer Program and Realization document, which briefly explains the following:

Mature Division 8

- Urea: recommended 41,087.50 kg and 40,440.50 kg has been realized (application period 19 January – 1 February 2021)
- MOP Semester 1: recommended 46,769 kg and 46,014 kg has been realized (application period 3 February – 8 March 2021)
- RP: recommended 64,536.50 kg and 63,889.50 kg has been realized (application period 19 – 28 April 2021)

Records of the use of fertilizers are also shown in other documents, such as in Balok Estate listed in the BLE Fertilization Progress Recapitulation document, which briefly explains the realization of RP, Urea, MOP, and Dolomite fertilization, namely 99.79%, 99.71%, 99, 79% and 99.64%.

Fertilizer records are also included in the TBM Fertilization Weekly Report document for the October 2021 period, for example in Division A for the type of Urea fertilizer, it is known that the fertilizer recommendation is in block N 25, the dose is 1 kg, the fertilizer recommendation is 2,413 kg and has been realized on October 16, 2021.

Status: Comply

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

**7.5.1**  
The company has a Semi detail Land Map with a scale of 1: 50,000 which explains the types of land in the company's area. Dominant sandy soil type and no peat soil types. The existing land slope is dominant between 0-8%. There is an 8-15% slope (wavy) covering an area of 543 Ha and a slope of 16-25% (hilly) covering an area of 401 Ha. There is no steep slope area (>40%) in the company area. The cooperative has a Soil Analysis Report with a scale of 1: 2,000 dated May 1, 2015. The document equipped with legend soil map units, roads, rivers, estate boundary and division boundary.

**7.5.2**  
Oil palm replanting is not carried out extensively on land with steep slopes according to applicable regulations. The company has a slope management procedure in the SOP for Soil and Water Conservation, document number SOP – AGR – 05 revision 3, dated April 1, 2016, which stipulates that land with a slope class above 40% is designated as a conservation area. While slopes below 40% can still be cultivated with certain management strategies, including making *tapak kuda* (individual terrace) on land with a slope above 15%, making continuous terraces (contour terraces) on sloping and very sloping land, making trenches on low and planting vetiver grass and Guatemala grass.

During the replanting activities, the company makes terrace on areas with slopes, as was done in blocks I27 (2.64 ha) and I28 (2.2 ha).

**7.5.3**  
Based on the results of the document review, interviews with management and field observations at SBE, JKE and BLE, it was found that there were no new oil palm planting activities.

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, 7.6.2 & 7.6.3**  
Based on documents review of area statement, field visits at Sari Bunga Estate, Jangkang Estate and Balok Estate, it is known that the company did not expand of the operational area and there is no more land clearing activity. The Company only doing the replanting activities since 2015.

Status: Comply

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

**7.7.1 – 7.7.7**  
Based on verification of soil survey semi-detailed study conducted Center for Soil Research Center, Ministry of Agriculture on June 2014 there is no area with peat soil types, soil on certified area. The dominant soil classification (*USDA, 2010 and goverment soil research center 1983*) is *entisols and Inceptisol*.

Status: Comply

**7.8 Practices maintain the quality and availability of surface and ground water**

**7.8.1**

CH has an identification of the source / flow of water contained in the conservation area identification document. Based on the Conservation Area Identification document, it is known natural surface water flows that pass through the PT SMM plantation include the Aik Belas river, the Aik Gumbak river, and the Balok river (Balok estate), and the Putat river, Tedong river and Lenggang river (Air Ruak estate).

The water management plans that have been carried out by CH are:

- Reforestation of riparian area
- HCV socialization

As an effort to monitor surface water quality, the company has carried out monitoring of river water that crosses the plantation according to the recommendation of the management and environmental monitoring matrix. The company has conducted surface water quality testing on a regular basis every 6 months. Based on the results of surface water quality testing in quarter 4 of 2020, there is no parameter exceeds the quality standard in each quality standard reference.

Based on the results of interviews with pesticide operators, it was found that workers were aware of the prohibition on the use of pesticides in riparian areas (this is indicated by the red paint mark on the palm trees). Interviews with relevant agencies and the communities, it is known that there has never been a complaint of water pollution due to the CH operations.

#### 7.8.2

CH has an SOP for management of high conservation value areas SOP-CSV-01 dated 1 October 2018 which was approved by the president director and other directors. In the document, it states that the management of river riparian and determination of river riparian:

- Big River: water body width > 30 meters, the riparian river width is 100 m on each side of the river body
- Small river: water body width < 30 meters, the river riparian width is determined to be 50 meters on each side of the water flow
- A spring with water that flows for at least 10 months is defined as 200 meters around the spring as a bufferzone.
- Marking of river riparian by putting red paint on trees outside of the river riparian
- Maintenance of oil palm trees in river riparian can be done using chemical, but a closed trench must be made between the river and the oil palm plantation to prevent water pollution.

The results of field visits at several water source locations such as the Bentaian River, Lenggang River, Nyatoh Springs and Aek Gumbak River are known that:

- Nyatoh Spring: the spring riparian is not planted with oil palm and the condition is overgrown with natural vegetation, with a border width of  $\pm$  200 meters. Based on interviews and field visits, it is known that the spring riparian area previously was planted with oil palm and during the replanting the riparian area was reforested with wood plants.
- Lenggang River and Aek Gumbak River: the riparian is not planted with oil palm and the condition is overgrown with natural vegetation, with a border width of  $\pm$  50 meters.

#### 7.8.3

CH has 7 ponds with a single feeding system, where the POME produced by the mill is first flowed to the cooling pond, then streamed to methane capture, and then flowed to the open pond. The discharge and pH of POME are monitored daily by the Mill internal laboratory, while the quality of POME at the outlet is tested once a month by an accredited laboratory. In testing during 2020 period, the BOD and pH results were in accordance with the threshold value, referring to the Minister of Environment and Forestry Decree number 28 of 2003.

The company already has permit for utilizing wastewater on plantation land based on the decision of the Investment Service, One Stop Services and Trade of Belitung Timur District No. 503/001 / PAL / DPMPTSP / V / 2019 dated 28 May 2019 which is valid for 5 years from the date of stipulation. The land for utilizing POME is located in Dendang sub-district, Belitung Timur District with blocks O22, O24, O25, O26, P24, P25, P26, P27 (new block name) or equal to 63, 62, 61, 60, 68, 69, 70, 71 (old block name) with a total area of the applicable block of 182.76 ha. Based on field visit and document review sighted that POME only applied in permitted location.

#### 7.8.4

Based on the results of a visit to the Water Treatment Plan, it is known that the measurement of water use is a flowmeter and has been recorded in a water use book sheet. Water treatment at the WTP is in accordance with the SOP procedure for the water treatment station no ST.10 / Eng-WTP.

CH also showed records of water utilization during the January-September 2021 period with an average water usage per tonne of FFB of 1.09 M3/ Ton FFB. CH also has a surface water extraction and utilization permit based on the decision of the head of the investment office and one-stop integrated service in the province of the Bangka Belitung islands on 4 June 2018 which is valid for 5 years.

**Status: Comply**

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

**7.9.1**

The company has an energy policy issued by the chief director of PT Austindo Nusantara Jaya Agri on April 1, 2014, and has implemented efficient use of fossil fuels such as;

1. Utilization of Shells and Fiber for Boiler fuel
2. Implementation of calibration for vehicles used in operational activities,
3. The company carries out routine maintenance of machines and vehicles used for operations.

The implementation of the plan is carried out by substituting the use of fossil fuels with renewable energy (shells and fiber) and has been monitored monthly. CH already has regular monitoring of the use of fossil fuels, and renewable energy, for example shells and fiber, and evaluates the efficiency of energy use. During the 2020 period, the use of shells and fiber for boiler purposes resulted in an energy use efficiency of 22.26 kwh / ton FFB.

**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 the environmental management and monitoring plan, it is known that CH has an obligation to monitor the quality of air per semester. The plan has been implemented by CH by conducting air quality tests per semester at an accredited laboratory and the test results for quarter 4 of 2020 are still in accordance with the regulations.

CH shows identification documents of activities that produce emissions for Mill and Estate during 2020. Sighted the result of identification of emissions and pollution as well as its sources, such as in estate emissions sources are from fossil fuel usage for transportation and generator, emission from fertilizer usage, pesticide usage and electricity usage. Identified the sources of emission and pollution from mill such as fossil fuel usage, electricity usage and WWTP.

Fossil fuel reducing on Jangkang POM have been implemented by fiber/shell usage for boiler. Wastewater has been monitored every month and monitoring periods January to December 2020 shown that all of waste water testing parameters is compliant to the standards quality.

GHG calculation on 2020 shown net emission of GHG are increasing compared to 2019. The net GHG for 2020 is 0.48 tCO<sub>2</sub>e/t Product meanwhile for year 2019 period while period 0.43 tCO<sub>2</sub>e/t Product and this due to replanting activities.

GHG emission calculated using RSPO palm GHG calculator 4.0 Summary of GHG emission for Jangkang POM and its supply base are listed as follows:

Summary Emission

Emission per product	tCO <sub>2</sub> e/tProduct
CPO	0.48
PK	0.48

Production	t/yr
------------	------

FFB processed	286,383.58
CPO produced	61661
PK produced	13913

<b>Extraction</b>	<b>%</b>
OER	21.53
KER	4.86

<b>Land use</b>	<b>Ha</b>
Planted area	15112.62
Planted on peat	0.00
Conservation Area Forested	1093.26
Conservation Area Non-Forested	196.28

**Summary Oil Mill Emissions and Credits**

Remarks	tCO2e	tCO2e/t FFB
<b>Emissions sources</b>		
POME	14599.44	0.05
Fuel consumption	96.80	0.00
Grid electricity	468.97	0.00
<b>Credits</b>		
Export of grid electricity	-375.18	0.00
Sales of PKS	-4400.00	-0.02
Sales of EFB	0.00	0.00
<b>Total</b>	<b>10390.03</b>	<b>0.03</b>

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

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

**POME Divert to Anaerobic Digestion**

Divert to anaerobic pond (%)	33.88
Divert to methane capture (flaring) (%)	0
Divert to methane capture (electricity generation) (%)	66.12

**7.10.2**

CH has not carried out any new development since January 1, 2015. Based on the document review, it shows that the distribution of planting years for the smallholder area consists of the planting year 2011-2016, while the latest new development was carried out in the Lindong Raya Cooperative in 2016. Regarding this scheme, farmers have conducted 2014 High Carbon Stock Study using 2006 IPCC Tier 2 Guidelines, conducted by an independent consultant. Based on this assessment, information was obtained that the average total C-Stock in the plasma farmer's area was 10.35 tones C / ha.

**7.10.3**

CH has shown a manual document for the Occupational Health and Safety Management System with document number FRM-EHS 2016, it is known that the company has identified sources of waste and emissions for factories and plantations.

CH also has records of waste utilization that have been carried out, including:

- POME from the waste pond is flowed by the Biogas plant installation to be used as a power plant and waste water from the Biogas plant is used for land applications. Waste quality monitoring (eg BOD, COD) has been carried out regularly every month.
- Shells as waste from the processing station kernel are used as boiler fuel. The method used is to flow automatically using a conveyor from the kernel station to the boiler station.
- Fiber waste management by turning it into boiler fuel.
- Management of empty waste is processed into compost (composting) and turned it into organic fertilizer on oil palm land.

In addition, CH conducts air quality testing periodically every 6 months in collaboration with an accredited laboratory. CH can show the air quality test in semester 2 of 2020 and the parameter test is inline with regulation.

**Status: Comply**

**7.11**

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

**7.11.1**

CH has SOP Agronomy SOP-OPR-003 dated January 28, 2015, and SOP-AGR-03 dated August 1, 2013 related to land clearing without burning. In addition, the company also has an Environmental Policy for March 2015, which includes the application of the principle of zero burning in all plantation activities except for special conditions as stated in the ASEAN guidelines.

Field visits in replating area at the Jangkang Estate, Joseph Jaya Estate, Balok Estate and Sari Bunga Estate sighted that replanting activity is not used fire.

**7.11.2**

CH already has an SOP for Land, Plantation and Forest Fire Control (SOP-EHS-05) which is valid since 1 July 2019. SOP, the SOP contains the following procedures, for example,

- Early Warning System
- Hotspot monitoring
- Monitoring and provision of fire towers
- Fire Patrol activities
- Fire prevention activities
- Fire Control Evaluation
- Fire Treatment
- Post-Fire Handling
- Post fire handling reporting

CH has a fire prevention program as follows:

- Check weather conditions manually by calculating based on rainy days, ombrometer use, litter conditions and others.
- Carry out patrol activities
- Hotspot detection monitoring
- Formation of forest and land fire management teams in each estate
- Formation of Fire Care Farmer Group (KTPA).

CH has firefighting facilities and infrastructure, including pump engines, hoses, nozzles, etc. In the report on the Environmental Management and Monitoring Plan for semester 2 of 2020, management and monitoring activities related to the prevention and control of forest and land fires of PT Sahabat Mewah and Makmur include:

- Dissemination on sources of fire and the dangers of fire to workers / society
- Installation of warning signs
- Establishment of supervisory posts
- Provision of water tank facilities
- Making a means of walking around the plantation
- The company applies a zero-burning system during land clearing

- The company provides firefighting equipment.
- Establishment of a structured emergency response team (which includes a firefighting team) for each estate.
- Conduct regular firefighting training
- Conduct regular patrols during the dry season.
- Reporting forest and land fires to the Forestry Service.

Preventive measures taken by CH are conducting routine patrols and providing water reservoirs in the field as water sources. Based on interview with stakeholder, sighted that there no issue regarding land fire in CH area

**7.11.3**

The company has collaborated to prevent and control forest and land fires with the Fire Care Farmers Group (KTPA) in the villages surrounding the company, this is evidenced by a letter of agreement signed by the company and the community as follows, for example:

- Cooperation Agreement and Control of Forest and Land Fire of the Jangkang Village *Kelompok Tani Peduli Api* (KTPA) and PT Sahabat Mewah and Makmur number 0102 / EST / SMM / 2019 dated January 14, 2019 and acknowledged by the Jangkang Village Government. Dendang sub-district government and the Belitung Timur District Agriculture and Food Service
- Cooperation Agreement and Control of Forest and Land Fire of the *Kelompok Tani Peduli Api* (KTPA) of Simpang Tiga Village and PT Sahabat Mewah and Makmur number 0103 / EST / SMM / 2019 dated January 14, 2019 and known to the Simpang Tiga Village Government. Administration of Simpang Renggang District and the Department of Agriculture and Food of Belitung Timur District

The last update of Fire Care Farmers Group on July 2021 is accompaniment, installation of forest and land fire sign board, forest and land fire monitoring, development of hand book and Fire Care Farmers Group infrastructure.

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; 7.12.8**

The results of the review show that the company cleared land after November 1, 2005, without any HCV identification. PT Austindo Nusantara Jaya Agri as the parent company of PT SMM has made disclosure of liability and LUCA according to the RSPO template on August 24, 2015. LUCA for PT SMM has been approve with FCL is 0 and remediation area is 628.4 Ha.

Land Use Change (LUC) Analysis of PT. SMM Partnership Plantation Area already done, and the analysis are included in HCV Identification Report. LUC Analysis was conducted by Faculty of Forestry, Bogor Agricultural. The LUC Analysis was done using multi time scene Landsat 7 interpretation which the acquisition date are July 2<sup>nd</sup>, 2005, April 22<sup>nd</sup>, 2011 and June 22<sup>nd</sup>, 2013. The result of LUC Analysist in Plantation scheme smallholders of PT. SMM shows that there is no primary forest and peat land on scheme smallholder area.

**7.12.2**

HCV Identification assessment was conducted in 2009. All HCV and the RTE species were identified by the RSPO approved assessor. RTE species that were identified based on regular monitoring and referred to IUCN Redlist are: *Shorea balangeran* (CR) on Balok estate, *Manis javanica* (EN), *Trachypitechus auratus* (EN). HCV identifying process conducted by using HCV identification guides in Indonesia in 2008. The identification results indicate that there are HCV attributes covered an area of ±1,475.87 ha. HCV identification for scheme smallholders is conducted on 2014 by independent consultant using HCV toolkit Indonesia 2008. Based on this HCV identification, found that there are no HCV attributes and RTE species on scheme smallholders' area that included on audit scope. HCV 1.2, HCV 4.1, and HCV 6 covered 8.02 ha areas are present on Gunung Nyerudong cooperatives and some part of Lindong Raya cooperatives. The HCV identification data showed that the area of the HCV in PT SMM was 1,462.49 ha or 8.99% of the total area of PT SMM's HGU area (16,276.87 ha). After conducting an HCV review in 2020, PT SMM's HCV area became 1,385.91 ha or 8.51% of the total area (16,276.87 ha).

This change in HCV area is due to the results of the 2009 HCV Assessment, there are several enclave and occupation areas as well as several areas that are outside the land use permit (HGU) which are counted as PT SMM's conservation area. This could occur due to an error in 2009, which was still using the Rupa Bumi Indonesia Map (RBI).

Based on the identification results also found new areas within the PT SMM area that had HCV. The addition of the HCV area is also one of the factors in the change in the HCV area in the PT SMM area. The increasing number of HCVs is the result of assessments and internal studies of areas that have HCV in them. In addition, there have been several revisions regarding the name of the HCV area in PT SMM.

Regarding the difference in the area of 112.58 Ha between the information in the basic info which states that the HCV area is 1,273.33 Ha, while result of the HCV assessment in 2020 is 1,385.91 Ha, this is due to HCV area of 112.58 Ha is included in planted areas. There is an increasing number of HCV compare with previous audit due to HCV expansion during replanting activity

The company did not clear the land after 15 November 2018 so no HCS study was conducted. But the CH has plan to compensate the occupation area which fall in HGU. LURI activities are carried out using the RSPO template where this study uses 2018 imagery and drone photos in 2021. In addition, a ground check is also carried out to ensure the condition of the area being assessed. The LURI result consist of:

Categorize	Hectarage (Ha)			
	Jangkang	Nyuruk	Air Ruak	Total
Rubber with secondary growth	21.90	52.69	54.91	129.50
Low Stature Vegetation	17.99	29.21	134.68	181.89
Local community mixed agriculture	17.02	50.25	147.49	214.76
Oil Palm Planted by Adjacent Company		2.89		2.89
Cleared land	0.38	0.26	7.07	7.71
<b>Low Risk</b>	<b>57.29</b>	<b>135.30</b>	<b>344.15</b>	<b>536.74</b>
High Risk				

Based on observation in several occupation area which separated in Jangkang Estate, Balok Estate, Joseph Estate and Air Ruak estate, found that mostly area is planted by community with rubber and some of them is Low Stature Vegetation.

**7.12.3**

Indicator 7.12.3. until now not relevant to Indonesia, until a further decision by the RSPO.

**7.12.4; 7.12.7**

PT SMM has 2021 HCV management plan program including:

- Report on flora and fauna
- Review the HCV Documents
- HCV training
- Monthly HCV Report
- Jungle track maintenance
- Signboard maintenance
- Construction of Jungle track facilities and infrastructure 10 times a year
- 2000 units of local plant seedlings
- Greening of HCV area, Replanting 500 trees
- HCV Patrols
- Socialization of HCV
- Camera trap monitoring
- Ecotourism

The company has shown evidence that the entire HCV management program plan has been carried out, for example:

- Reforestation of HCV in the replanting area, planting of 148 trees was carried out in October 2021.
- Socialization of HCV to communities conducted in February, March, September and October 2021.

Observation to HCV area in Jangkang Estate, Sari Bunga Estate, Joseph Jaya Estate and Balok Estate, sighted HCV area is maintaining well such as the area is growth with natural vegetation, there is no illegal activity in HCV area and found some wildlife in HCV area.

The company has also conducted a review related to the management of the HCV area with the Gunung Duren Production Forest Management Unit (KPHP) forestry extension agents and representatives of the Balok Village community on August 6, 2020 (followed by 6 representatives of the Keretak Nibong fishermen group). In this activity, discuss together the management carried out in the Balok Forest Landscape area so that the area is well preserved.

**7.12.5**

The company already has a Cooperation Agreement on the management of logged forest landscape in the palm oil palm plantation area of PT Sahabat Makmur and Sejahtera (No:280/SMM-SPK/04-2021 dated 29 April 2019 between PT Sahabat Mewah and Makmur and the Keretak Nibong Fishermen Group, Balok Village Dendang sub-district, Belitung Timur District. For cooperation activities in forest natural forest management in the oil palm plantation concession of PT Sahabat Mewah and Makmur.

**7.12.6**

The RTE species protection policy is contained in the conservation policy manual MAN-CSV-001 dated 1 October 2018 which was endorsed by the president director of the ANJ group. In this policy, it is explained that the company is committed to protecting animal species that are included in the criteria of being protected and threatened with extinction from hunting activities. In addition, it was also explained that the company will carry out investigations and give strict sanctions to company employees who hunt, maintain, injure, and eliminate the lives of protected or endangered wildlife. Every contractor and other partners are prohibited from capturing, hunting, or carrying animals or flora outside the company's operational areas without permission from the company's conservation department.

Based on interviews with workers, communities, and smallholder it was found that they had an understanding regarding the protection of flora and fauna as well as conservation areas.

	<b>Status: Comply</b>	
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3.2 Conformity Checklist of Certificate and Trademark Use

<b>1.</b>	<b>Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client</b>	<b>X or ✓</b>
ASA – 2.1	PT Austindo Nusantara Jaya Agri Trademark License Number 1-0032-07-100-00	✓
	Status: Comply	
<b>2.</b>	<b>Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use</b>	<b>X or ✓</b>
ASA – 2.1	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use. PT Austindo Nusantara Jaya Agri Trademark License Number 1-0032-07-100-00	✓
	Status: Comply	
<b>3.</b>	<b>Implementation of Certificate and Trademark is not used on product</b>	<b>X or ✓</b>
ASA – 2.1	Implementation of Certificate and Logo is not used on product. PT Austindo Nusantara Jaya Agri Trademark License Number 1-0032-07-100-00	✓
	Status: Comply	
<b>4.</b>	<b>Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.</b>	<b>X or ✓</b>
ASA – 2.1	PT Austindo Nusantara Jaya Agri Trademark License Number 1-0032-07-100-00. Controlling of Certificate and Logo, including withdrawing inappropriate logo.	✓
	Status: Comply	

**3.3 Summary of RSPO Partial Certification.**

Compliance of the uncertified management units of ANJA against the rules for partial certification was determined through Self-Assessment in accordance with RSPO Certification System clause 4.5.4. A summary of findings is as stated below.

ANJA Time Bound Plan (TBP) is explaining in table section 1.10.1 ANJA has run five (5) and seven (7) management unit/company in Indonesia. All mills and estates are operated in Indonesia. ANJA has informed the TBP progress through head office in Indonesia.

MUTU has verified partial certification for un-certified unit's subsidiary of ANJA based on their Time Bound Plan. There are four (4) uncertified management unit of ANJA. 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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p><b>Company statement :</b> The company are already doing internal audits.</p> <p><b>Auditor verification:</b> Internal Audit for uncertified management unit</p> <ul style="list-style-type: none"> <li>• PT Galempa Sejahtera Bersama has been conducted Internal Audit on 10 – 14 November 2021</li> </ul>
2.1.2	No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.3 (it has changed be Criterion 7.12 in P&C 2018)	<p><b>Company statement:</b> The company has been reporting disclosure and zero liability to RSPO. Progress result of review LUCA at follow up by email to RSPO.</p> <p><b>Auditor Verification :</b> ANJA and its subsidiaries have been reporting disclosure and zero liability to RSPO by email dated August 24, 2015. The validation progress of Remediation and Compensation Plan (RaCP) for the area opened since November 1, 2005 without preceded by the identification of HCV in accordance with RaCP Procedure will be observed again on the next visit audit.</p>
2.1.3	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<p><b>company statement:</b> NPP has been applied</p> <p><b>Auditor Verification :</b></p> <ul style="list-style-type: none"> <li>• PT Galempa Sejahtera Bersama, NPP date of notification on May 2, 2014</li> </ul>

		<ul style="list-style-type: none"> <li>PT Austindo Nusantara Jaya Tbk, NPP preparation on process – HCV Assessment review by HCV RN</li> </ul>
2.1.4	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO criteria 2.2, 6.4, 7.5 and 7.6 (it has changed be Criterion 4.8, 4.7 and 4.5 in P&C 2018).	<p><b>Company statement:</b> There is land conflict, but there is documented evidence that land conflict has been process for resolution.</p> <p><b>Auditor verification :</b> The company has had a mechanism for addressing land conflicts, described in the SOP of Handling Differences Opinion with the Community and Dispute Tenure (SOP-Leg-03, Issue 01, dated 1 September 2015),</p>
2.1.5	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3 (it has changed be Criterion 4.2 in P&C 2018).	<p><b>Company statement:</b> There is no labour disputes</p> <p><b>Auditor verification :</b> The company has a mechanism for grievance described in SOP Handling of Differences of Opinion with Public and Land Dispute (Document No. SOP-EAD-01; Issue 01/00) dated August 1, 2013.</p> <p>A policy related to confidentiality of informant (whistle-blower) regulated in the SOP of Communication and Provision Information (Document No. SOP-Leg-02, Issue 01/04, dated 1 September 2015), it's mentioned in the section 6 of tis SOP.</p> <p>There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries</p>
2.1.6	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1 (it has changed be Criterion 4.2 in P&C 2018).	<p><b>Company statement:</b> All legal requirement for palm oil plantation has been comply</p> <p><b>Auditor verification :</b> PT Galempa Sejahtera Bersama</p> <ul style="list-style-type: none"> <li>Status of PT GSB based on Forest Area Indicated (TGHK) is Non Forest Designated Area (Area Penggunaan Lain)</li> <li>Location Permit No. 525/535/KEP/HUTBUNTAMBEN/2012, 20 April 2012</li> <li>Plantation Permit No. 525/423/KEP/HUTBUNTAMBEN/2013, 08 May 2013</li> <li>HGU on process</li> <li>Environment Permit No. 211, 2013, dated 06 May 2013</li> <li>SEIA No. 210, 2013, dated 1 May 2013</li> </ul> <p>PT Austindo Nusantara Jaya, Tbk.</p> <ul style="list-style-type: none"> <li>Location Permit No. 12/2011, dated 6 October 2012. Total area ± 40,000 Ha</li> <li>Extention of Location Permit No. 74 year of 2014, dated 2 September 2014. Total area ± 40,000 Ha</li> </ul>

		<ul style="list-style-type: none"> <li>• Converted forest area release by the Republic Indonesia Ministry of Forestry Number No. 131.09/118/B.MBT/2011, Tgl. 12 October 2011</li> <li>• Plantation Business Permit, According to West Papua Governor Decree No. 525/101/5/2013 year of 2013 for 40,000 Ha and 2 x 60 Ton FFB/Hours plant.</li> <li>• Environment Permit PKS 60 X 2 TPH, No. 660/147/7/2013 TAHUN 2013, dated 18 July 2013</li> <li>• SK HGU (Inti), Number. 03/HGU/KEM-ATR/BPN/2015 dated 02 April 2015, 30.515,75 Ha</li> </ul>
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**3.4 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.**  
**3.4.1. Identification of Findings, Corrective Actions and Observations at Re-Certification Assessment**

NCR No.	: 2020.01	Issued by	: Hasiholan Sihombing
Date Issued	: 24 October 2020	Time Limit	: 22 January 2021
NC Grade	: Major	Date of Closing	: 20 January 2021
Standard Ref. & Requirement	7.12.8 Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15 November 2018, the Remediation and Compensation Procedure (RaCP) applies.		
<p><b>Evidence observed (filled by auditor):</b></p> <ul style="list-style-type: none"> <li>- Based on the results of the review, it shows that the company cleared the land after November 1, 2005 without any HCV identification. PT Austindo Nusantara Jaya Agri as the parent company of PT SMM has made disclosure of liability and LUCA according to the RSPO template on August 24, 2015.</li> <li>- Based on the communication between the company and the RSPO on April 15, 2019, information was obtained that from the documents reviewed there were several responses that needed clarification and the company was required to send several additional documents. Then PT SMM met directly with RSPO at the Jakarta office and the results of the meeting on 9 October 2019 explained that PT SMM has a great potential for zero liability.</li> <li>- Based on an email from the RSPO on September 14, 2020 to PT Mutuagung Lestari, it is stated that the RaCP Process of PT Sahabat Mewah Makmur is still hampered by the LUCA process and is currently still waiting for clarification from the company regarding the fulfilment of the findings from the review results on the LUCA document.</li> <li>- Until the re-certification audit is carried out, the company has not been able to show that it has fulfilled the findings of the LUCA document review results.</li> </ul> <p><b>Non-Conformance Description (filled by auditor):</b></p> <p>Based on the description above, the company has not been able to demonstrate the RSPO Land Use Change Analysis (LUCA) approval.</p> <p><b>Root Cause Analysis (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>- The LUCA document review from the RSPO is available, but there are still differences in the calculation of liability and analysis between the RSPO reviewer and the company. Then re-verification is required in terms of legality and ground check of the area in the field.</li> <li>- Limited employee mobility due to the Covid-19 pandemic, implementation of strict health protocols and unfavourable weather conditions in the field have resulted in delays in conducting ground checks in the field.</li> </ul> <p><b>Correction (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>- Fulfilment of data on reviews submitted by reviewers on the LUCA document</li> <li>- Communicating with RSPO regarding compliance with the results of the LUCA document review</li> <li>- Obtained approval from RSPO for verification of the results of the LUCA SMM document review.</li> </ul> <p><b>Corrective Action (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>- Re-verification in the field is carried out by maximizing the involvement of all related teams, especially the legal, GIS and Operations teams in the field.</li> </ul>			

- Taking drone images to ensure real conditions in the field.
- Involve independent consultants in analysing Land Use Change Analysis (LUCA)
- If the LUCA process has been completed and has received approval from the RSPO, the recommendations given will be used as a work plan.

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

**Auditor Verification dated 9 November 2020**

The company has explained the root cause analysis and corrective action of the discrepancies that have emerged, but has not been able to show evidence of improvement in the form of LUCA approval from RSPO. Thus, the Non-Conformity in this indicator are stated as still OPEN or not yet Closed.

**Verification January 20, 2021**

The company has shown the following evidence:

- The 3rd review clarification report related to the Land Use Change Analysis (LUCA) of PT Sahabat Mewah and Makmur on January 20, 2021. In the conclusion it is stated that the Final Conservation Liability (FCL) is 0 Ha.
- Email from RSPO dated January 20, 2021 stating that PT SMM's Land Use Change Analysis (LUCA) review has been completed and declared as LUCA "Pass" status, with Final Conservation Liability (FCL) is 0 Ha.

Based on the verification results, the company has been able to show the RSPO Land Use Change Analysis (LUCA) approval. Thus the Non-Conformity on this indicator have been closed.

**Verified by** : **Hasiholan Sihombing**

3.4.2. Identification of Findings, Corrective Actions and Observations at ASA-2.1 Assessment

NCR No.	:		Issued by	:	
Date Issued	:		Time Limit	:	
NC Grade	:		Date of Closing	:	
Standard Ref. & Requirement	:				
Evidence observed (filled by auditor) During the audit process, auditors did not identify any non-conformance to the RSPO indicators.					
Non-Conformance Description (filled by auditor):					
Root Cause Analysis (filled by organization audited): -					
Correction (filled by organization audited): -					
Corrective Action (filled by organization audited): -					
Assessor Evaluation and Conclusion (filled by auditor): -					
Verified by	:				

**3.4.3. Opportunity for Improvement**

No	Ref. Std.	Description
1	3.4.2	Based on interviews with the management of the partnership cooperative, it is known that so far there have been no issues, but specifically for the Sambar Jaya Makmur Cooperative, there is information that the debt has been completed since February 2021 but the payment of FFB to farmers has not been made. Since then, issues have arisen regarding the payment of FFB to the community which has not been realized to farmers. Companies can identify and mitigate impacts associated with the partnership.
2	3.6.2	As part of the OHS plan, to minimize the potential for fire hazards in the company's operational areas, it is not allowed to have parties that trade or store fuel oil stocks. In addition, the company has also conducted socialization regarding LB3 / B3 and routine activities such as clean Fridays in the PT SMM environment as a control or supervision measure but based on field observations in the employee housing complex, it was found that residents of housing were storing gasoline at home. Therefore, the company can improve supervision to avoid potential risks that have been identified by the company.
3	6.2.2	Based on verification document, it is known that the company already has a list of workers, work agreements and related documents that regulate detailed wages and work requirements, as well as salary details documents that provide accurate information on compensation.  In addition, the company policy explains that the company has also committed not to use child labor, forced labor, and comply with labor standards regulated in the ILO, but based on the results of interviews with workers or residents in housing, sometimes they will come with their husbands or invite family members work in the field in high fruit conditions, for example to help pick loose fruit. Related to this, companies are encouraged to ensure that there are no unregistered workers working in the company's operational areas.
4	6.2.4	Based on field observation, it is known that the housing facilities and infrastructure are in good condition and are maintained, garbage is periodically carried out and clean Friday activities are carried out, but the auditor team found one of the drainage channels that had a leak from the housing bathroom channel. Certification Holder can ensure that sanitation facility is maintained in good condition.
5	6.7.3	The company has set up a PPE replacement mechanism based on Internal Memo Number 07MM/PT.SMM/X/2018. Furthermore, the company has provided socialization and training related to the mechanism for replacing PPE, including when applying when the service period is less than 8 months. Based on field observations and interviews with workers, it is known that there are workers who still do not understand the mechanism for replacing PPE, especially the submission of PPE with a service life of less than 8 months. Thus, the company can evaluate the effectiveness of the communication and socialization carried out to each employee, especially regarding the procedure for replacing PPE.

**3.4.4. Noteworthy Positive Components**

No	Description
1	Company commitment to implementing sustainable standards for oil palm plantations.
2	The company already has a partnership with a plasma plantation
3	The company does not use pesticides with active paraquat ingredients
4	The company has implemented an Electronic plantation management system
5	The company has implemented the ETIC (Electronic Trees Information Code), a barcode installation program on trees
6	The company has a Biodiversity Care Program (Pendaki)
7	Implementation of ANJ's eTIS app for traceability of FFB suppliers.
8	Implement programs that synergize with government activities such as maintaining cultural heritage (beam graves), planting trees to prevent abrasion, collecting data on biodiversity in the area around the plantation.
9	Drip Fertigation - Application of liquid fertilizer with a drip system in sandy areas.

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

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Manpower Agency of Belitung Timur District</b></p> <ul style="list-style-type: none"> <li>• The wages of all workers have been paid in accordance with the provisions of the government (regional minimum wage of Bangka Belitung Province).</li> <li>• The company has provided housing facilities, facilities of worship, clean water, education and electricity for workers.</li> <li>• No issue of child labour and discrimination</li> <li>• The company already has collective labour agreement.</li> <li>• P2K3 report are also routinely conducted by the company.</li> <li>• The company has registered "BPJS" Employment and "BPJS Health" to all its employees.</li> </ul>	<p>In general, it can be concluded that there are no negative issues and the company's relationship with government agencies is considered quite good.</p>
<p><b>Agriculture Agency of Belitung Timur District</b></p> <ul style="list-style-type: none"> <li>• Since the previous assessment, there are no negative issues known to the agency.</li> <li>• There was a complaint (last year) from the community regarding the attack of the horn beetle (<i>Oryctes rhinoceros</i>) on the community's coconut plantation due to the company's replanting, but this has been resolved. Damaged coconut plants have been replaced and given pesticides to control horn beetles.</li> <li>• Regarding the seeds used for replanting activities, the agency has carried out inspections and field visits.</li> <li>• Regarding fires in and around the company, no fire incidents occurred. The company routinely reports on its fire prevention activities.</li> <li>• Regarding CSR, it is good and reported regularly. The company cooperates with planting edamame and floating rice fields.</li> <li>• Reports have been carried out in an orderly manner, such as fire reports, CSR reports and plantation business development reports.</li> <li>• Regarding socialization and training, relevant agencies have also been involved, such as training on forest and land fires, inviting the agriculture office.</li> <li>• Class I Plantation Business Assessment in 2021.</li> </ul>	<p>There is no negative issue. CH has been comply with criteria 2.1, 7.1; 7.11 and 4.3</p>
<p><b>Environmental Agency of Belitung Timur District</b></p> <ul style="list-style-type: none"> <li>• There are no negative issues related to the environment caused by CH operational activities</li> <li>• No land fire issues</li> <li>• There have been cases of complaints related to the impact of horn beetles 2 years ago, but currently there are no more reports related to these cases.</li> <li>• Routine reports have been carried out on time, such as RKL-RPL reports, Hazardous waste and POME. However,</li> </ul>	<p>There is no negative issue. CH has been comply with criteria 2.1, 3.4 and 7.3</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>during Covid there was a delay caused by travel restrictions and now it has been reported back in a timely manner.</p> <ul style="list-style-type: none"> <li>There are several government programs that synergize with sustainability activities, such as planting/ greening to prevent abrasion, waste management with 3R principles such as composting and managing cultural heritage.</li> </ul>	
<p><b>Village head of Renggiang</b></p> <p>Since previous assessment there are no issues regarding environmental, land disputes, horn beetle or grievances. Good communication between company and villagers. There was a question from villager about recruitment process where should prioritize the surrounding village community</p> <p>Land compensation has been done prior to 2006. The process for land compensation is carried out on the basis of an agreement between the two parties without coercion or intimidation. The land compensation process has been carried out with a negotiation process, good administration, involving witnesses and mediation of village head, sub-district head and police.</p>	<p>There is no negative issue. CH has been comply with criteria 2.1, 1.1; 4.3; 4.4; 4.5; 4.6; 4.8</p>
<p><b>Village head of Dendang</b></p> <p>Since previous assessment there are no issues regarding environmental, land disputes. Good communication between company and villagers, during interview there are several issues as follows:</p> <ul style="list-style-type: none"> <li>Horn beetle infestation in coconut gardens surrounding company due to replanting activity in PT SMM</li> <li>recruitment process where should prioritize the surrounding village community</li> <li></li> </ul>	<p>Regarding issue about horn beetle infestation has been verify in criteria 4.2</p>
<p><b>Village head of Jangkang</b></p> <ul style="list-style-type: none"> <li>Since the previous assessment, there are no negative issues known to the village.</li> <li>There was a complaint (last year) from the community regarding the attack of the horn beetle (<i>Oryctes rhinoceros</i>) on the community's coconut plantation due to the company's replanting, but this has been resolved. The company controls such as the Pheromone Trap application.</li> <li>In the dry season the roads are dusty, and the company has carried out road watering activities.</li> <li>Communication went well.</li> <li>Job vacancies are informed to the village and labour absorption from the village dominates. Communication is easy to do, such as through the WhatsApp application regarding job vacancy information by HRD.</li> </ul>	<p>Regarding issue about horn beetle infestation has been verify in criteria 4.2, job vacancy has been verify in criteria 3.5</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>• CSR provided for productive businesses such as planting edamame and floating rice fields.</li> <li>• Consultations with village communities are carried out routinely twice a year, where the company provides questionnaires and village representatives fill them out. Some of the things that have been submitted regarding complaints have been responded to by the company, such as dusty roads during the dry season.</li> </ul>	
<p><b>Previous Land Owner</b></p> <p>The land compensation process is carried out based on the agreement of both parties, without coercion. Until now there are still some areas of society that have not yet been compensated because the community is still using the land as a livelihood for gardening.</p> <p>These processes involved the landowner and were approved by the head of the village and the head of the sub-district.</p>	<p>There is no negative issue. CH has been comply with criteria 2.1, 1.1; 4.3; 4.4; 4.5; 4.6; 4.8</p>
<p><b>Lindong Raya Cooperative</b></p> <p>There is no negative issue related to the cooperation between the company and the cooperative. the land originated from community land which then joins and forms a cooperative, then cooperates with the company to manage the land with certain agreements agreed by both parties. the work agreement has explained the pricing of each work unit. The parties have understood the provisions of work contracts, the contracts have been made fairly, transparently, and legally. Moreover, the member felt their gratefulness to the company that open the opportunity to the villager to become its scheme smallholders</p>	<p>There is no negative issue need to be verified.</p>
<p><b>Mitra Lestari Cooperative</b></p> <p>There is no negative issue related to the cooperation between the company and the cooperative. the land originated from community land which then joins and forms a cooperative, then cooperates with the company to manage the land with certain agreements agreed by both parties. the work agreement has explained the pricing of each work unit. The parties have understood the provisions of work contracts, the contracts have been made fairly, transparently, and legally. Moreover, the member felt their gratefulness to the company that open the opportunity to the villager to become its scheme smallholders</p>	<p>There is no negative issue need to be verified.</p>
<p><b>Sambar Jaya Cooperative</b></p> <p>the land originated from community land which then joins and forms a cooperative, then cooperates with the company to manage the land with certain agreements agreed by both parties. the work agreement has explained the pricing of each work unit. The parties have understood the provisions of work</p>	<p>Related to the issue about profit sharing residual net has been verified in criteria 4.2</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>contracts, the contracts have been made fairly, transparently, and legally.</p> <p>There are complaints related to profit sharing residual net income of scheme smallholders, the complaint related to bailout funds during plantation development. where the bailout debt has been paid off but the profit-sharing has not been distributed.</p>	
<p><b>Village Cooperative Unit Bakti – FFB Supplier</b></p> <ul style="list-style-type: none"> <li>• The cooperation has been going on for 4 years. The agreement letter period is 1 year (January – December). No problem with payment.</li> <li>• The price agreement follows the price of the Provincial Agriculture Agency which is issued once a month. The October 2021 payments have been finalized.</li> <li>• There has been socialization related to RSPO certification since 2019 – 2020.</li> <li>• Provision of PPE and OHS facilities are provided by the Village Cooperative Unit.</li> <li>• Land owners are also workers, so that, like Workers Social Security Agency, it is regulated by each land owner. Cooperatives are only legal entities to establish cooperation and provide FFB cover letters.</li> <li>• Road conditions are good.</li> <li>• In the dry season the roads are dusty and the company has carried out road watering activities.</li> <li>• The company conducts direct surveys to farmers' lands and confirms the coordinates to ensure the legality of the land. The areas that are included in the protected forest area have been excluded, but there is still a small portion that is included in the production forest area.</li> </ul>	<p>There is no negative issue need to be verified.</p>
<p><b>PT Putri Berlian Sejahtera - Local Contractor of Compos (EFB) Application</b></p> <ol style="list-style-type: none"> <li>1. Agreements are made fairly and transparently in accordance with applicable law and have been reported to the relevant agencies.</li> <li>2. All workers been paid the wage in accordance to the minimum wage of local regulation.</li> <li>3. Workers have registered the employment and health insurance.</li> </ol>	<p>There is no negative issue need to be verified.</p>
<p><b>Bipartite Cooperation Institutes and worker union</b></p> <ul style="list-style-type: none"> <li>• The company recognizes the existence of a labor union in the company and there is no intervention in the implementation of any activities.</li> <li>• There are no negative reports from workers related to industrial relations.</li> </ul>	<p>In general, it can be concluded that there are no negative issues related to industrial relations within the scope of the company.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Gender Committee</b></p> <ul style="list-style-type: none"> <li>• The company has set policies against underage workers, forced labor and immoral acts.</li> <li>• Each member holds regular meetings and socialization related to gender activities, for example socialization of the complaints and grievance mechanism.</li> <li>• There are no reports of immoral acts in the company.</li> <li>• The company has accommodated female workers, especially when they are pregnant.</li> </ul>	<p>In general, it can be concluded that there are no negative issues related to underage workers, forced labor and immoral acts in the company.</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="337 756 1435 1092"><tr><td data-bbox="337 756 812 840">PT Sahabat Mewah dan Makmur General Manager</td><td data-bbox="812 756 1435 840">PT Mutuagung Lestari Lead Auditor</td></tr><tr><td data-bbox="337 840 812 1008"></td><td data-bbox="812 840 1435 1008"></td></tr><tr><td data-bbox="337 1008 812 1092"><u>Ridwan Damanik</u> Monday, 06 December 2021</td><td data-bbox="812 1008 1435 1092"><u>Moh Arif Yusni</u> Monday, 06 December 2021</td></tr></table>	PT Sahabat Mewah dan Makmur General Manager	PT Mutuagung Lestari Lead Auditor			<u>Ridwan Damanik</u> Monday, 06 December 2021	<u>Moh Arif Yusni</u> Monday, 06 December 2021
PT Sahabat Mewah dan Makmur General Manager	PT Mutuagung Lestari Lead Auditor						
							
<u>Ridwan Damanik</u> Monday, 06 December 2021	<u>Moh Arif Yusni</u> Monday, 06 December 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	Belitung Timur District	Phone	Interview	November 23, 2021	✓	
2	Environmental Agency	Belitung Timur District	Phone	Interview	November 23, 2021	✓	
3	Agriculture Agency	Belitung Timur District	Phone	Interview	November 23, 2021	✓	
4	National Land Agency	Belitung Timur District	Phone	Interview	November 23, 2021		✓
5	Previous Land Owner	Belitung Timur District	Phone	Interview	November 23, 2021	✓	
6	Village head of Renggiang	Belitung Timur District	Phone	Interview	November 23, 2021	✓	
7	Village head of Dendang	Belitung Timur District	Phone	Interview	November 23, 2021	✓	
8	Village head of Jangkang	Belitung Timur District	Phone	Interview	November 23, 2021	✓	
9	Lindung Raya Cooperative	Belitung Timur District	Phone	Interview	November 23, 2021	✓	
10	Sambar Jaya Cooperative	Belitung Timur District	Phone	Interview	November 23, 2021	✓	
11	Village Cooperative Unit Bakti - FFB Supplier	Belitung Timur District	Phone	Interview	November 23, 2021	✓	
12	Previous Land Owner	Belitung Timur District	Phone	Interview	November 23, 2021	✓	
13	Lindung Raya Cooperative	Belitung Timur District	Phone	Interview	November 23, 2021	✓	
14	Mitra Lestari Cooperative	Belitung Timur District	Phone	Interview	November 23, 2021	✓	
15	Village Cooperative Unit Bakti - FFB Supplier	Belitung Timur District	Phone	Interview	November 23, 2021	✓	
16	PT Putri Berlian Sejahtera - Local Contractor of Compos (EFB) Application	Belitung Timur District	Phone	Interview	November 23, 2021	✓	
17	Gender Committee	Belitung Timur District	Phone	Interview	November 22, 2021	✓	
18	Bipartite Cooperation Institutes	Belitung Timur District	Phone	Interview	November 22, 2021	✓	
19	Worker Union	Belitung Timur District	Phone	Interview	November 22, 2021	✓	
20	Worker in estate sample	Belitung Timur District		Interview	November 24- 26, 2021	✓	
20	Workers in mill	Belitung Timur District		Interview	November 25, 2021	✓	
21	Sawit Watch	Jakarta	info@sawitwatch.or.id	Questionnaire via email	15 November 2021		✓

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
22	WALHI	Jakarta	<a href="mailto:info@walhi.or.id">info@walhi.or.id</a>	Questionnaire via email	15 November 2021		✓
22	AMAN	Jakarta	<a href="mailto:rumahaman@cbn.net.id">rumahaman@cbn.net.id</a>	Questionnaire via email	15 November 2021		✓

Appendix 2. Assessment Program

DATE /	21 – 27 November 2021	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Sunday, 21 November 2021</b>		
10.00 – 14.00	JAKARTA → BELITUNG → PT SAHABAT MEWAH MAKMUR (AUDITOR STAY IN MESS FOR THREE DAY QUARANTINE)	All Auditor
<b>Monday, 22 November 2021</b>		
08.30 – 09.30	AUDITOR STAY IN MESS FOR THREE DAY QUARANTINE  Opening meeting (recorded video conference) - Auditee Speech (Introduction of PIC, Profile of Certified Management Unit) - Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)	All Auditor
09.30 – 12.00	Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier	All Auditor
09.30 – 12.00	<ul style="list-style-type: none"> <li>• Verification of Basic Information Mill and Estate</li> <li>• Confirmation of Time Bound Plan</li> <li>• Review of Partial Certification</li> <li>• Document review and completing audit checklist.</li> </ul>	All Auditor
12.00 – 14.00	Break	
14.00 – 16.15 16.15 – 17.00	<ul style="list-style-type: none"> <li>• Document review and completing audit checklist.</li> <li>• Presentation of Daily Progress.</li> </ul>	All Auditor
<b>Tuesday, 23 November 2021</b>		
08.00 – 11.00	AUDITOR STAY IN MESS FOR THREE DAY QUARANTINE  <ul style="list-style-type: none"> <li>• Document review and completing audit checklist.</li> <li>• public consultation with stakeholder to relevant agency in Belitung Timur Regency (by Phone)</li> <li>• Stakeholder consultation to affected communities surrounding the plantations and previous land owner</li> </ul>	All Auditor
12.00 – 14.00	Break	
14.00 – 16.15 16.15 – 17.00	<ul style="list-style-type: none"> <li>• Document review and completing audit checklist.</li> <li>• Presentation of Daily Progress.</li> </ul>	All Auditor
<b>Wednesday, 24 November 2021</b>		
08.30 – 12.00	Field Observation to BALOK ESTATE; SAMBAR JAYA COOPERATIVE; LINDONG RAYA COOPERATIVE Aspect to be verified : <ul style="list-style-type: none"> <li>- Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> <li>- Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> </ul>	All Auditor

DATE /	21 – 27 November 2021	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	<ul style="list-style-type: none"> <li>- Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>- Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul>	
12.00 – 14.00	<b>Break</b>	<b>All Auditor</b>
14.00 – 16.15	<ul style="list-style-type: none"> <li>• Document review and completing audit checklist.</li> </ul>	<b>All Auditor</b>
16.15 – 17.00	<ul style="list-style-type: none"> <li>• Presentation of Daily Progress.</li> </ul>	
<b>Thursday, 25 November 2021</b>		
08.00 – 12.00	<b>Field Observation to JANGKANG ESTATE; JOSEPH JAYA ESTATE &amp; MITRA LESTARI COOPERATIVE</b> Aspect to be verified : <ul style="list-style-type: none"> <li>- Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> <li>- Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>- Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>- Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul>	<b>All Auditor</b>
12.00 – 13.00	<b>Break</b>	
14.00 – 16.15	<b>Field observation to JANGKANG POM :</b> <ul style="list-style-type: none"> <li>- Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO)</li> <li>- Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond)</li> <li>Implementation of Employment Procedure and Mechanism Aspect</li> </ul>	<b>All Auditor</b>
16.15 – 17.00	<b>Presentation of Daily Progress</b>	
<b>Friday, 26 November 2021</b>		
08.00 – 11.00	<b>Field Observation to SARI BUNGA ESTATE &amp; MITRA ANUGERAH COOPERATIVE</b> Aspect to be verified : <ul style="list-style-type: none"> <li>- Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> <li>- Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>- Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>- Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul>	<b>All Auditor</b>
12.00 – 14.00	<b>Break</b>	<b>All Auditor</b>
13.00 – 14.00	PCR Test as flight requirement for Flight to Jakarta.	<b>All Auditor</b>

DATE /	21 – 27 November 2021	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
14.00 – 14.30	Verification of stakeholder consultation result and field visit.	All Auditor
14.30 – 15.30	Internal discussion by auditor team preparing for Closing Meeting	All Auditor
15.30 – 17.00	<b>Closing Meeting :</b> <ul style="list-style-type: none"> <li>• Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timeline of CAR's, Conclusion)/</li> <li>• Comments, Responses and Questions</li> </ul>	
<b>Saturday, 27 NOVEMBER 2021</b>		
08.00 – 10.00	PT SMM → TANJUNG PANDAN	All Auditor
10.30 - .....	TANJUNG PANDAN → JAKARTA	