

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

**[✓] Surveillance**

Name of Management Organization : **Mandah Palm Oil Mill – PT Bhumireksa Nusasejati subsidiary of Sime Darby Plantation Berhad**

Plantation Name : Mandah Estate and Rotan Semelur Estate

Location : Bente Village, Mandah Sub District, Indragiri Hilir District, Riau Province, Indonesia

Certificate Code : **MUTU-RSPO/036**

Date of Initial Registration : 01 April 2014

Date of Certificate Issue : 26 June 2019      Date of License Issue : 01 July 2022

Date of Certificate Expiry : 31 March 2024      Date of License Expiry : 31 March 2023

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1.2 (Remote Audit)	06 to 07 April 2021	Rizliani Aprianita Hasibuan, Briyogi Shadiwa, Dwi Haryati, Septian Maulana, Fritz Hutasoit	Ardiansyah	Leonada
ASA-1.2 and ASA-1.3 (Onsite Audit)	11 to 16 April 2022	Briyogi Shadiwa (Lead Auditor), Arief Tajalli, Erika Lucitawati, and Firda Tarunajaya		

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1.2 and ASA-1.3	11 May 2022

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Figure 1. Location Map of PT. Bhumireksa Nusa Sejati (Mandah Factory)

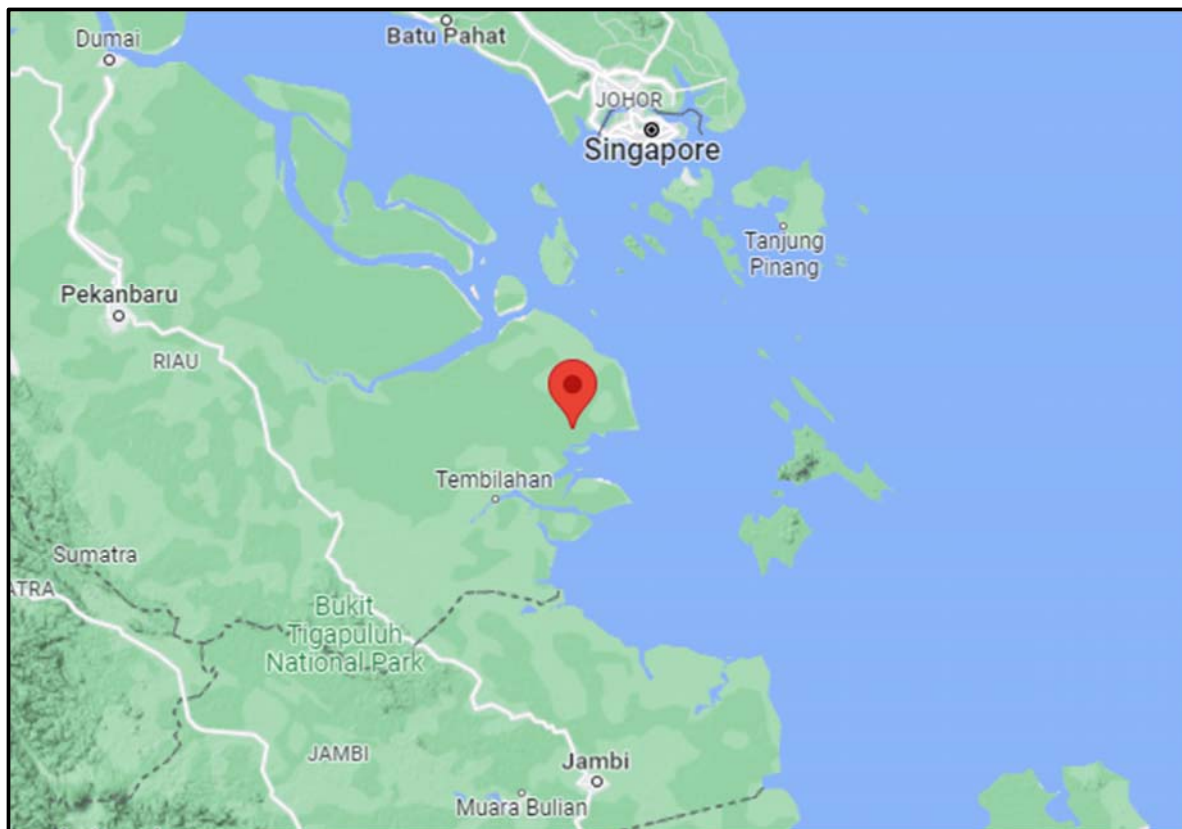
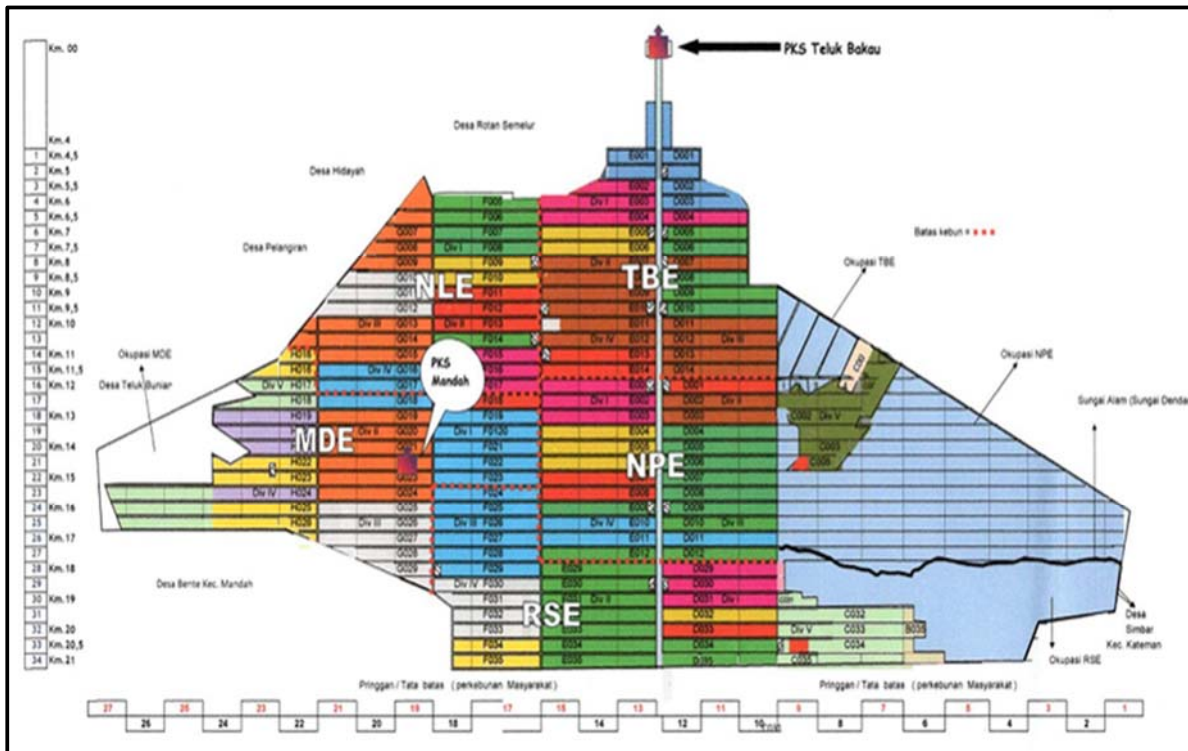


Figure 2. Operational Map of PT. Bhumireksa Nusa Sejati (Mandah Factory)



# Abbreviations Used

ANDAL	:	<i>Analisis Dampak Lingkungan</i> (Environmental Impact Assessment)
BOB	:	<i>Barn Owl Box</i>
BOD	:	Biological Oxygen Demand
CH	:	Certification Holder
COD	:	Chemical Oxygen Demand
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Corporate Social Responsibility
EFB	:	Empty Fruit Bunch
EIA	:	Environmental Impact Assessment
FFB	:	Fresh Fruit Bunch
FPIC	:	Free Prior Inform and Consent
FR	:	Frequency Rate
GHG	:	Green House Gas
GSEP	:	GAR, Social, and Environment Policy
HCV	:	High Conservation Value
HGB	:	<i>Hak Guna Bangunan</i> / Building Title
HGU	:	<i>Hak Guna Usaha</i> / Land Use Title
HIRAC	:	Hazard Identification Risk Assessment and Control
HPO	:	Head Plantation Officer
IPM	:	Integrated Pest Management
ISCC	:	International Sustainability & Carbon Certification
IUCN	:	International Union for Conservation of Nature and Natural Resources
LCC	:	<i>Land Cover Crops</i>
LSU	:	<i>Leaf Sampling Unit</i>
LUC	:	<i>Land Use Change</i>
MDE	:	Mandah Estate
MRC	:	Management Research Centre
MSDS	:	Material Safety Data Sheet
NLE	:	Nusa Lestari estate
NPE	:	Nusa Perkasa Estate
OER	:	Oil Extraction Rate
OFI	:	Opportunity for improvement
OHS	:	Occupational Health and Safety
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> OHS Committee
P & C	:	Principle & Criteria
Permen LHK	:	Peraturan Menteri Lingkungan Hidup dan Kehutanan (Regulation of the Ministry of Environment and Forestry)
PK	:	Palm Kernel
PMU	:	Performa Monitoring Unit
PIC	:	Person In Charge
PKB	:	<i>Perjanjian Kerja Bersama</i> (Collective Labor Agreement)
PMNP	:	Plantation Monitoring and Planning
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personnel Protective Equipment
PQMS	:	Plantation Quality Management System
PT	:	<i>Pekerja Tetap</i> (Permanent Worker)

RKL RPL	:	<i>Rencana Pengelolaan Lingkungan – Rencana Pemantauan Lingkungan</i> (Environment Management and Monitoring Plan)
RSE	:	Rotan Semelur Estate
RTE	:	Rare, Threatened, Endangered
RTRWP	:	<i>Rencana Tata Ruang Wilayah Provinsi</i> Province Spatial Plan
RSPO	:	Roundtable on Sustainable Palm Oil
SEL	:	Environmental Evaluation Assessment ( <i>Studi Evaluasi Lingkungan</i> )
SHM	:	<i>Sertifikat Hak Milik</i>
SIA	:	Social Impact Assessment
SMD	:	Senior Managing Director
SOP	:	Standard Operational Procedure
SPO	:	Sustainable Palm Oil
SR	:	Severity Rate
SSU	:	Soil Sampling Unit
TBE	:	Teluk bakau Estate
TBF	:	Teluk Bakau Factory
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>Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020.</li><li>RSPO Certification 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	Organization name listed in the certificate	PT Bhumireksa Nusasejati subsidiary of Sime Darby Plantation Berhad	
1.2.2	Contact person	Alagendran Maniam	
1.2.3	Organisation address and site address	RSPO registered company: No 2, Plantation Tower, PJU 1A/7Street Petaling Jaya, Malaysia 47301  Liaison Office: The Plaza Office Tower, 36 <sup>th</sup> Floor Jl. MH Thamrin Kav. 28-30, Jakarta 10350	
1.2.4	Telephone	+62-21-29926000	
1.2.5	Fax	+62-21-29922686	
1.2.6	E-mail	<a href="mailto:alagendran.maniam@simedarbyplantation.com">alagendran.maniam@simedarbyplantation.com</a>	
1.2.7	Web page address	<a href="http://www.simedarbyplantation.com">www.simedarbyplantation.com</a>	
1.2.8	Management Representative who completed the application for certification	Alagendran Maniam (Head Sustainability & Quality Management)	
1.2.9	Registered as RSPO member	07 September 2004 (1-0008-04-000-00)	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base: Mandah Palm Oil Mill, Mandah Estate and Rotan Semelur Estate	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			LatitudeLongitude
	Mandah	Bente Village, Mandah Sub-district, Indragiri Hilir District, Riau Province, Indonesia	N 00° 06' 57"E 103° 32' 57"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			LatitudeLongitude
	Mandah	Rotan Semelur Village, Pelangiran Sub District, Indragiri Hilir District, Riau Province, Indonesia	N 00° 08' 07""E 103° 32' 51"
	Rotan Semelur	Rotan Semelur Village, Pelangiran Sub	N 00° 07' 04"E 103° 36' 17"

	District, Indragiri Hilir District, Riau Province, Indonesia		
<b>1.5</b>	<b>Description of Area Statement</b>		
1.5.1	Tenure		
	• State		25,684 Ha
	• Community		- Ha
	<b>Total</b>		
	<i>*Total land use title area of PT Bhumireksa Nusasejati is 25,684 Ha. The rest of area (13,317.81 Ha) is included in other certification scope i.e Teluk Bakau Factory.</i>		
1.5.2	<b>Area Statement</b>		
	<b>Description</b>	<b>Mandah Estate</b>	<b>Rotan Semelur Estate</b>
	<b>TOTAL (Ha)</b>		
	Total area	5,053.18	7,313.00
	Mature Area	3,568.61	2,224.33
	Immature Area	558.23	1,789.86
	Drains	175.10	335.68
	Buildings	35.51	26.81
	Oil Mill Site	5.73	11.76
	Occupation	710.00	2,904.00
	Reserved Area	-	20.56
<b>1.6</b>	<b>Planting Year and Cycles</b>		
1.6.1	<b>Age profile of planting year</b>		
	<b>Planting Year</b>	<b>Mandah Estate</b>	<b>Rotan Semelur Estate</b>
	<b>TOTAL (Ha)</b>		
	1996	-	67.24
	1997	140.00	35.72
	1998	418.16	38.00
	1999	644.70	-
	2000	665.78	205.00
	2004	519.18	-
	2005	510.00	568.00
	2007	-	108.00
	2014	-	375.58
	2015	272.69	133.70
	2016	-	421.39
	2017	261.73	-
	2018	136.37	271.70
	<b>Mature</b>	<b>3,568.61</b>	<b>2,224.33</b>
	2020	-	500.65
	2021	-	865.21
	2022	558.23	424.00
	<b>Immature</b>	<b>558.23</b>	<b>1,789.86</b>
	<b>TOTAL</b>	<b>4,126.84</b>	<b>4,014.19</b>
1.6.2	<b>New Planting area after January 2010</b>		- Ha
1.6.3	<b>Planting Cycle</b>		2 <sup>nd</sup> Cycle
<b>1.7</b>	<b>Description of Mill and Supply Base</b>		



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 (%)
	Mandah	45	150,259.00	33,356.01	22.20	7,012.93	4.70
	*Production data source from April 2020 to March 2022						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (ton/yr)	Yield (ton/ha/yr)	Supplied to Mill	
						FFB (ton/year)	%
	Mandah	5,053.18	3,568.61	84,742.02	11.9	84,345.49	99.5%
	Rotan Semelur	7,313.00	2,224.33	62,838.55	14.1	61,971.09	98.6%
	TOTAL	12,366.18	5,792.94	147,580.57	12.7	146,316.58	99.1%
	*Production data source from April 2020 to March 2022						
1.7.3	FFB description from other source						
	Name of sources/Organization (RSPO certified / non-certified)	Type of Organization	number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tones/year)		
	Teluk Bakau Estate. (RSPO Certified)	Subsidiary of Sime Darby Plantation Berhad	-	1,738.65	139.11		
	Nusa Lestari Estate. (RSPO Certified)	Subsidiary of Sime Darby Plantation Berhad	-	1,903.81	227.78		
	Nusa Perkasa Estate. (RSPO Certified)	Subsidiary of Sime Darby Plantation Berhad	-	2,374.32	3,570.00		
	TOTAL					3,936.89	
	*Production data source from April 2020 to March 2022						
1.7.4	Product categories			FFB, CPO, PK			
1.8	Tonnage of Product						
1.8.1	Past Annual Claim Certified Product		Last Year Projected Certified Volume (Ton)		Last Year Actual Certified Volume (April 2020 to March 2022) (Ton)		
	FFB Processed		157,280		150,258.99		
	CPO Production		34,642		33,356.01		
	Palm Kernel (PK) Production		7,852		7,012.93		
1.8.2	Product selling						
	Type of selling product		Actual selling product for last year (April 2020 to March 2022) (MT)				
	CSPO sold as RSPO certified product		2,600.28				
	CSPK sold as RSPO certified product		4,075.50				
	CSPO sold under another scheme		0				
	CSPK sold under another scheme		0				
	CSPO sold as conventional		29,964.93				
	CSPK sold as conventional		2,740.33				
1.8.3	Estimate of Certified FFB Claim						

	Name of Estate(s)		Total Area (Ha)	Production Area (Ha)	FFB (tones/year)	Yield (tones/ha/year)		
	Mandah		5,053.18	3,568.61	42,900	12.02		
	Rotan Semelur		7,313.00	2,224.33	33,400	15.02		
	TOTAL		12,366.18	5,792.94	76,300	13.17		
	*Projected FFB production for 12 months of certificate							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tones/ hour)	FFB Processed (tones/year)	CPO Out put (tones)Extraction (%)		Palm Kernel Out put (tones)Extraction (%)		Supply Chain Module
	Mandah	45	76,300	17,500	23.00	3,700	4.80	
	*Projected CSPO and CSPK production for 12 months of certificate							
1.9	Other Certifications							
	ISO 9001:2008			-				
	ISO 14001: 2004			-				
	OHSAS 18001:2007			-				
	ISCC			-				
	Others							
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	Mill	Time bound						
	INDONESIA							
1	Sekunyir. PT. Indotruba Tengah	2010	Sekunyir	2010	Seruyan and West Kotawaringin District – Central Kalimantan	Certified		
			Seruyan	2010		Certified		
2	Manggala. PT. Tunggal Mitra Plantations	2010	Manggala 1	2010	Rokan Hilir District – Riau	Certified		
			Manggala 2	2010		Certified		
			Manggala 3	2010		Certified		
3	Bukit Ajong PT. Sime Indo Agro	2010	West	2010	Sanggau District –West Kalimantan	Certified		
			West (HGU on process)	2019		-		
			East	2010		Certified		
			East (HGU on process)	2023		-		
			East Plasma	2010		Certified		
			West Plasma	2010		Certified		
			Sei Mawang	2023		-		
4	Teluk Siak. PT Aneka Inti Persada	2011	Teluk Siak	2011	Siak District – Riau	Certified		
			Pinang Sebatang	2011		Certified		
			Aneka Persada	2011		Certified		
5	Sungai Pinang. PT. Bina Sains Cemerlang	2012	Sungai Pinang	2012	Musi Rawas District – South Sumatera	Certified		
			Sungai Pinang (HGU on process)	2023		-		
			Bukit Pinang	2012		Certified		
			Bukit Pinang (HGU on process)	2023		-		
6	Pematang. PT. Teguh Sempurna	2011	Pematang	2011	Seruyan and East Kotawaringin District –	Certified		
			Kawan Batu	2011		Certified		

			Hatan Tiring	2011	Central Kalimantan	Certified
			Batang Garing	2011		Certified
7	Alur Dumai. PT Lahan Tani Sakti	2011	Alur Dumai	2011	Rokan Hilir District – Riau	Certified
8	Teluk Bakau. PT. Bhumireksa Nusa Sejati	2011	Teluk Bakau	2011	Indra Giri Hilir District – Riau	Certified
			Nusa Perkasa	2011		Certified
			Nusa Lestari	2011		Certified
9	Mandah PT. Bhumireksa Nusa Sejati	2014	Mandah	2011	Indra Giri Hilir District – Riau	Certified
			Rotan Semelur	2011		Certified
10	Angsana. PT Ladangrumpun Suburabadi	2011	Angsana	2011	Tanah Bumbu District – South Kalimantan	Certified
			Gunung Sari	2011		Certified
			Pantai Bonati	2011		Certified
			KKPA-1 PT.SHE	2013		Certified
			KKPA-4 PT.SHE	2013		Certified
11	Mustika. PT Sajang Heulang	2013	Mustika	2013	Tanah Bumbu District – South Kalimantan	Certified
			KKPA-2 PT.SHE	2013		Certified
			KKPA-3 PT.SHE	2013		Certified
			KKPA-5 PT.SHE	2013		Certified
			SAP 1	2023		-
12	Gunung Aru. PT Bersama Sejahtera Sakti	2011	Gunung Aru	2011	Kotabaru District – South Kalimantan	Certified
			Gunung Kemas	2011		Certified
			Laut Timur	2011		Certified
			Pantai Timur	2011		Certified
			KKPA BSS	2023		-
13	Bebunga. PT. Langgeng Muaramakmur	2011	Bebunga	2011	Kotabaru District – South Kalimantan	Certified
			Bakau	2011		Certified
			Sungai Cengal	2011		Certified
14	Sukamandang PT Kridatama Lancar	2011	Sukamandang	2011	Seruyan and East Kotawaringin District – Central Kalimantan	Certified
			Sapiri	2011		Certified
			Barasdanum	2011		Certified
			Kuala Kuayan	2011		Certified
15	Pondok Labu. PT Paripurna Swakarsa	2012	Binturung	2012	Kotabaru District – South Kalimantan	Certified
			Pondok Labu	2012		Certified
			Rampa	2012		Certified
			Sesulung	2012		Certified
16	Rantau. PT Laguna Mandiri	2012	Rantau	2012	Kotabaru District – South Kalimantan	Certified
			Matalok	2012		Certified
			KKPA Sungai Cengal (1,382 SH)	2014		Certified
			Selabak (PT SAA)	2012		Certified
			Randi (PT SAA)	2012		Certified
			Sangkoh (PT SAA)	2012		Certified
			Lanting (PT LMR)	2012		Certified
17	Betung. PT Laguna Mandiri	2014	Betung	2012	Kotabaru District – South Kalimantan	Certified
			Sekayu	2012		Certified
18	Ungkaya. PT Tamaco Graha Krida	2012	Ungkaya	2012	Morowali District – Sulawesi Tengah	Certified
			Plasma TGK	2023		-
19	Ladang Panjang. PT Bahari Gembira Ria	2012	Ladang Panjang	2012	Muaro Jambi District - Jambi	Certified
			Ladang Panjang (HGU on process)	2023		-
			Plasma BGR	2023		-
20	Rantau Panjang.	2012	Rantau Panjang	2012	Musi Banyuasin District –	Certified

	PT Guthrie Pecconina Indonesia		Rantau Panjang (HGU on process)	2023	South Sumatera	-
			Bumi Ayu	2012		Certified
			Karang Ringin	2012		Certified
			Napal	2012		Certified
			Napal (HGU on process)	2023		-
			Mangun Jaya	2012		Certified
			Mangun Jaya (HGU on process)	2023		-
			Sungai Jernih	2023		-
			GPI KKPA	2023		-
21	Blang Simpo. PT Perkasa Subur Sakti	2013	Tamiang (PT PPP)	2013	Aceh Tamiang and East Aceh District – Aceh	Certified
			Batang Ara (PT PSK)	2013		Certified
			Blang Simpo-01	2013		Certified
			Blang Simpo-02	2013		Certified
22	Lembiru. PT Sandika Nata Palma	2014	Lembiru	2014	Ketapang District – West Kalimantan	Certified
			Awatan	2014		Certified
			Karya Palma	2023		-
			KKPA SNP	2023		-
			Pelanjau (PT BAL)	2019		Certified
			Sungai Putih (PT BAL)	2023		-
			Baturus (PT BAL)	2023		-
			KKPA BAL	2023		-
<b>MALAYSIA</b>						
1	Sg Dingin SOU 1	2010	Bukit Hijau	2010	Kerangan, Kedah	Certified
			Padang Buluh	2010		Certified
			Bukit Selangor	2010		Certified
			Sg Dingin	2010		Certified
			Jentayu	2010		Certified
			Anak Kuli	2010		Certified
			Somme	2010		Certified
2	Chersonese SOU 2	2011	Chersonese	2011	Kuala Kurau, Perak	Certified
			Holyrood	2011		Certified
			Kalumpang	2011		Certified
			Tali Ayer	2011		Certified
3	Elphil SOU 3	2011	Kinta Kellas	2011	Sg Siput, Perak	Certified
			Elphil	2011		Certified
			Kamuning	2011		Certified
4	Flemington SOU 4	2011	Flemington	2011	Teluk Intan, Perak	Certified
			Bagan Datoh	2011		Certified
			Sabak Bernam	2011		Certified
			Sg Samak	2011		Certified
5	Seri Intan SOU 5	2011	Seri Intan (Main Division)	2011	Teluk Intan, Perak	Certified
			Sabrang	2011		Certified
			Sg Wangi	2011		Certified
			Sogomana (Main Division)	2011		Certified
6	Selaba SOU 5	2011	Seri Intan (Selaba Division)	2011	Teluk Intan, Perak	Certified
			Sogomana (Cashwood & Sg Beruas Division)	2011		Certified
			Bikam	2011		Certified
			Clumy	2011		Certified
7	Tennamaram SOU 6	2011	Tennamaram	2011	Bestari Jaya, Selangor	Certified
			Sungei Buloh	2011		Certified

8	Bkt Kerayong SOU 7	2011	Bkt Talang	2011	Kapar, Selangor	Certified
			Bkt Kerayong	2011		Certified
			Bkt Cherakah	2011		Certified
			Bkt Rajah	2011		Certified
			Bkt Lagong	2011		Certified
			Elmina	2011		Certified
9	East SOU 8	2010	East	2010	Carey Island, Selangor	Certified
			Dusun Durian	2010		Certified
			Sepang	2010		Certified
10	West - SOU 9	2010	West	2010	Carey Island, Selangor	Certified
11	Bukit Putri - SOU 10	2011	Bukit Putri	2011	Raub, Pahang	Certified
12	Kerdau SOU 11	2011	Kerdau	2011	Temerloh, Pahang	Certified
			Jentar	2011		Certified
			Mentakab	2011		Certified
			Sg Mai	2011		Certified
			Chenor	2011		Certified
13	Jabor - SOU 12	2011	Jabor	2011	Kemaman, Trengganu	Certified
14	Labu SOU 13	2011	Labu	2011	Nilai, Negeri Sembilan	Certified
			New Labu	2011		Certified
			Bradwall	2011		Certified
15	Tanah Merah SOU 14	2010	Tanah Merah	2010	Port Dickson, Negeri Sembilan	Certified
			Sua Betong	2010		Certified
			Bukit Pelandok	2010		Certified
16	Sua Betong SOU 15	2014	Salak	2014	Port Dickson, Negeri Sembilan	Certified
			Sengkang	2014		Certified
			Siliau	2014		Certified
			PD Lukut	2014		Certified
			Sungai Baru	2014		Certified
			Tampin Linggi	2014		Certified
17	Kok Foh SOU 16	2011	Bukit Pilah	2011	Bahau, Negeri Sembilan	Certified
			Kok Foh	2011		Certified
			Muar River	2011		Certified
			St. Helier	2011		Certified
			Pertang	2011		Certified
			Sg Gemas	2011		Certified
			Sg Sebalang	2011		Certified
			Sg Senarut	2011		Certified
18	Kempas SOU 17	2010	Kempas	2010	Jasin, Melaka	Certified
			Kemuning	2010		Certified
			Tangkah	2010		Certified
19	Diamond Jubilee SOU 18	2011	Bukit Asahan	2011	Jasin, Melaka	Certified
			Diamond Jubilee	2011		Certified
			Serkam	2011		Certified
20	Pagoh SOU 19	2014	Pagoh	2014	Muar, Johor	Certified
			Lanadron	2014		Certified
			Pengkalan Bukit	2014		Certified
			Welch	2014		Certified
21	Chaah SOU 20	2010	North Labis	2010	Chaah, Johor	Certified
			Cha'ah	2010		Certified
			Sg Simpang Kiri	2010		Certified
22	Gunung Mas SOU 21	2010	Gunung Mas	2010	Kluang, Johor	Certified
			Kempas Klebang	2010		Certified
			Bukit Paloh	2010		Certified
			Yong Peng	2010		Certified

23	Bukit Benut SOU 22	2011	Bukit Benut	2011	Kluang, Johor	Certified
			CEP Niyor	2011		Certified
			Lambak / Elaeis	2011		Certified
24	Ulu Remis SOU 23	2011	Pekan	2011	Layang-layang, Johor	Certified
			Sembrong	2011		Certified
			Tun Dr. Ismail	2011		Certified
			Ulu Remis	2011		Certified
			Bukit Badak	2011		Certified
			Cenas	2011		Certified
25	Hadapan SOU 24	2011	CEP Rengam	2011	Layang-layang, Johor	Certified
			Kulai	2011		Certified
			Layang	2011		Certified
			Seri Pulai	2011		Certified
26	Sandakan Bay SOU 26	2008	Tun Tan Siew Sin	2008	Sandakan, Sabah	Certified
			Tunku	2008		Certified
			Tigowis	2008		Certified
			Sentosa	2008		Certified
			Saguliud	2008		Certified
27	Melalap SOU 27	2011	Melalap	2011	Tenom, Sabah	Certified
			Sapong	2011		Certified
28	Binuang SOU 28	2009	Tingkeyu	2009	Kunak, Sabah	Certified
			Sungang	2009		Certified
			Jelata Bumi	2009		Certified
			Binuang	2009		Certified
29	Giram SOU 29	2009	Mostyn	2009	Kunak, Sabah	Certified
			Giram	2009		Certified
30	Merotai SOU 30	2009	Imam	2009	Tawau, Sabah	Certified
			Merotai	2009		Certified
			Table	2009		Certified
			Tiger	2009		Certified
31	Lavang SOU 31	2011	Belian	2011	Bintulu, Serawak	Certified
			Kelida	2011		Certified
			Lavang	2011		Certified
			Lavang (SE)	2011		Certified
			Rasan	2011		Certified
			Chartquest	2011		Certified
			Dulang	2011		Certified
			Peroh	2011		Certified
			Pekaka	2011		Certified
			Ruai	2011		Certified
32	Rajawali SOU 32	2011	Rajawali	2011	Bintulu, Serawak	Certified
			Samudera	2011		Certified
			Semarak	2011		Certified
			Bayu	2011		Certified
33	Derawan SOU 33	2011	Takau	2011	Bintulu, Serawak	Certified
			Damai	2011		Certified
			Derawan	2011		Certified
			Sahua	2011		Certified
<b>P &amp; G</b>						
<b>(New Britain Palm Oil)</b>						
1	Poliamba	2012	Kara	2012	Kevieng, New Ireland Province, P&G	Certified
			West Coast	2012		Certified
			Nalik	2012		Certified
			Noatsi	2012		Certified

			Madak	2012		Certified
			North (Smallholders)	2012		Certified
			South (Smallholders)	2012		Certified
			West (Smallholders)	2012		Certified
2	Tetere	2011	Tetere	2011	Gudaicanal, Slomon Island	Certified
			Ngalimbiu	2011		Certified
			Mbalisuna	2011		Certified
			West Zone (Smallholders)	2011		Certified
			Central Zone (Smallholders)	2011		Certified
			MBA East (Smallholders)	2011		Certified
			MBA West (Smallholders)	2011		Certified
3	Sangara, Sambiripa & Mamba	2013	Sangara	2013	Higaturu, Popondetta, Oro, P&G	Certified
			Sumberipa	2013		Certified
			Ambogo	2013		Certified
			Embi	2013		Certified
			Mamba	2013		Certified
			Sorovi (smallholders)	2013		Certified
			Igora (smallholders)	2013		Certified
			Saiho (smallholders)	2013		Certified
			Aeka (smallholders)	2013		Certified
			Ilimo (smallholders)	2013		Certified
4	Gusap	2010	Dumpu	2010	Madang, P&G	Certified
			Surinam	2010		Certified
			Jephcott	2010		Certified
			Gusap	2010		Certified
			Paddox	2010		Certified
			Ngaru	2010		Certified
			Madang VOP (smallholders)	2010		Certified
			Morobe VOP (smallholders)	2010		Certified
5	Hagita	2013	Giligili	2013	Milne Bay, P&G	Certified
			Hagita	2013		Certified
			Waigani	2013		Certified
			Sagarai	2013		Certified
			Padipadi	2013		Certified
			Mariawatte	2013		Certified
			East Gurney	2013		Certified
			West Gurney	2013		Certified
			East Sagarai	2013		Certified
			West Sagarai	2013		Certified
6	Mosa Kumbango Kapiura Namumdo Waraston	2008	Bebere	2008	West New Britain	Certified
			Kumbango	2008		Certified
			Togulo	2008		Certified
			Dami	2008		Certified
			Waisisi	2008		Certified
			Kautu	2008		Certified
			Karaus	2008		Certified
			Moroa	2008		Certified
			Bilomi	2008		Certified
			Loata	2008		Certified
			Haella	2008		Certified
			Garu	2008		Certified



7			Daliavu	2008	Certified
			Sapuri	2008	Certified
			Malilimi	2008	Certified
			Rigula	2008	Certified
			Nomundo	2008	Certified
			Navarai / Karato ME	2008	Certified
			Volupai . Lotomgam / Natupi / Goruru	2008	Certified
			Lolokoru	2008	Certified
			Silovoti	2008	Certified
			LSS Hoskin (1,877 Smallholders)	2008	Certified
			VOP East (1,815 Smallholders)	2008	Certified
			VOP Central (1,958 Smallholders)	2008	Certified
			VOP West (1,277 Smallholders) Kaulong / Akamie / Pusiki / Repamira / Sakapei / KDC ME (21 large smallholders)	2008	Certified
			LSS Kapiura (847 Smallholders)	2008	Certified
		VOP Kapiura (551 Smallholders)	2008	Certified	
TBP on January 2022.					
Sime Darby has achieved 34 management units in Malaysia, 25 management units in Indonesia, 10 management units in P&G that RSPO certified. Total management unit in Sime Darby Plantation Berhad are 34 in Malaysia, 25 in Indonesia and 10 in P&G. There is change of time bound plan, with detail:					
1. Uncertified area in PT Sime Indo Agro: postpone become 2023 due to HGU process					
2. Uncertified area in PT Bina Sains Cemerlang: postpone become 2023 due to HGU process					
3. Uncertified area in PT Bahari Gembira Ria: postpone become 2023 due to HGU process					
4. Uncertified area in PT Budidaya Agro Lestari: postpone become 2023 due to HGU process					
5. For Liberia operations: As at 16 Jan 2020, Sime Darby Plantation under its unit Sime Darby Plantation Investment (Liberia) Pte Ltd has completed its disposal of its entire interest in Sime Darby Plantation (Liberia) Inc (SDP Liberia) to Mano Palm Oil Industries Ltd (MPOI).					
<a href="https://www.simedarbyplantation.com/media/pressreleases/sime-darby-plantation-completesdivestment-of-its-liberia-operation">https://www.simedarbyplantation.com/media/pressreleases/sime-darby-plantation-completesdivestment-of-its-liberia-operation</a>					
1.10.2	Progress of Associated Smallholders and Outrowers for Certifiable Standard				
	The Certificate Holder did not have associated with Independent Smallholder & Out Growers.				



2.0	ASSESSMENT PROCESS
2.1	Assessment Team
<b>ASA-1.2 (Remote Audit)</b>	<ol style="list-style-type: none"> <li><b>Rizliani Aprianita Hasibuan (Lead Auditor).</b> Indonesian Citizen. Bachelor and Magister of Agribusiness, Faculty of Agriculture. She had followed training such as lead Auditor ISO 9001:2008, ISO 14001:2004, OHSAS 18001, ISPO Auditor training, RSPO lead Auditor training, RSPO SCCS training, SA 8000, social training by RSPO (Verite) and followed several IHT related to environment, BMP etc. She has been involved in several audit activities related to sustainable palm oil certification since 2015 covering social aspect, health and safety aspect, worker welfare and waste management aspect. During this audit, she conducted an assessment on Environmental, HCV &amp; GHG aspect, TBP &amp; Partial Certification.</li> <li><b>Briyogi Shadiwa (Auditor).</b> Indonesian citizens. Associate Degree of Oil Palm Plantation, Bogor Agricultural University. He has work experience since 2009 in several private oil palm plantation companies in Indonesia as Assistant Agronomy and Agronomy Quality Control. The trainings that have been attended include: RSPO Lead Auditor Course by Checkmark, ISPO Auditor Training by LPP, Lead Auditor ISO 9001: 2015, RSPO Supply Chain Certification Training Course by Checkmark, Lead Auditor ISO 14001: 2015, SMK3 Awareness, OHSAS 18001 Awareness: 2007, SA 8000 Awareness, ISO 45001: 2018 Awareness and General OHS Expert Training. In this audit, he verified the Legal and SCCS aspect.</li> <li><b>Dwi Haryati (Auditor).</b> Indonesian citizens. Bachelor of Agriculture Department of Agriculture – Program study: Agronomy. She has experienced on Palm Oil Plantation as Sustainability staff. Training have been followed include: Training Auditor ISPO, Quality Management ISO 9001-2008, ISO 14001 Environmental Management, ISO 17021 &amp; 17065, HCV, General Health Safety Expert, Health Safety Management System, GHG Workshop by the ISPO Commission, IHT Palm Oil Mill Processing, Awareness RSPO, IHT Best Practice in Peat Management, Mapping Potential and Conflict Resolution in Production Forest, Lead Auditor ISO 14001: 2015, SMK3, OHSAS 18001 Awareness: 2007, SA 8000 Awareness, ISO 45001: 2018 Awareness and General OHS Expert Training. RSPO audit experience since March 2015 and ISPO since May 2014. During this audit, she assigned the aspect of Transparencies, worker welfare, social and OHS.</li> <li><b>Septian Maulana (Trainee Auditor).</b> Indonesian Citizen, Bachelor of Economic, Pamulang University. Have experience as sustainability staff on oil palm plantation. Training have been followed including Occupational Health and Safety Expert Candidate certification by Ministry of Manpower and Transmigration of Indonesia; Awareness Integrated Management Systems (ISO 9001:2015, ISO 14001:2015, ISO 45001:2018); Basic Fire Fighting; Basic First Aid; Understanding the regulations and technical aspects of environmental management; Training of Immobilization after a venomous snake bite; Awareness ISO 19011:2011; Awareness ISO 17065:2012; Awareness ISO 17021:2015, Training Auditor ISPO. In this audit activity verified the aspects of Best Management Practice, Long Term Plan and Transparency supervised by Lead Auditor.</li> <li><b>Fritz Hutasoit (Observer).</b> Indonesian citizens. Bachelor of Accounting, STIE Tribuana Bekasi. Associate Degree of Oil Palm Plantation, Bogor Agricultural University. He has experience working as agronomic staff and Sustainable Officer in several Oil Palm Plantation Companies for 8 years since 2009. The training he has participated in is the <i>Basic Plantation Management Program</i>, General K3 Expert Training, Awareness ISO 9001: 2015, ISO 14001: 2015, ISO 45001: 2018, ISO 17021: 2012, ISO 17065: 2015, ISO 19011: 2018. In this audit activity, he served as an observer.</li> </ol> <p>Curriculum vitae (CV) of the members and the assessment team is available at the PT Mutuagung Lestari office.</p>
<b>ASA-1.2 and ASA-1.3 (Onsite Audit)</b>	<ol style="list-style-type: none"> <li><b>Briyogi Shadiwa (Lead Auditor).</b> Indonesian citizens. Associate Degree of Oil Palm Plantation, Bogor Agricultural University. He has work experience since 2009 in several private oil palm plantation companies in Indonesia as Assistant Agronomy and Agronomy Quality Control. The trainings that have been attended include: RSPO Lead Auditor Course by Checkmark, ISPO Auditor Training by LPP, Lead Auditor ISO 9001: 2015, RSPO Supply Chain Certification Training Course by Checkmark, Lead Auditor ISO 14001: 2015, SMK3 Awareness, OHSAS 18001 Awareness: 2007, SA 8000 Awareness, ISO 45001: 2018 Awareness and General OHS Expert Training. In this audit, he verified the Legal, SCCS aspect, Time Bound Plan &amp; Partial Certification</li> <li><b>Arief Tajalli (Auditor).</b> Indonesian citizen, Bachelor of Forest Resources Conservation and Ecotourism, Faculty of Forestry, Bogor Agricultural University. Has been involved as a researcher at a wildlife laboratory, Faculty of Forestry, IPB. The trainings that have been attended include training for ISO 9001: 2008, ISO 14001: 2004, ISO 17021: 2015, ISO 17065, ISO 19011 and ISPO Auditor training by Mutu Institute and RSPO Auditor Training by</li> </ol>

	<p>Checkmark, also participating in several IHT in the field of environment, BMP, and so on. Has participated in several audit simulation activities related to the sustainable palm oil certification system since 2020 with social, environmental, GHG, and waste management aspect. During this assessment, he verified the Environmental, Social, GHG, and Waste management aspects.</p> <p>3. <b>Erika Lucitawati (Auditor)</b>. Indonesian citizen. Bachelor of Engineering with major in Environmental Engineering. The trainings that have been attended include ISPO Lead Training, RSPO Lead Training, In House Training of ISO 19011: 2018, ISO 17021: 2015, ISO 17065: 2012, ISO 9001: 2015, ISO 14001: 2015, ISO 45001: 2018, and The Supervision of Occupational Health and Safety Training. During this assessment, she verified worker welfare and transparency.</p> <p>4. <b>Firda Tarunajaya (Auditor Trainee)</b>. Indonesian citizen, graduated in 2010 from the Department of Silviculture, Faculty of Forestry, Bogor Agricultural Institute. He has working experienced for 10 years since 2010 as an Operational Staff in an Oil Palm Plantation Company in Indonesia. The training he has followed namely: Auditor ISPO, Quality Management Systems (ISO 9001:2015), Environmental Management Systems (ISO 14001:2015), ISO 19011:2018, ISO 17021:2011 and ISO 17065:2012. He has experienced in various audit activities related to the certification system of sustainable palm oil plantation since 2021. During this assessment, he performed as Trainee Auditor and verified BMP and OHS aspect which was supervised by Lead Auditor</p> <p>Curriculum vitae (CV) of the members and the assessment team is available at the PT Mutuagung Lestari office.</p>
<b>2.2</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>ASA-1.2 (Remote Audit)</b>	<p>Number of auditors: 3 auditor, 1 Trainee Auditor and 1 Observer</p> <p>Number of days for <b>ASA-1.2</b> remote audit: 2 days</p> <p>Number of working days for <b>ASA-1.2</b> remote audit: 6 Working days</p>
<b>ASA-1.2 and ASA-1.3 (Onsite Audit)</b>	<p>Number of auditors: 3 auditors and 1 Auditor Trainee.</p> <p>Number of days for <b>ASA-1.2 &amp; ASA-1.3</b> onsite audit: 6 days</p> <p>Number of working days for <b>ASA-1.2 &amp; ASA-1.3</b> onsite audit: 18 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA-1.2 (Remote Audit)</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Bhumireksa Nusasejati subsidiary of Sime Darby Plantation, Berhad to the requirements of Principles and Criteria for the Production of Sustainable Palm Oil 2018, endorsed by the RSPO Board of Governors and adopted at the 15<sup>th</sup> Annual General Assembly by RSPO Member on 15 November 2018 and RSPO Certification System for Principles and Criteria, 14 June 2017.</p> <p>For this section (ASA-1.2) the assessment was carried out using 3 methods: document review, interviews and field observations. There are findings from ASA-1.2 findings were observed by the auditors in this assessment. All information recorded in the PT Mutuagung Lestari (MUTU) Checklist and part of the ASA-1.2 Remote Audit reports.</p> <p>The opening meeting will be held on 06 April 2021 via teleconference. The participants who attended the opening meeting included Estate Manager, Mill Manager, Support Team from the sustainability department and other related staff. while the closing will be held on 07 April 2021, attended by the same participants as the opening meeting. In general, the audit activities went smoothly with good support from the management unit. Presentation of documents is presented quite well using email or one drive and in person</p> <p>The assessment program please find Appendix 2</p>
<b>ASA-1.2 and ASA-1.3 (Onsite Audit)</b>	<p>The assessment was conducted by measuring the implementation of certification system and standard conducted by PT Bhumireksa Nusasejati, Mandah POM Unit Certification based on:</p> <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<sup>th</sup> April 2020</li> <li>• RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by</li> </ul>

the RSPO Board of Governors on 12 November 2020

**Additional Documents:**

- RSPO Notice to CB on RSPO P&C On-site & Remote Audits, on 24<sup>th</sup> March 2020
- Contingency RSPO Audit Procedure (This procedure is applicable when force majeure (such as pandemics, natural disasters, civil unrest, etc.) preventing the audit team from conducting field verifications) 25 August 2020
- Contingency RSPO Audit Procedure for RSPO Principles & Criteria and Independent Smallholder Standard (Version 2) Approved by Assurance Standing Committee on 22 October 2021

The scope of certification of PT Bhumireksa Nusasejati consist of one mill (Mandah POM) and two estates (Mandah Estate and Rotan Semelur Estate).

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.

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. Some opportunities for improvement of the results ASA-1.2 & ASA-1.3 by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase Recertification. Improvement of findings from ASA-1.2 findings were observed by auditors at this ASA-1.2 & ASA-1.3 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1.2 & ASA-1.3 Audit Report.

The opening meeting was held on 11 April 2022. As for the participants who attended the opening meeting included the General Manager, Estate and Mill Managers, Support Team from Jakarta and other staff. Closing meeting was held on 16 April 2022 attended by the same participants as the opening meeting. Management PT Bhumireksa Nusasejati accept all the onsite ASA-1.2 & ASA-1.3 audit results.

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. There is no written negative feedback receive. Stakeholder consultation involved internal and external stakeholders. Discussion was 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 discussion, 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.

Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix 1.

Commonly, the audit activities went smoothly with good cooperation from the unit management. The presentation of documents is presented quite well by involving related personnel.

All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU).

The assessment program please find Appendix 2.	
<b>2.2.3</b>	<b>Locations of Assessment</b>
<b>ASA-1.2 (Remote Audit)</b>	Will be completed during the onsite audit.
<b>ASA-1.2 and ASA-1.3 (Onsite Audit)</b>	<p>The sampling location consider the issue arose 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>PT BNS (Mandah POM)</b></p> <ul style="list-style-type: none"> <li>• <b>Water Treatment Plant.</b> Observations related work procedure, safety aspect, environment aspect etc.</li> <li>• <b>Water Intake.</b> Observations related work procedure, safety aspect, environment aspect etc.</li> <li>• <b>Reverse Osmosis.</b> Observations related work procedure, safety aspect, environment aspect etc.</li> <li>• <b>Empty Bunch area and Incinerator.</b> Observations related work procedure, environment aspect etc.</li> <li>• <b>WWTP.</b> Observation related to effluent handling.</li> <li>• <b>Grading Station.</b> Observations and interviews related work procedure, safety aspect, worker welfare etc.</li> <li>• <b>Loading Ramp Station.</b> Observations and interviews related work procedure, safety aspect, worker welfare etc.</li> <li>• <b>Sterilizer Station.</b> Observations and interviews related work procedure, safety aspect, worker welfare etc.</li> <li>• <b>Engine Room.</b> Observation related work procedure, safety aspect, worker welfare, environment aspect etc.</li> <li>• <b>Boiler Station.</b> Observation and interviews related work procedure, safety aspect, worker welfare etc</li> <li>• <b>Press Station.</b> Observation and interviews related work procedure, safety aspect, worker welfare etc.</li> <li>• <b>Nut and Kernel Station.</b> Observation and interviews related work procedure, safety aspect, worker welfare etc.</li> <li>• <b>Oil Tank Station.</b> Observation's safety aspect, environment aspect etc.</li> <li>• <b>Workshop.</b> Observation and Interview related to work procedure, OHS and workers welfare aspect.</li> <li>• <b>Empty Bunch Area.</b> Observation related to waste management.</li> <li>• <b>Hydrant Test.</b> Simulation related to fire emergency respond.</li> <li>• <b>Security post.</b> Interview with security related to work procedure, emergency response, worker welfare, OHS implementation in mill, and supply chain aspect.</li> <li>• <b>Weighbridge station.</b> Interview with worker related to supply chain aspect and worker welfare.</li> <li>• <b>Hazardous waste storage.</b> Observation about storage condition, hazardous waste stock, emergency response facility, and waste management.</li> <li>• <b>Oil storage.</b> Observation about storage condition, OHS implementation, emergency facility, and material stock.</li> <li>• <b>General storage.</b> Observation about condition, PPE stock, emergency response and OHS implementation.</li> <li>• <b>Chemical material storage.</b> Observation about condition, MSDS, OHS implementation, emergency facility, and material stock.</li> </ul> <p><b>PT BNS (Mandah Estate)</b></p> <ul style="list-style-type: none"> <li>• <b>HGU Pole No. 95.</b> Observation the conditions and position of legal boundary.</li> <li>• <b>Day care facility.</b> Observation about facility and interview about worker welfare, gender committee, and facility for worker.</li> <li>• <b>Material Warehouse.</b> Observation about facility and PPE stock</li> <li>• <b>Agrochemical storage.</b> Observation about storage condition, agrochemical stock, OHS implementation, and interview with 2 workers about worker welfare, OHS implementation, and understanding of work procedure</li> <li>• <b>Temporary Hazardous waste storage.</b> Observation about storage condition, hazardous waste stock, emergency response facility, and waste management.</li> <li>• <b>Firefighting storage.</b> Observation about condition the firefighting facilities and equipment.</li> <li>• <b>Emplacement Division 1 &amp; 2.</b> Observation Related to worker facilities and environment aspect</li> <li>• <b>Landfill of Division 1 &amp; 2.</b> Observation related to domestic waste management.</li> <li>• <b>PPE Storage.</b> Observation about facility and PPE stock</li> </ul>

- **Hazardous waste storage.** Observation about storage condition, hazardous waste stock, emergency response facility, and waste management.
- **Firefighting storage.** Observation about condition the firefighting facilities and equipment.
- **Firefighting simulation.** Observation about condition the firefighting facilities and equipment and preparedness.
- **Fertilizer storage.** Observation about storage condition, fertilizer stock, and OHS implementation.
- **Harvesting.** Observation and interview related work procedure, OHS implementation, and etc.
- **Transport FFB.** Observation related work procedure, OHS implementation, and etc.
- **Beneficial Plant Maintenance.** Observation and interview related work procedure, OHS implementation, and etc.
- **Pruning.** Observation and interview related work procedure, OHS implementation, and etc.
- **Pest Census.** Observation related work procedure, OHS implementation, and etc.
- **Barn Owl Monitoring.** Observation related work procedure, OHS implementation, and etc.
- **Landfill.** Observation related environmental aspect.
- **Subsidence Poles.** Observation subsidence in plantations with varying peat qualities, depths and drainage circumstances
- **Piezometer Poles.** Water level observation

**PT BNS (Rotan Semelur Estate)**

- **HGU Pole No. 48.** Observation the conditions and position of legal boundary.
- **HGU Pole No. 53.** Observation the conditions and position of legal boundary.
- **Replanting area Block G18 to G21.** Observation about replanting procedures and burning activity.
- **Day care facility.** Observation about facility and interview about worker welfare, gender committee, and facility for worker.
- **PPE Storage.** Observation about facility and PPE stock
- **Agrochemical storage and mixing area.** Observation about storage condition, agrochemical stock, OHS implementation, and interview with 1 worker about worker welfare, OHS implementation, and understanding of work procedure
- **Hazardous waste storage.** Observation about storage condition, hazardous waste stock, emergency response facility, and waste management.
- **Firefighting storage.** Observation about condition the firefighting facilities and equipment.
- **Firefighting simulation.** Observation about condition the firefighting facilities and equipment and preparedness.
- **Firefighting tower Division 5.** Observation about condition the firefighting facilities and equipment.
- **Fertilizer storage.** Observation about storage condition, fertilizer stock, and OHS implementation.
- **Harvesting.** Observation and interview related work procedure, OHS implementation, and etc.
- **Transport FFB.** Observation related work procedure, OHS implementation, and etc.
- **Beneficial Plant Maintenance.** Observation and interview related work procedure, OHS implementation, and etc.
- **Pruning.** Observation and interview related work procedure, OHS implementation, and etc.
- **Pest census.** Observation related work procedure, OHS implementation, and etc.
- **Barn Owl Monitoring.** Observation related work procedure, OHS implementation, and etc.
- **Landfill.** Observation related environmental aspect.
- **Subsidence Poles.** Observation subsidence in plantations with varying peat qualities, depths and drainage circumstances
- **Piezometer Poles.** Water level observation

<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA-1.2 (Remote Audit)</b>	Stakeholders' consultation will be verified on site audit.
<b>ASA-1.2 and ASA-</b>	Summary of stakeholder consultation process Consultation of stakeholders for PT Bhumireksa Nusasejati was held by:



<b>1.3 (Onsite Audit)</b>	<ul style="list-style-type: none"> <li>• Public Notification on MUTU Website.</li> <li>• Public consultation with NGOs (by email) on 5 April 2022</li> <li>• Public consultation meeting with government institution 11 April 2022</li> <li>• Public consultation meeting with communities on 11 April 2022</li> <li>• Public consultation meeting with internal stakeholders and contractor 11-12 April 2022</li> </ul>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	Please find appendix 1
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit ( <b>ASA-1.4</b> ) will be conducted eight (8) months to twelve (12) months after date of annual license.

### 3.0 ASSESSMENT FINDINGS

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

MUTUAGUNG LESTARI has conducted an assessment of Mandah POM – PT Bhumireksa Nusasejati subsidiary of Sime Darby Plantation, Berhad operation consisting of one (1) mill and two (2) oil palm estates.

During the assessment, there were one (1) nonconformity were assigned against Major Compliance Indicators.; and seven (7) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5.

MUTUAGUNG LESTARI found that Mandah POM – PT Bhumireksa Nusasejati subsidiary of Sime Darby Plantation, Berhad operation complied with the requirements of RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, endorsed by the RSPO Board of Governors on 12 November 2020 and Indonesia National Interpretation of Principles and Criteria for Sustainable Palm Oil Production 2018, endorsed on 20th April 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 unit of certification has a list of information/documents that can be accessed and/or shared with stakeholders such as government agencies, external audit and NGOs. The document contains 15 types of documents that can be accessed by stakeholders, including the following:</p> <ul style="list-style-type: none"> <li>• Social and Environmental Documents: Environmental impact analysis documents, HCV identification reports, SIA identification reports, Community empowerment program reports, social conflict handling procedures, Continuous improvement program documents, Complaints and dissatisfaction reports.</li> <li>• Legality Documents: Evidence of tenure over land rights, Human Rights policy documents, RSPO and ISPO audit report documents.</li> <li>• Employment Documents: Documents for the implementation of occupational health and safety, Number of employees and a list of basic wages and proof of payment for BPJS, NPWP and Tax Data, and Reports of the Committee for the Trustees of Occupational Health and Safety.</li> </ul> <p>Meanwhile, documents that cannot be accessed by the public that are company secret include: financial data such as expenses and income, as well as details related to customers and/or suppliers as well as data related to individual privacy. In addition, there are several other documents that can be accessed in general and reported regularly to relevant government agencies such as RKL-RPL reports, fire management reports, waste management and so on.</p>	
<b>1.1.2</b>	<p>The unit of certification can show evidence that information has been received in an appropriate form and language related to stakeholder involvement, company rights and obligations that are conveyed to all relevant stakeholders, including:</p> <p><b>Compliance with Social and Environment Regulation</b></p> <ul style="list-style-type: none"> <li>• Evidence from PT Bhumireksa Nusasejati's UKL-UPL report for the Mandah Factory Semester 2, 2021, which was reported to the Environmental Service of Indragiri Hilir District and Riau Province on 17 March 2022.</li> </ul>	

- Evidence from UKL-UPL Report and PT Bhumireksa Nusasejati Hazardous and Toxic Waste Management Report Semester 2 of Mandah Factory, 2021 which was reported to the Ministry of Environment and Forestry on April 12, 2022 with proof of ID TTE 1649781431-4961.
- Evidence of the Hazardous and Toxic Waste Management Report of PT Bhumireksa Nusasejati Unit Mandah Factory Quarter IV, 2021 which was reported to the Environmental Service of Indragiri Hilir District and Riau Province on March 17, 2022.
- Evidence of the Environmental Management Report of PT Bhumireksa Nusasejati unit Mandah Factory Quarter IV, 2021 which was reported to the Environmental Service of Indragiri Hilir District and Riau Province on March 17, 2022. The document explains the management of emissions, waste utilization and domestic water use.
- Report evidence on the results of monitoring the existence of protected plants and animals and HCV management for semester 1 of 2021 and has been reported to the BKSDA of Riau Province on February 14, 2022.

The Hazardous Waste and OHS Management Reports submitted to the relevant Offices are not carried out according to the obligations listed in the permit, which is once every 3 months, for example for the first to fourth quarter 2021 reports, they will only be reported on March 17, 2022. In addition, the Hazardous Waste Management Report document also includes did not attach the latest logbook, balance sheet and manifest data but still uses 2020 data. Regarding the delay in sending reports, the management explained that the delay in sending reports was due to restrictions on mobilization and limited document delivery services due to the Covid-19 pandemic in 2021. As for errors the attachment in the report is caused by a document printing error, in this regard, the company can show the logbook, balance sheet and manifest documents in accordance with the period the report was made. Based on this, the company has the opportunity to make improvements in fulfilling obligations related to reporting, as well as ensuring that the documents made are in accordance with the period. (OFI).

#### **Compliance with Worker Welfare Regulation**

- Employment Report (No. 29255.20220317.0001) in 2022 via online on 17 March 2022 and must be reporting back on 17 March 2023.
- Employment Report (No. 29255.20220406.0001) in 2022 via online on 6 April 2022 and must be reporting back on 6 April 2023.
- Employment Report (No. 29255.20220414.0004) in 2022 via online on 14 April 2022 and must be reporting back on 14 April 2023.
- Employment Report (No. 29255.20220415.0001) in 2022 via online on 15 April 2022 and must be reporting back on 15 April 2023.

#### **1.1.3**

The unit of certification shows the SOP for Requests for Information (RSPO/1.1/PI) approved by the Mill and Estate Manager on 01 June 2014 which describes the PIC for handling information, publicly accessible documents, the flow of handling requests for information, and the maximum time limit for responding to information requests.

The company has recorded every requested information in the logbook of incoming and outgoing mail. Based on document verification, it is known that during 2021-2022 the most incoming letters were requests for funds and assistance. Based on the logbook verification of incoming and outgoing letters, it can be concluded that all incoming requests for information have been responded to directly according to the requested date. Records of incoming and outgoing letters are also sufficiently traceable to include the document number, date of receipt and date of response as well as information regarding the request for information.

Based on the interview with the PIC who handles requests for information, it is stated that the procedures regarding requests for information have been regularly disseminated to relevant stakeholders which are carried out in conjunction with the annual SIA review. Based on an interview with the Head of Teluk Bunian Village, they stated that they had understood the communication and consultation mechanism. Usually, the village head or community will send a letter as a form of communication.

#### **1.1.4**

The unit of certification has a SOP for Request for Information (RSPO/1.1/PI) approved by the Mill and Estate Manager on June 01, 2014 which explains that the letter of request for information that comes into the unit is addressed to the manager of the operational unit, which will then be studied and answered by the manager of the operational unit. If an answer to a request for information requires approval from the Head of the Department and/or other Departments related to the content of the request for information, then the Head of the Department and/or other departments must first ask for approval. Answers to requests for information that have received approval from the Head of the department and/or the relevant Department will be returned to the operational unit. The Operations



Unit Management will send an answer letter to the parties according to the contents of the adequate request and the incoming letter documents are stored in the big office.

The PIC who communicates to community leaders and local government officials is the Public Relations Officer/Plantation Services as stated in the Memorandum No. 123/RSS-pod/IX/2012 dated 3 September 2012. The company can also show a recording of the socialization of the procedures carried out on 15 November 2021 to 88 participants consisting of workers, contractors, and the surrounding community. In addition, based on interviews with trade unions and gender committees, it was found that they have a good understanding of communication and consultation procedures.

#### 1.1.5

The company can show an up-to-date list of stakeholders informing internal and external stakeholders updated in November 2021. These stakeholders include government agencies, community heads, cooperatives, local suppliers, contractors, companies around the village, community organizations, trade union organizations, institutions non-governmental organizations, traditional councils, and others. In the current list of stakeholders, names, institutions/positions, addresses, categories and contact numbers are also explained. Based on sampling for interviews with stakeholders referring to the stakeholder list document, it can be concluded that all contacts listed in the document are still active and in accordance with the data provided.

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

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

Company has Policy No. 440 / HRM-COC / 07 dated 24 May 2007 concerning Code of Conduct (Code of Ethics) which is the company's commitment to a code of integrity and ethical behavior in all operations and transactions. The policy includes the values of the company's commitment, namely:

- Respect fair conduct of business. It is stated that corporate governance is the structure and process used by companies to improve business success and corporate accountability in order to realize long-term shareholder value while still paying attention to the interests of other stakeholders, based on laws and regulations and ethical values.
- Prohibition of all forms of corruption, bribery and fraudulent use of funds and resources. Companies and individuals are not allowed to give, offer or accept, either directly or indirectly, anything of value which can be categorized as a bribe to or from customers, providers of goods / services or government officials or other parties to influence a desired decision.
- Information disclosure is in accordance with applicable laws and practices.

Company's policy to act ethically is also contained in the following document:

- Sime Darby Plantation Group's Code of Business Ethics which explains the Core Values of the Sime Darby Plantation Group, the Business Principles of the Sime Darby Plantation Group, and others. The scope of the document includes employees working in joint ventures, affiliates or partners and applies to all businesses and in any country where the Group operates.
- Vendor Business Code of Ethics in February 2019 which describes responsibility and compliance with Minamas Plantation Vendor Code of Business Ethics, Minamas Plantation Core Values, Minamas Plantation Business Principles, Manpower and Human Rights, Safety and Environmental Health, and Ethical Management Practices.

Companies can show record of socialization Code of Conduct to stakeholders, such as:

- Minutes of Socialization of Code of Conduct Understanding on 4 October 2021 which was attended by 13 employees.
- Minutes of Socialization of Code of Conduct Understanding on 15 October 2021 which was attended by 20 employees.
- Minutes of Socialization of Code of Conduct Understanding on 18 October 2021 which was attended by 186 employees.
- Minutes of Socialization of Code of Conduct Understanding on 21 November 2021 which was attended by 15 employees.
- Vendor Integrity Pledge document signed by Federation of Mainland Transport Workers Unions (F.SPTD-K.SPSI), Indonesia Workers Union Transport Sector (F.SPTI-TKBM) and Suppliers/Contractors (i.e. PT Cipta Agro Sejahtera, CV Poly Agro Mandiri, Kingindo Sukses Abadi, and PT Bintang Rezeki)

Based on the interview with workers and contractor workers, it's known that they had a good understanding towards the code of ethics policy. Based on explanation above, company has policy for ethical conduct is in place and implemented in all business operations and transactions, including recruitment and contracts.

#### 1.2.2

Company has a system to monitor compliance and implementation of policies and overall ethical business practices on several SOPs, here as follows:

- SOP of recruitment (No. 431/HRM-RCT/07) validated on 24 May 2007 which stated that in recruitment the minimum age to apply is 18 years old and there was no cost in recruitment process.
- SOP of handling grievance of all stakeholders (No. RSPO/6.5/PKK) which stated that the company regulated in delivering information based on the principle of free prior and informed consent, namely the freedom of speech and no pressure from any party.
- SOP of handling information (No. 008/BNS-PI/VII/10) validated on 2 August 2010 which informed the UoC's accessible documents and the procedure in delivering requested information.

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

### **2.1**

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

#### **2.1.1**

The Mandah Factory certification unit is under the company PT Bhumireksa Nusasejati, in compliance with compliance, the company has complied with all relevant laws and regulations, namely by having the following documents:

#### **Compliance with Legality Regulation:**

Unit management shows evidences related to legality implementation, includes:

- Land Use Title Certificate:
  - Land Use Title, Certificate No. 01 and No. 02 dated May 1996 for palm oil estate.
  - Land Use Building, Certificate No. 1 dated on October 2000 and No. 2 dated on September 2001 for mill.
- Plantation business permit, based on Indragiri Hilir's Head of Investment Coordinating Board Head Decree No. 503/BP2MPD-IUP-PK/XII/2014/1 dated on December 19<sup>th</sup> 2014 and Head of Indragiri Hilir District Decree No. 503/BP2MPD-IUP-P/VIII/2013/1 dated on August 22<sup>nd</sup> 2013.

#### **Compliance with Worker Welfare Regulation:**

- Employment Report (No. 29254.20211028.0001) in 2021 via online on 28 October 2021 and must be reporting back on 28 October 2022.
- Employment Report (No. 29254.20220415) in 2022 via online on 15 April 2022 and must be reporting back on 15 April 2023.
- Employment Report (No. 292255.20220415.0002) in 2022 via online on 15 April 2022 and must be reporting back on 15 April 2023.

#### **Compliance with Social and Environment Regulation:**

- The results of the environmental assessment are in the form of an Environmental Impact Analysis (AMDAL) document in 1996 for the PT BNS Oil Palm Plantation with an area of 25,662 Ha and a processing plant with a capacity of 60 tons of FFB/hour. The document has been approved by the Ministry of Agriculture, Agency for Agribusiness with ratification document number 07/BA.5.3/V/1996 on 17 May 1996. The document is also accompanied by RKL-RPL which has also been approved by the Minister of Agriculture based on decree number 093/ RKL-RPL, dated May 14, 1996.
- Due to the addition of a new factory, namely Mandah Factory, PT BNS conducted a new environmental study as stated in the UKL-UPL document for the scope of a processing plant with a capacity of 45 tons/hour. The document has been approved by the Head of the Department of Environment, Mining and Energy of Indragiri Hilir District by Decree No. 660/DLHPE-PDL/XI/2008/289 dated November 13, 2008.
- Operational Permit for Hazardous and Toxic Waste Management for PT BNS Mandah Factory unit based on DPMPSTSP Decree of Indragiri Hilir District Number 503/DPMPSTSP-IPL.B3/IV/2019/03 dated April 11, 2019 and is valid for 5 years. The permit refers to the Recommendation Letter from the Environmental Service number 660.3/DLHK-PPKL/Rek/XII/20 April 10, 2019. The permit is valid for 1 hazardous waste warehouse located at Mandah Factory.
- Hazardous and Toxic Waste Management Permit for PT BNS based on DPMPSTSP Decree of Indragiri Hilir District Number 503/DPMPSTSP-IPSL.B3/2 dated March 15, 2018 and is valid for 5 years. The permit refers to the Recommendation Letter from the Environmental Service number Rek-TTDLHK/III/2018/04 dated March 16, 2018. The permit is valid for 5 Estates (TBE, NLE, NPE, RSE and MDE).

- Permit for Disposal of Wastewater to Water Sources for PT BNS based on DPMPSTSP Decree of Indragiri Hilir District Number 503/DPMPSTSP-IPAL/05 which was legalized on November 9, 2018 and is valid for 5 years. The permit refers to the Recommendation Letter from the Environment Agency number Rek-TTDLHK/II/2018/06 dated October 26, 2018.
- The company already has a Surface Water Utilization Permit for PT BNS Mandah Factory unit based on the Decree of DPMPSTSP Indragiri Hilir District Number 503/DPMPSTSP-SIPAP/X/2020/05 on 19 October 2020 and is valid for 2 years. In the document there is a provision for a quota of surface water uptake of 360 m<sup>3</sup>/day with a production time of 15 hours/day.
- The company already has the results of the 2009 HCV Identification conducted by YASBI led by Purwo Susanto in November and December 2009 for the scope of PT BNS as a whole, namely 5 Estates covering an area of 25,671 Ha of which 2 Estates are the scope of Mandah Factory certification with an area of 12,366.18 Ha. Based on the results of the HCV study, it was found that the HCV area is 0.55 Ha and the Potential HCV area is 1138.63 Ha in the occupation area. However, for this area there have been some changes in the area which are then explained more specifically in indicator 7.12.2.

#### **Compliance with Occupational Health and Safety Regulation:**

Certification unit in general has complied with OHS regulation, including:

- The establishment of the OHS Committee for PT Bhumireksa Nusasejati (Decree No. 297/Disnakertrans-PK/SK-P2K3/IX/2021) for PT. BNS Mandah Factory which were endorsed by Head of Manpower and Transmigration Agency Riau Province in September 2021
- Fourth Quarter of OHS Committee PT. BNS MDE Report has been delivered to Manpower and Transmigration Agency of Riau Province on December 31<sup>st</sup> 2021
- Third Quarter of OHS Committee PT. BNS MDE Report has been delivered to Manpower and Transmigration Agency of Riau Province on September 30<sup>th</sup> 2021
- Second Quarter of OHS Committee PT. BNS MDE Report has been delivered to Manpower and Transmigration Agency of Riau Province on June 30<sup>th</sup> 2021
- First Quarter of OHS Committee PT. BNS MDE Report has been delivered to Manpower and Transmigration Agency of Riau Province on March 31<sup>st</sup> 2021
- Has a license / competency for some special jobs that require more expertise such as OHS experts, hiperkes, boiler operators, and others in accordance with the requirements contained in the legislation

#### **Best Management Practices**

Several regulation pursuance towards applicable regulation conducted by the unit of certification is presented as follows:

- Second Semester of LPUP PT. BNS Report has been delivered to Plantation Agency of Indragiri Hilir District on January 24<sup>th</sup> 2022
- First Semester of LPUP PT. BNS Report has been delivered to Plantation Agency of Indragiri Hilir District on July 4<sup>th</sup> 2021
- Has conduct zero burning for land preparation/replanting.
- Has committed to reduce and avoid the use of pesticide, especially those that classified on WHO 1A, 1B and Paraquat. Furthermore, all pesticides used were registered in Pesticide Commission of Department of Agriculture.
- Has used seeds from producers recognized by Government of Indonesia.
- Unit of certification has adopted integrated pest management which consist of early warning system, census, biological control, chemical control with justification and evaluation.

#### **2.1.2**

The certificate holder has a documented system to ensure legal compliance listed in the Legal Requirements Procedure, dated on May 1, 2017. The procedures include explaining that regulations can be obtained and updated by contacting government and non-government agencies to ensure that the latest regulations apply, including international, national and local and actively visit related websites.

The company has shown the latest regulatory compliance document which was carried out in March 2022. The document describes the company's compliance with the regulations in force in the Republic of Indonesia, for example the fulfillment of the latest regulations such as the Decree of the Governor of Riau regarding the Provincial Minimum Wage.

#### **2.1.3**

The company has a map that showing the location of the boundary poles in each estate. The company has also monitored HGU

boundary pole in January 2022 by showing the results of monitoring, in accordance with the HGU Pole Maintenance SOP (PM 3001) on 10 January 2010. The results of field observations on the boundary pole for example in HGU Pole No.48 & No.53 is found and that the condition of the boundary poles is well maintained.

**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

In monitoring the existence of contractors for plantation and mill activities, company had well-documented the list of contractors, type of business, contact persons, work agreements, and ensuring other matters related to compliance with laws and regulations in Indonesia. During the audit, company has contractors in each unit collaborated in CPO, and PK transportation, civil, and machineries contractor as follows:

- PT Quadra Samudera Perkasa
- PT Pelayanan Sinar Pagoda
- PT Transindo Bahari Perkasa
- PT Thara Semesta Abadi
- PT Mitra Karya Jaya Persada
- PT Surya Max Industries
- PT Sumber Teknik Berdikari
- PT Lestari Alam Ganda

### 2.2.2

In managing the contractor, company has copy of the collaboration agreement in PT Bhumireksa Nusasejati. Company has shown that there were several separate clauses on the work agreement between the company and the contractor related to fulfilling legal obligations in Indonesia. Some of these obligations are related to the registration of workers' health and social security insurance, the provision of minimum wages, the obligation to use PPE, other permits such as tax payment and others. For example, for agreement between two parties, such as:

- Work Agreement between PT Bhumireksa Nusasejati and PT Mitra Karya Jaya Persada No. 003/SPK/BNS-MDE/II/2022 dated 14 February 2022 which is valid for 11 months. Scope of this agreement is doing prelining stakes, planting stakes and road compaction.

Besides, company has also shown managed and documented the list of contractors along with its supporting documents, for example:

- Proof of payment of *BPJS* (Social Security Insurance) for March 2022 by PT Mitra Karya Jaya Perdana with contribution code 220301968499.
- Salary slips of February 2021 by AND (initial) in PT Mitra Karya Jaya Perdana who received wages above the minimum wage and deductions including *BPJS* (Social Security Insurance), pension insurance, etc.

Company has also shown SOP for Legal Compliance with Third Parties No. 001/BNS-PPHK/II/2022 Revision 00 dated 22 January 2022 which was legalized by Controller Area. Based on this procedure, SQM Staff identifies and takes an inventory of all relevant legal requirements and monitors legal requirements for third parties every semester. Company has shown Compliance Monitoring of PT BNS's Third Party (Contractors) on 10 September 2021 and 7 March 2022. This document contains the contractor's name including PT Mitra Karya Jaya Persada, address, contact number, PIC, type of work, agreement number, *BPJS* (Social Security Insurance), OHS, wages, and job status.

Based on the interviews with contractors and documents verification, it revealed that workers had received wages above the minimum wage and were registered in the *BPJS* program. Based on explanation above, company has shown evidence that all contracts have fulfilled the relevant legal obligations.

### 2.2.3

Company showed that on each work agreement between company and contractor, there were clauses related to fulfilling legal obligations in Indonesia as one of the obligations that must be fulfilled by the contractors. Some of these obligations are related to anti bribery, anti-corruption, anti-forced and trafficked labor and prohibition of underage worker.

Based on the document review and field observation, it revealed that there were no workers under the age of 18 and the work provided was in accordance with the agreement when the initial worker worked.

**Status: Comply**

### 2.3

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

#### 2.3.1

Based on verification document and interview with weighbridge operator, Mandah Factory (MDF) only received and processed FFB from own plantation and other certificate scope. The FFB supplied from own estate; consist of Mandah Estate & Rotan Semelur Estate. Based on explanation above, MDF apply the requirements of SCC Module D (IP).

#### 2.3.2

Mandah Factory only received FFB from own estate (subsidiary of Sime Darby Plantation Berhad).

**Status: Comply**

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

### 3.1

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

#### 3.1.1

The certification unit has shown a summary of the FFB production budget for the period 2022 to 2026 which is approved by the Head of Sustainability & Quality Management, which includes estimates of FFB Production, FFB productivity per Ha, CPO, PK, Replanting programs and plant maintenance costs. The following is the detailed budget per estate data:

No	Description	2022	2023	2024	2025	2026
1	FFB Production	188,687	232,596	284,703	330,686	343,735
2	OER (%)	22.4	22.9	22.19	22.43	22.43
3	KER (%)	4.45	4.59	4.66	5.00	5.00
4	CPO Production (MT)	41,779	51,620	63,189	74,182	77,109
5	PK Production (MT)	8,388	10,683	13,260	16,534	17,187
6	Production Cost (CPO/MT)	8,001,846	7,291,932	6,696,863	6,452,616	6,467,797
7	Replanting Program (Ha)	994	755	835	582	1,275

FFB supply base of Mandah Factory comes from 2 Estates, such as Mandah Estate and Rotan Semelur Estate. The certification unit has a target of increasing production of both CPO and PK. In addition, the certification unit has a replanting program in MDE and RSE for the next 5 years

The certification unit evaluates and achieves the budget in the "Monthly Manager Report" report which is carried out every month for each estate. In the report there is information on areal statements, map area statements, actual and production budgets of each division in each estate, general costs, production costs, and maintenance costs. The following example shows the budget and actual production of MDE for 2021 which was made on March, 2022, made by the Head of Administration and approved by the MDE Manager :

MDE	This Month (Dec 2021)				Year To date		
	Actual	Budget	Var	%	Actual	Budget	Var
Mature (Ha)	1,831.10	1,688.48	142.62	8.45	1,569.58	1,669.63	89
FFB (MT)	2,961,481	1,938,579	1,022.90	52.77	29,035.69	32,052.12	3,016
<b>Costing (000):</b>							
Mature Upkeep	228,405	234,083	(5,677)		2,748,494	2,626,414	122,080
Manuring	365	-	-		13,332,836	10,985,305	2,347,530
Harvesting	628,262	432,135	197,127		6,018,872	6,971,013	(952,140)

In this evaluation, it can be seen that the production of MDE FFB until March 2022 has almost reached 100%. The MDE production



costs used are very efficient, which is 87% of the existing budget

### 3.1.2

The unit of certification shows the replanting program for the period 2022 to 2026, as shown in the following data:

NO	Description	2022	2023	2024	2025	2026
1	Seeds	196.858	149.547	165.245	115.192	252.450
2	Revenue (IDR.000)	449.755.531	557.539.559	683.545.926	808.042.137	839.927.765
3	Production Cost (CPO/MT)	8.001.846	7.291.932	6.696.863	6.452.616	6.467.797
4	Replanting Program (Ha)	994	755	835	582	1.275

Based on interviews with the MDE Estate Manager and review of documents that no more replanting programs for the next 5 years and the last replanting will be done in 2021.

For 2022, the replanting process will be carried out at Mandah Estate and up to April 15, 2022 the replanting process has reached 698.23 ha

### 3.1.3

The certification unit shows a recording of the management review which was carried out on January 7, 2022 in the meeting room of the South Riau Area Controller office attended by the Acting. South Riau AC, all Senior Managers and Managers, all Senior Assistants and Acting. South Riau Area Senior Assistant and all Head of South Riau Area Head Office.

The certification unit shows a recording of the management review which was carried out on January 7, 2022 in the meeting room of the South Riau Area Controller office attended by the Acting. South Riau AC, all Senior Managers and Managers, all Senior Assistants and Acting. South Riau Area Senior Assistant and all Head of South Riau Area Head Office.

In the management review meeting, they discussed several things including the production achievement of the South Riau Area in the 2021 budget year, which was 174,998 tons compared to a budget of 219,035 tons with the largest MDE variance value, namely - 32.65% and RSE -26.40%.

**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 Unit Certification implements implementation and monitoring procedures in the form of a sustainable plantation management policy Number 725/TQEM-SPMS/09 dated 27<sup>th</sup> August 2010 which was approved by the CEO, HPO, Head of Legal & Corporate, Head of Group Corporate Assurance, Head of Business Planning and Head of TQEM. The policy regulates several things :

- Internal Audit  
The audit process is carried out at least once a year by a competent auditor
- External Audit  
External audits, certification audits, surveillance audits, annual surveillance audits for the RSPO must be carried out by a designated certification body
- Evaluation of Sustainable Plantation Management  
Sustainable plantation management is evaluated as needed with the aim of evaluating the results of implementing sustainable plantation management for improvement and preparing verification mechanisms in implementing sustainable plantation management.
- Evaluation level  
The evaluation was carried out at 3 levels, members of the evaluation team for Sustainable Plantation Management (SPM) level 1 was chaired by HPO, level 2 was chaired by SGM plantation operations region, and level 3 was chaired by GM Estate/Mill. Evaluation for levels 1, 2 and 3 is carried out at least once a year
- Responses to Evaluation of Findings  
The Sustainable Plantation Management Team of the plantation unit and the mill unit must carry out the results of the evaluation. If necessary, assisted by other departments and if necessary external consultants must obtain justification from level 1 CDM Evaluation Team

- Revised Guidelines for Sustainable Plantation Management  
Revision of sustainable plantation management guidelines is carried out to improve or update the guidelines based on the results of evaluations and or external assessments
- Implementation there is an assessment of plantation and mill operational activities, including management review activities that are carried out regularly and thoroughly to evaluate the performance of plantations and mills, including management reviews that have been carried out at PT. BNS on January 7<sup>th</sup>, 2022

### 3.2.2

Certification Unit already has an annual report document using the RSPO metric template format that has been provided to the auditor team at the time of the assessment. The summary in the report, for example, is as follows:

Name of RSPO Member	: PT Bhumireksa Nusasejati
RSPO Membership Number	: 1-0008-04-000-00
Name of Certified Unit	: Mandah
Name of Certification Body	: Mutu Certification International
RSPO PalmTrace ID Number	: RSPO_PO1000001381
Number of Mills	: 1
Number of Estates	: 2
Production Area (ha) - Estate	: 5,792.94
Certified Area (ha) - Estate	: 12,366.18
High Conservation Value (HCV) Area (ha)	: 0
Peatlands - Planted (ha)	: 5,792.94
Peatlands - Unplanted (ha)	: 0
Freshwater Usage per PO produced tonne	: 3.81

The company has shown the auditor regarding the RSPO metric template Version 2.1 that has been filled in according to the facts and data in the company's record documents, such as the number of workers, the area of production to the record of work accidents. Based on team auditor's review, the information has been matched with others document, such as supply chain record, demographic workers, etc.

<b>Status: Comply</b>
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### 3.3

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

#### 3.3.1

The company already has SOPs that regulate mill and plantation activities. SOP for Palm Oil Processing consists of 3 parts:

- The first part with Policy Number 110/POD-FAC/07 explains the basics of palm oil processing such as fruit acceptance (including grading and weighing), boiling, stripping, digesting, pressing, clarification, separation of seeds and coir, kernel stations, stockpiling of oil and palm kernel, control of factory wastewater, water treatment, laboratory analysis, sterilizer and slamming stations, press and fiber cyclone stations, seed stations, clarification stations, waste pond analysis and water analysis.
- The second part with Policy Number 120/POD-FAC/07 describes power generation systems such as boilers, power generators, types of generating machines, synchronization, operation and maintenance of electrical panels, supply networks, electric motors and control circuit, speed reducer (speed reduction) and lightning rods as well as work security and safety.
- The third part with Policy Number 130/POD-FAC/07 concerning palm oil mill operational administration procedures which explains the PKS operational administration procedures, PKS organization and document flow chart. All Palm Oil Mill Technical SOPs were approved by the Group Head Plantation Indonesia in 2007.

The company also has a SOP for Palm Oil Agronomy Reference Manual No. Policy 110/EST-ARM/13 regarding technical culture of oil palm cultivation was released based on the memorandum of Head Plantation Upstream Indonesia on September 1, 2013. The SOP contains, among others:

- Plant Material
- Breeding Technique
- Replanting
- Land Preparation
- Plant Density
- Age of Harvesting
- Field Maintenance
- Fertilization
- Canopy Management
- Ablation
- Maturity Standard
- Harvest Dizziness
- Foolish Quotes
- Plant Protection
- Weed Control
- Manufacture of legume cover crops, and
- Recording of Rainfall.
- Water Management in Coastal Areas and planting on peatlands

SOP that cover all plantation and mill operations are available in Indonesian and are understood by workers and staff. Based on field observations and reviews, the certification unit management has consistently implemented SOP.

### 3.3.2

The Unit Certification implementation and monitoring procedures in the form of a sustainable plantation management policy Number 725/TQEM-SPMS/09 dated 27<sup>th</sup> August 2010 which was approved by the CEO, HPO, Head of Legal & Corporate, Head of Group Corporate Assurance, Head of Business Planning and Head of TQEM. The policy stipulates several things:

- Internal Audit  
The audit process is carried out at least once a year by a competent auditor
- External Audit  
External audits, certification audits, surveillance audits, annual surveillance audits for the RSPO must be carried out by a designated certification body
- Evaluation of Sustainable Plantation Management  
Sustainable plantation management is evaluated as needed with the aim of evaluating the results of implementing sustainable plantation management for improvement and preparing verification mechanisms in implementing sustainable plantation management.
- Evaluation level  
The evaluation was carried out at 3 levels, members of the evaluation team for Sustainable Plantation Management (MPB) level 1 was chaired by HPO, level 2 was chaired by SGM plantation operations region, and level 3 was chaired by GM Estate/Mill. Evaluation for levels 1, 2 and 3 is carried out at least once a year
- Responses to Evaluation of Findings  
The Sustainable Plantation Management Team of the plantation unit and the mill unit must carry out the results of the evaluation. If necessary, assisted by other departments and if necessary external consultants must obtain justification from level 1 CDM Evaluation Team
- Revised Guidelines for Sustainable Plantation Management  
Revision of sustainable plantation management guidelines is carried out to improve or update the guidelines based on the results of evaluations and or external assessments.

The company socializes the potential hazards and risks through warnings and direct socialization including through OHS Committee meetings. Based on field observations, workers have understood the scope and duties of their work, understood the potential hazards of each job, and understood control and prevention measures against potential and potential hazards that will occur.

Based on the description above, it is explained that the company has a system that ensures the consistency of SOP implementation

### 3.3.3

The unit of certification has a record of evaluation of production data, plant care and fertilization. The recordings include the MDE Manager Report for December 2021, as follows:

Uraian	This Month			
	Actual	Budget	Var	%
Mature (Ha)	4,111	4,111	-	-
Immature (Ha)	-	-	-	-
Total (Ha)	4,111	4,111	-	-



FFB Production (MT)	3,560	3,547	12	0,3
YPH (MT/Ha)	0.87	0.86	0	0,3
<b>COSTING (000)</b>				
Mature Upkeep	358,738	397,459	38,721	10
Manuring	-	-	-	-
Harvesting & Collection	779,137	757,503	(21,634)	(3)
Transport	284,426	280,791	(3,635)	(1)
<b>Subtotal</b>	<b>1,422,300</b>	<b>1,435,753</b>	<b>13,453</b>	<b>1</b>
Estate Admin	361,819	340,590	(21,229)	(6)
Roads & Bridges	9,938	13,003	3,064	24
Labour	194,360	333,333	138,974	42
<b>Subtotal</b>	<b>566,117</b>	<b>686,926</b>	<b>120,809</b>	<b>18</b>
<b>TOTAL</b>	<b>1,988,417</b>	<b>2,122,679</b>	<b>134,262</b>	<b>6</b>

Based on the data in December 2021 total cost achievement was below the budget by 6% and YTD was still below the budget 17%. The production budget is also below the budget by 7% (including manufacturing) and excludes manufacturing under the budget by 7%. The cost of harvesting in December 2021 is over budget by 3% because there is a replacement for harvesting equipment. MDE operational evaluation is carried out every month and follow-up improvements are re-evaluated in the next month.

**Status: Comply**

### 3.4

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

#### 3.4.1

The certification unit already has several documents related to social and environmental impact studies that are carried out independently or participatively by involving affected stakeholders in collaboration with accredited independent experts. Some of the documents held by the unit of certification are as follows:

#### Environmental Impact Assessment (EIA)

The Mandah Factory certification unit is under the company PT Bhumireksa Nusasejati, the company already has an Environmental Impact Assessment (EIA) document that covers all areas that fall within the scope of certification and can be proven based on the following documents:

- The results of the environmental assessment are in the form of an Environmental Impact Analysis (AMDAL) document in 1996 for the PT BNS Oil Palm Plantation with an area of 25,662 Ha and a processing plant with a capacity of 60 tons of FFB/hour. The document has been approved by the Ministry of Agriculture, Agency for Agribusiness with ratification document number 07/BA.5.3/V/1996 on 17 May 1996. The document is also accompanied by RKL-RPL which has also been approved by the Minister of Agriculture based on decree number 093/ RKL-RPL, dated May 14, 1996.
- Due to the addition of a new factory, namely Mandah Factory, PT BNS conducted a new environmental study as stated in the UKL-UPL document for the scope of a processing plant with a capacity of 45 tons/hour. The document has been approved by the Head of the Department of Environment, Mining and Energy of Indragiri Hilir District by Decree No. 660/DLHPE-PDL/XI/2008/289 dated November 13, 2008.

In the document above, there is information related to environmental aspects and parameters that must be monitored and managed along with information on targets and implementation times contained in the RKL-RPL matrix. The document has also covered all aspects of plantation and mill activities and their changes throughout the operational activities. The sampling methodology used is also participatory involving external stakeholder groups for the purpose of identifying impacts. Based on the verification of these documents, it can be concluded that all environmental impacts from plantation activities have been identified and their management recommended with reference to relevant laws and regulations.

**Social Impact Assessment (SIA)**

The company already has a social impact identification document, namely the Social Impact Identification Study of PT BNS Plantation and Palm Oil Mill (SIA), 2010. The study was conducted in December 2009 by the Indonesian Sustainable Palm Oil Foundation involving affected parties as evidenced by the outreach meeting / Public Consultation Social Impact Assessment (SIA), on December 4, 2009 with 76 participants consisting of representatives from surrounding villages and sub-districts, community leaders and representatives from companies. Evidence of community involvement in the form of attendance lists, photos of implementation and examples of questionnaire attachments are included in the SIA document. The assessment method is carried out using a list of questionnaires that have been prepared through an interview system and measurable data collection.

The SIA study explains the impacts arising from plantation activities, including population, education, livelihoods, income, health, facilities and infrastructure, customs and culture of the villagers around the company, environmental management efforts in the social, economic and cultural fields as well as perceptions community about the existence and benefits of PT BNS. Social impact assessments are included as part of the complement of all environmental impact assessments. Evidence of participation with affected parties is shown in the form of attendance at FGD meetings and photos during interviews. The report also contains a matrix of Social Management Plan and Social Monitoring Plan which contains recommendations for managing identified social impacts.

The types of data collected are primary data and secondary data. Primary data collection for monitoring the management of social impacts is obtained from relevant stakeholders as affected parties as well as local village officials who represent the community and as verifiers. Secondary data or indirect data collection is carried out by means of literature studies through various references such as environmental assessment documents, HCV assessment documents, local government literature, CSR implementation records, company internal data, correspondence between companies and affected parties, local news and news. national and so on. All of these data sources are used as consideration for social impact management recommendations. Based on the verification of these documents, it can be concluded that all social impacts of plantation activities have been identified and their management recommended with reference to relevant laws and regulations.

**High Conservation Value Assessment (HCVA)**

The certification unit has also conducted studies related to areas with high conservation value as evidenced by the 2009 HCV Study Results document conducted by an internal company led by Purwo Susanto. The HCV assessment was carried out in November and December 2009 for the scope of PT BNS as a whole, namely 5 Estates covering an area of 25,671 Ha, of which 2 Estates are the scope of Mandah Factory certification with an area of 12,366.18 Ha. Based on the results of the HCV study, it was found that the HCV area is 0.55 Ha and the Potential HCV area is 1138.63 Ha in the occupation area. This study explains the impacts arising from plantation activities on the environment, social, and protected flora and fauna. The HCV assessment also involves several affected parties, both internal and external stakeholders. Evidence of participation with affected parties is shown in the form of attendance at FGD meetings and photos during interviews. A public consultation was also conducted on December 4, 2009 at Teluk Bakau Estate which was attended by relevant stakeholders. The report also contains a matrix of High Conservation Value Area Management and Monitoring Plans which contains recommendations for the management of all identified HCV areas.

There is a change in the size of the HCV area based on the results of the 2020 HCV Re-assessment, this is explained in more detail in indicator 7.12.2. Based on the verification of these documents, it can be concluded that all areas with high conservation potential and protected areas have been identified and their management recommended with reference to the relevant environmental management guidelines.

**3.4.2**

The certification unit has made efforts to manage and monitor social and environmental impacts that are carried out independently by involving affected stakeholders. Some evidence of documentation of activities that have been carried out are as follows:

**Environmental Impact Assessment (EIA)**

Based on the results of the verification of the UKL-UPL document for Semester 2 of 2021, it can be concluded that all the management and monitoring parameters requested in the environmental document matrix have been implemented. The certification unit has also evaluated every parameter of significant impact monitoring carried out as required in KepmenLH 45 of 2005, which includes evaluation of trends, evaluation of critical levels, and evaluation of compliance. Based on the results of the evaluation, it is known that there are several parameters that are not in accordance with the applicable Quality Standards, but the results of interviews, document analysis and observations there are no indications of environmental pollution in the area around the company, this is explained in each related indicator. The effectiveness of environmental management and monitoring can be seen from the results of the analysis and the

compatibility between the management and monitoring plans and their implementation in the field. Several things can be concluded from the results of the UKL-UPL document review for Semester 2 of 2021, including:

- There is no test result value above the quality standard for POME parameters discharged into water bodies.
- There is no test result value above the quality standard for emission, air quality and ambient parameters.
- There is no significant decrease in peat water level.
- Increase socialization and supervision to avoid encroachment on protected areas.
- Utilizing solid waste from palm oil mills as a substitute for fertilizers and fossil fuels.
- Community Development activities for recruiting local communities as employees are considered effective enough to avoid social conflicts and control community unrest.

Based on the results of field observations in the EFB storage area, the WWTP area and the Water Intake area as well as the conservation area, there was no indication or potential for environmental pollution from the company's activities. The results of interviews with the community around the company also stated that they did not feel any environmental impacts related to the company's operational activities. The company has also carried out environmental management in accordance with the RKL-RPL by installing signboards for conservation areas, prohibiting land burning, planting local plants on canal borders and so on. Based on the results of interviews with sprayer and fertilization officers, they also stated that they were aware of the prohibition on the use of chemicals in locations close to water sources such as canals, reservoirs or artificial ponds.

The unit of certification has also made a UKL-UPL report every semester which refers to the environmental management and monitoring matrix. Environmental management reports are carried out every 6 months and submitted to the relevant agencies, for example the UKL-UPL Semester 2 of 2021 Report which is sent to the Environmental Agency of Indragiri Hilir District with proof of receipt dated March 17, 2022, which is accompanied by a stamp, signature and name of the recipient. as well as proof of document delivery notes. Based on the results of interviews with the Environmental Service regarding reporting on the implementation of UKL-UPL, the certification unit does this routinely and up to the time the audit was conducted there were no complaints or conflicts related to the environment from NGOs or local communities around the company.

### **Social Impact Assessment (SIA)**

The 2010 SIA study results document is used as a guide in the preparation of social impact management programs which are updated annually, for example, the 2022 Environmental Management and Monitoring Plan document with Affected Parties. In this document there are several social programs, including the provision of regular social assistance to the community. surrounding areas, improving the economy through collaboration with companies, opening job vacancies, and improving welfare through community empowerment programs. Program planning is carried out based on the results of the Focus Group Discussion on December 31, 2021 for the scope of internal stakeholders and on December 21, 2021 for externals including the village community around the company. The results of the potential and risk analysis with evidence of documentation and attendance are attached to the minutes. The program is a general plan that will be implemented by the company based on the analysis of stakeholder needs and stakeholder mapping related to the company, either directly or indirectly. Thus, the planned program is directed as far as possible to strengthen the company's relationship, communication and cooperation with all stakeholders.

The company also evaluates the Management Plan every year to monitor the progress of program management, for example, there are programs that need to be stopped, continued or added. The evaluation of the management plan refers to the 2021 Social Impact Management result document, the evaluation activity is also a reference in the preparation of the 2022 program. Based on the results of the 2021 Social Impact Management document verification, it can be concluded that all activities listed in the 2021 Social Impact Management Plan have been implemented. carried out. The document also includes social programs to avoid/mitigate negative social impacts, partnership programs for farmers, human rights, CSR programs, gender equality, education and public health. No new impacts have been identified by the company, so for the period of 2022, all programs that have been determined in the previous year are still continuing. However, when compared to the recommendations for managing social impacts based on the results of the 2010 SIA study where there are 3 social issues that need to be managed, namely social jealousy, community dissatisfaction and overlapping land, currently these three issues are no longer being managed. The results of interviews with the company stated that there was no longer social jealousy and community dissatisfaction identified for the last 5 years because now people feel helped by the access to transportation provided by the company. In addition, regarding tenure issues that occur within the company's operational area, this has happened since the company was first opened and until now there has been no increase in the area of the occupation area. Basically, the occupation area is land owned by the community that does not want to be compensated and the company also does

not try to own the land. This can be proven from the initiation of the release of the Cultivation Right area which has been submitted to the Indragiri Hilir Regent in 2021, and is currently in the process of formulating a new Cultivation Right document.

Based on the results of consultations with the local village heads, it was also stated that the company was not trying to seize the occupied area and tended to give the area to the community. Assistance in making transportation access is also carried out to help the people who occupy the area so that there is never a social conflict between the company and the community. The results of the interview with the management also stated that the area had been removed from the management of the company and was fully handed over to the community.

Interviews with worker representatives also stated that there was no form of discrimination against workers, no underage workers were found, the company has also fulfilled the rights of its employees, several important facilities for employees have been provided by the company such as housing, water, electricity, places of worship, public facilities, educational infrastructure (schools), and other facilities. The company also allocates resources for the maintenance of the entire facility. The resource persons also stated that they can voice their views through their own representative institution or a spokesperson they choose in the evaluation activities to review and develop mitigation plans, as well as monitor the success of the implemented plans. Based on the results of field observations and interviews, it can be concluded that there are no issues related to social impacts that have not been identified by the company. All potential social impacts have been managed properly. Some of the management focuses for 2022 are the renovation of buildings and employee residences, potential for flooding around the company's area and the provision of clean water.

### **3.4.3**

The unit of certification has made efforts in implementing the management and monitoring of social and environmental impacts as described in indicator 3.4.2. In addition, the certification unit also makes efforts to periodically update the management in a participatory manner. Some documentary evidence of the efforts that have been made are as follows:

#### **Environmental Impact Assessment (EIA)**

Perusahaan melibatkan Dinas Lingkungan Hidup dan Kementerian Lingkungan Hidup dan Kehutanan untuk melakukan pemantauan hasil pengelolaan lingkungan yang telah dilakukan oleh perusahaan dalam bentuk penyajian laporan UKL-UPL dan dokumen pengelolaan lingkungan lainnya yang dikirimkan setiap periode tertentu yang dapat dibuktikan pada indikator 1.1.2. Perusahaan juga tidak menutup akses masuk seluruh instansi lingkungan bila akan melakukan verifikasi lapangan ke area kelola mereka. Hal tersebut bertujuan untuk memperoleh saran dan nasihat dalam melakukan pengelolaan lingkungan yang sesuai dengan visi, misi serta program pemerintah agar dapat berjalan secara sinergis. Hal tersebut dapat dibuktikan berdasarkan hasil wawancara dengan Dinas Lingkungan Hidup Kabupaten Indragiri Hilir yang telah melakukan kunjungan lapangan pada sekitar bulan Desember 2021 untuk melakukan pemantauan berkala. Pemantauan dan pemutakhiran terkait pengelolaan dampak lingkungan juga dilakukan bersamaan dengan evaluasi pengelolaan HCV yang secara lebih detail dijelaskan dalam indikator 7.12.4. Namun secara garis besar, seluruh hasil rekomendasi dari evaluasi pengelolaan HCV yang dilakukan secara partisipatif akan dilakukan sejalan dengan pengelolaan dan pemantauan dampak lingkungan.

#### **Social Impact Assessment (SIA)**

Based on the analysis of the Environmental Management and Monitoring Review Report with the Affected Parties in 2021, the social impacts in this assessment are divided into social impacts, economic impacts and environmental impacts. The social impact assessment is carried out based on the perceptions of community representatives at the assessment location who represent the community. The company has analyzed the positive and negative impacts arising from each activity specifically, for example physical assets for production activities that have positive and negative impacts on both external and internal levels, and so on as described in indicator 3.4.2. The company conducts annual evaluations to harmonize data collection related to community perceptions regarding the SIA Management Plan and adjust it to the latest needs according to conditions in the field.

As of December 31, 2021, the company has reviewed the management of social impacts for the period 2021 and developed a social management plan for the period 2022, in which the process has been participatory by involving relevant stakeholders. In the review activity, the company applied the 7 principles of the RSPO regarding the development of plantations that are responsible for social and environmental aspects by referring to the Free, Prior, Informed and Consent (FPIC) Principles. The principle of FPIC which is the basis for the company in carrying out the process of developing oil palm plantations, among others, involves women's representatives, village heads, land owners around the company's area, independent smallholders, and all affected parties. The review activity was limited due to the Covid 19 Pandemic.

In relation to OFI on ASA-1.2 Remote audit regarding testing of aquatic biota (plankton and benthos), the company has compiled UKL-UPL documents for semesters 1 and 2 of 2021 with more detail which also includes data on the results of plankton and benthos testing, and analyzes related trends trend of management that has been done. Based on this, the company has been able to fulfill the Opportunity of Improvement for that section. Regarding the management and monitoring of social impacts, when referring to the results of document review and interviews with management and stakeholders (internal and external), it is known that the company has managed issues that could have a social impact, which were carried out partially by the relevant departments but were not explained in detail. in the SIA review report. In addition, the SIA document also does not explain in more depth related to key stakeholders such as representatives of women, migrants, local residents, youth leaders, contractors and others. Based on the explanation above, companies are encouraged to develop a comprehensive social management and monitoring plan by integrating between sections/departments covering all impacts and representative samples of affected parties. **OFI.**

**Status: Comply**

### 3.5

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

##### 3.5.1

Company has shown several procedures as follows:

- Employee's recruitment procedure number SOP Recruitment No. Policy: 431/HRM-RCT/07 dated 24 May 2007. Recruitment in accordance to request to fill in shortage or replace employee stops; additional request using the labor requirement form; the process of selection, interview, and medical checkup.
- Memorandum No. 0057/PRS-i2/X/2012 dated 22 October 2012 from General Manager HRM about procedure for recruiting employees that must be used as guideline.

Besides, company has also shown Collective Labour Agreement 2021-2022 which has described several conditions such as:

- Recruitment of workers is based on the company's needs.
- Worker who has been accepted will through three months of probation.
- Promotion of workers is based on needs, period of work, expertise and assessment of workers.
- Retirement and termination of workers procedure which is in accordance with government regulation.

There are several samples of temporary workers agreements in each unit which shown below:

- Agreement number 453/PKWT-RSE/XII/2021 dated 31 December 2021 on RSE with BDN (initial) as pruning worker from 3 January 2022 until 31 December 2023.
- Agreement number 459/PKWT-RSE/XII/2021 dated 31 December 2021 on RSE with MGW (initial) as spraying worker from 3 January 2022 until 31 December 2023.

Each temporary worker agreement has been recorded and registered to Manpower and Transmigration Agency of Indragiri Hilir District.

##### 3.5.2

Company has documented all labor procedures that have been carried out properly, such as recruitment, promotion, performance appraisal, and termination. The following are some sample labor procedures that have been implemented and are well documented by certification unit, including:

- Recruitment document in accordance with the recruitment requirements such as employment request form, application letter, statement of police report, identity card (KTP), family identity card (KK), the result of written test, the result of interview test, and work agreement letter. For example, a worker on behalf of BDN (initial) who started working on 3 January 2022 until 31 December 2023
- Promotion documents such as management decree for worker's promotion. For example, a worker on behalf of HND (initial) who had a promotion based on worker's appraisal, from temporary worker to permanent worker from 31 December 2021.
- Promotion documents such as management decree for worker's promotion. For example, a worker on behalf of RPI (initial) who had a promotion based on worker's appraisal, from grade G4 to G5 from 1 July 2021.
- Termination document such as the management decree of employment's termination on behalf of MRD (initial). Company also showed other supporting documents such as the management decree of employment's termination, debt certificate, calculation of termination payments, and the proof of its payment in accordance with the applicable laws.



Based on the interviews with the Manpower and Transmigration Agency of Indragiri Hilir District, the company had been applied the existing labor procedures in accordance with the regulations. During 2021-2022, there were no issues related to manpower.

**Status: Comply**

### 3.6

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

##### 3.6.1

The certification unit can show the updated HIRAC Mill document August 27<sup>th</sup>, 2021. In the HIRAC there is an additional identification and potential hazard at the Security Post. In addition, the certification unit shows the latest plantation HIRAC document January 19<sup>th</sup>, 2022, which includes additional identification and potential hazards in the Cooperative. The certification unit has SOP for K3 and HIRAC no. 7301/PSQM-ESH/11 which was approved by the PSQM Head effective July 7<sup>th</sup>, 2011. The SOP provides guidelines regarding the identification of hazards and risks for each task, determining risk control actions and work plans, overall analysis and all hazard identification and risk assessments are recorded. in the specified form.

The unit of certification socializes the SOP and the workers understand all the potential and identification of risks in each job. Based on field observations, all of the company's operational activities are assessed for risk and based on document review there are no work accidents that cause lost working days

##### 3.6.2

The unit of certification has shown the OHS Committee program of PT. BNS for MDF, MDE and RSE. For example, at MDE there are OHS Committee programs and activities, including socialization of domestic waste and hazardous & toxic waste management to all employees and supervision, socialization of MCU results, firefighting simulations, monitoring of fire extinguishers, and first aid kit inspection.

Based on the description above, it shows that the certification unit monitors the effectiveness of the OHS plan to deal with OHS risks

**Status: Comply**

### 3.7

#### **All staff, workers, Scheme Smallholders, out growers, and contract workers are appropriately trained.**

##### 3.7.1

Company has shown results of training identification and program for 2021-2022 in order to improve the competence and expertise of all workers including contractors. The company had identified the needs of competence standard and the proposed training for each worker (including contract workers). Based on document verification and interview with stakeholders, company does not have FFB supply from any out grower and also there is no scheme or independent smallholders around the company. The needs of competence standard and the proposed training for each worker (including contract workers) which is shown by the company, for example:

- Training of OHS and hazardous waste management for employees.
- Training of harvesting technique for harvesters.
- Training of spraying technique for spraying worker.
- Training of firefighting simulation for employees.
- Training of first aid for workers in estates.

Based on result of document verification, interview with management, and field observation, there is only one clinic in PT Bhumireksa Nusasejati which is located in Teluk Bakau Estate while in other estates is equipped with First Aid Unit. Company has shown hyperkes certificate that owned by personnel in clinic on behalf of ZAH No. 16.889/DH-1/07 on March 2007.

##### 3.7.2

Company also showed that they had properly documented every training activity and socialization that had been carried out to all workers, contractors, smallholders, and related stakeholders. The following is an example of training/socialization documentation that had been carried out, for example:

- Training of weed, pest and disease spraying technique which was carried out on 6 January 2022 in RSE Division V.
- Training of firefighting simulation of emergency condition on 22 February 2022.
- Training and socialization of waste management on 4 August 2021 to all staff and employees.

Based on field observations and interviews with workers (harvesters, nursery workers, warehouse officers, and mill operators) and contractor workers, it is known that the company provides some training programs due to upgrade the worker's expertise and competence. All workers also showed their understanding of duties and responsibilities for each job quite well.

### 3.7.3

UoC showed that they had properly documented every training activity and socialization that had been carried out to all workers, contractors, and related stakeholders. The training of SCCS had been conducted on 12 February 2021 for weighbridge operator, supervisor, and admin. Based on the interview with all workers involved in supply chain operations, such as weighbridge operator and the PIC related to supply chain, they have been understood the supply chain mechanism, and the IP record has conducted and monitored quite well.

**Status: Comply**

## 3.8

### Supply Chain Requirements for Mills

#### 3.8.1, 3.8.2

The mill is receiving and processing FFB only from certified sources, hence, the RSPO SCCS Module D (IP) are applied.

#### 3.8.3

Estimates of CPO and PK produced by Mandah POM obtained from the projection based on actual data of 24 months before audit activities, here's the detail:

	Last Year Projected Certified Volume (MT)	Actual production in last 24 months (MT)	Estimation for the next 12 months
FFB Processed	157,280	150,258.99	76,300
CPO Production	34,642	33,356.01	17,500
Palm Kernel (PK) Production	6,852	7,012.93	3,700

#### 3.8.4

The Mill have been registered in RSPO IT platform with license id CB103713, RSPO member id: RSPO\_PO1000001381, member name: PT Bhumireksa Nusasejati.

All transactions also have been registered on RSPO IT Platform, including:

- CSPK volume sold as physical as amount as 3,680.22 ton.
- CSPO volume sold as physical as amount as 2,600.29 ton.

The auditors verify related to transactions on the Palmtrace platform with actual sales of certified products, for example in September 2021, where there was a sale of 350,374 kg of CSPK to PT Adei Plantation & Industry, and this was in accordance with the transactions made at RSPO Palmtrace.

#### 3.8.5

Mandah POM has had procedure for SCCS with MB or IP model in SOP Supply Chain (SCCS-Std/RSPO/PSQM/03 rev04 dated on 1 June 2020) which described the duties and responsibilities of each part; the identification of raw materials and products; and performs supply chain system. The procedures have explained related to the duties and responsibilities of each part. The manager has the highest authority to approve this manual which is integrated with the policy (policy). Policies and procedures written and / or referenced in this document must be followed in order to achieve, maintain and ensure the quality of products produced by unit management, and meet customer requirements. Department of PSQM are responsible to conduct internal audit annually for SCCS and the Marketing Dept are responsible to validate the supplier/buyer and reporting/announce all the transaction to RSPO IT Platform. The company's procedures have been revised in accordance with the latest RSPO SCCS system reference (Revised 01 February 2020).

Auditors conduct interviews with workers who are responsible for the delivery of certified products, namely weighing operators. Operator are able to explain the technical acceptance of certified FFB, sales of CPO/PK and also the reporting mechanism if there is an error in recording information.

Based on the results of the review of the official document for shipping certified product (palm kernel) with no.001/BNS/TBF-MDF/BAP- IKS/II/2021 which was carried out on 19 January 2021, the company has completed the document with an RSPO certified stamp in accordance with licenses held by the company, including the weighing ticket and product shipping documents attached to the record. This is in line with the company's consistency in OFI in the previous assessment.

### 3.8.6

Internal Audit procedure has been included on SOP of RSPO SCCS Manual - RSPO Supply Chain Certification Standard SCCS- Std/RSPO/PSQM/02 rev.01 dated on July 2<sup>nd</sup>, 2020 which describes Internal audits are conducted at least annually to ensure: the organization complies with RSPO SCCS requirements and RSPO Market Communication & Claim documents.

The latest audit of SCCS is conducted on 25 February – 5 March 2022, there are no non-conformities related to supply chain aspect.

### 3.8.7

Mandah POM only received FFB from certified, here's the detail:

Month	FFB (kg)		
	RSPO Certified	Non-Certified	Total
Apr-20	6,788,518	-	6,788,518
Mei-20	5,740,104	-	5,740,104
Jun-20	8,642,144	-	8,642,144
Jul-20	6,473,566	-	6,473,566
Agu-20	6,760,913	-	6,760,913
Sep-20	6,957,916	-	6,957,916
Okt-20	7,935,925	-	7,935,925
Nov-20	7,044,851	-	7,044,851
Des-20	5,987,217	-	5,987,217
Jan-21	5,672,096	-	5,672,096
Feb-21	4,593,567	-	4,593,567
Mar-21	4,306,162	-	4,306,162
Apr-21	5,617,559	-	5,617,559
Mei-21	4,252,774	-	4,252,774
Jun-21	5,404,872	-	5,404,872
Jul-21	6,365,433	-	6,365,433
Agu-21	7,102,578	-	7,102,578
Sep-21	7,376,876	-	7,376,876
Okt-21	6,389,121	-	6,389,121
Nov-21	7,246,804	-	7,246,804
Des-21	6,559,672	-	6,559,672
Jan-22	5,174,869	-	5,174,869
Feb-22	5,357,857	-	5,357,857
Mar-22	6,507,605	-	6,507,605
<b>Total</b>	<b>150,258,997</b>	<b>-</b>	<b>150,258,997</b>

The auditor has verified FFB received records over the last 24 months, the total FFB certified received was 150,258 MT.

### 3.8.8

The company shows documentation of certified products, such as sales contracts, shipping announcements, delivery orders, etc. These documents explain the name and contact person of the buyer and seller, date of delivery, product description, quality, quantity, member ID, and others. The transaction also including RSPO certificate number, such as evidence of transaction No.: 013/BNS- TBF/BAP-CPO/XI/2021 to PT Wahana Citra Abadi on November 2021. During the license period there were several buyers such as:



Product	Buyer
Palm Kernel	PT Teguh Sempurna
Palm Kernel	PT Adei Plantation
CPO	PT Wahana Citra Nabati

**3.8.9, 3.8.10, 3.8.11**

The physically handling of product are conducted by mill itself since FFB receive in grading station and processed to CPO and PK, except the transportation of product and storage tank at bulking are sourced to third party, which bonded by the agreement. The company has a list of contractors for transporting oil palm products from Mandah POM which informs the name of the contractor, owner, address, work agreement number and validity period. There are contractors / transporters at PT. BNS, including:

- PT Quadra Samudera Perkasa (CPO Transporters)
- PT Pelayaran Sinar Pagoda (PK Transporters)
- PT Trasindo Bahari Perkasa (PK Transporters)

The contractors and certified holder also agreement related to transparency of contractor operational mechanism, so the certification bodies can audit the contractors.

**3.8.12**

Mandah POM has record of all CSPO and CSPK information, as well as presented in the table bellows:

**Crude Palm Oil**

Period	CPO Production (kg)		CPO Delivery (kg)			Stock
	Certified	Uncertified	Certified (Physical)	Other Scheme	Conventional	
<b>Stock Opening</b>						470,644
Apr-20	1,530,140	-	-	-	1,115,163	885,621
Mei-20	1,219,530	-	-	-	1,944,630	160,521
Jun-20	1,837,444	-	-	-	1,700,045	297,920
Jul-20	1,413,596	-	-	-	1,650,027	61,489
Agu-20	1,520,717	-	-	-	800,506	781,700
Sep-20	1,545,439	-	-	-	2,249,738	77,401
Okt-20	1,746,218	-	-	-	-	1,823,619
Nov-20	1,546,570	-	-	-	2,603,277	766,912
Des-20	1,317,087	-	-	-	1,100,044	983,955
Jan-21	1,167,501	-	-	-	1,000,057	1,151,399
Feb-21	1,005,564	-	-	-	1,500,025	656,938
Mar-21	1,011,265	-	-	-	-	1,668,203
Apr-21	1,265,188	-	-	-	1,750,119	1,183,272
Mei-21	918,149	-	-	-	950,256	1,151,165
Jun-21	1,197,406	-	-	-	950,074	1,398,497
Jul-21	1,414,046	-	-	-	1,900,355	912,188
Agu-21	1,681,434	-	-	-	1,500,152	1,093,470
Sep-21	1,722,974	-	-	-	1,900,744	915,700
Okt-21	1,392,020	-	-	-	1,399,651	908,069
Nov-21	1,577,888	-	700,110	-	1,000,018	785,829
Des-21	1,450,937	-	-	-	1,099,999	1,136,767
Jan-22	1,190,084	-	1,200,173	-	599,998	526,680
Feb-22	1,226,115	-	700,004	-	-	1,052,791
Mar-22	1,458,699	-	-	-	1,250,055	1,261,435
<b>Total</b>	<b>33,356,011</b>	<b>-</b>	<b>2,600,287</b>	<b>-</b>	<b>29,964,933</b>	

There's CSPO sold as certified product as amount as 2,600 MT for 24-month period.

**Palm Kernel**

Period	PK Production (kg)		PK Delivery (kg)			Stock
	Certified	Uncertified	Certified (Physical)	Other Scheme	Conventional	
<b>Stock Opening</b>						373,833
Apr-20	284,745	-	395,282	-	-	265,296
Mei-20	238,388	-	-	-	-	503,684
Jun-20	359,425	-	192,510	-	-	670,599
Jul-20	283,484	-	-	-	-	954,083
Agu-20	342,549	-	594,140	-	-	702,492
Sep-20	348,808	-	593,270	-	-	458,030
Okt-20	390,967	-	-	-	-	848,997
Nov-20	352,389	-	591,590	-	-	609,796
Des-20	304,904	-	499,650	-	-	415,050
Jan-21	274,524	-	-	-	-	689,574
Feb-21	238,397	-	365,540	-	-	562,431
Mar-21	217,644	-	-	-	450,005	330,070
Apr-21	280,900	-	-	-	240,223	370,747
Mei-21	200,155	-	-	-	-	570,902
Jun-21	235,502	-	-	-	400,001	406,403
Jul-21	278,922	-	-	-	350,009	335,316
Agu-21	326,883	-	-	-	-	662,199
Sep-21	339,176	-	346,540	-	-	654,835
Okt-21	284,752	-	496,980	-	-	442,607
Nov-21	313,931	-	-	-	-	756,538
Des-21	310,594	-	-	-	500,001	567,131
Jan-22	249,651	-	-	-	350,047	466,735
Feb-22	257,292	-	-	-	450,047	273,980
Mar-22	298,948	-	-	-	-	572,928
<b>Total</b>	<b>7,012,930</b>	<b>-</b>	<b>4,075,502</b>	<b>-</b>	<b>2,740,333</b>	

There's CSPK sold as certified product as amount as 4,075 MT for 24-month period.

**3.8.13; 3.8.14; 3.8.15**

The mill has been defined the extraction rate dividing CPO or PK production by the total FFB process. Based on that explanation, extraction rate calculated by industry average. The implementation based on company procedures (Policy No. RSO/1.1/PD SOP, date 27 November 2017). The sounding process for quantity product calculation done by clerk administration every morning.

**3.8.16**

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

- Member Name: PT Bhumireksa Nusasejati
- Membership No.: 1-0008-04-000-00 (Sime Darby Plantation Berhad)
- Member ID: RSPO\_PO1000001381
- License ID: CB100713

Whole transaction of CSPO/CSPK has been declared in RSPO IT Platform. Related to CSPK transaction, auditee informs that there's CSPK sold as physical as amount as 3,680 ton.

From shipping announcement verification, known that shipping announcement carried out not more than 3 months after dispatch. For example, Shipping announcement of CSPK as much as 24.33 MT, with shipping date 31 October 2020 and confirmation date on 6 November 2020.

Related to OFI in the previous assessment, the company removed stock before the activity was carried out, for example on April 8, 2021 amounting to 15,675.91 tons of CSPO through palmtrace. This is done by the company in the context of conventional sales based on product sales records.

### 3.8.17

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

Based on management representative interview and document review, the mill not use trademark on its sales activities and communication.

## **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

Company has Sime Darby Plantation Human Rights Charter (revised 2019). The policy has in line with Act No. 39 in 1999. Human rights in the company's perspective has covers employees prosperity, freedom in religion implementation, non-discriminative treatment towards gender, ethnic and social background, opportunity of self improvement, transparency of information, etc.

Socialization towards human rights policy has communicate to stakeholders annually, for example as follows:

- Conducted on 14 January 2021 which was attended by 30 workers in RSE.
- Conducted on 19 March 2021 which was attended by 22 workers in MDE.

Based on complaint record review and interview with gender committee, labor unions and Manpower Agency of Indragiri Hilir, it could be concluded that relationship between employer, employee and external stakeholder was considered in conducive situation. There was no violation case of human rights contributed by PT BNS. Furthermore, issues and report data from NGO was not available.

#### 4.1.2

Based on the interviews with the surrounding communities and workers, it revealed that up until recertification assessment, if there was any conflicts or disputes with the company, the resolution action taken was deliberation without involving any violence's or mercenaries. Resolution of conflicts / problems using these deliberations has been quite effective and during past year there have never been any conflicts/problems in operational area.

**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

Company have mechanisms and complaint handling system is described in Procedure for Communication with the number of policy (Complaint Resolution Procedure - RSPO/6.3/PKM. These procedure guidance complaints can be submitted through the recording on logbook that has been provided, verbally direct to the foreman, through the suggestion box, through gender committees, worker union, hotline and email provided by the company and through the RSPO website. Grievances included anonymous and whistleblower cases can be submitted through the suggestion box, suggestion boxes checked by officer in charge. Company also showed the record of the company's socialization for internal and external stakeholders for instance the socialization which was conducted on 7 February 2022 (32 participants) and 25 January 2022 (17 participants).

Based on the interviews with the surrounding communities, occupants, and workers, it revealed that they had a good understanding of the communication procedures and personnel who served as communicators between the company and the community so that illiterate people can be informed by the related communicators. In addition, during the past year, there were no complaints or disputes that occurred between the company and the surrounding communities.

#### 4.2.2

Company has a complaint handling mechanism and system described in the Complaints Handling Procedure (SPO/006/BNS2019). The procedure explains that complaints are filed in writing to the assistant through supervision, then proceed to the manager with the approval of the department head. If it is not resolved, it can be submitted to the Cooperation Institution. To ensure that the procedure can be understood by employees who cannot read and write is to conduct socialization directly to all employees.

In addition, company also showed the record of the company's socialization using audio and visual for all workers and external stakeholders. This audio-visual record explained the mechanism of all grievances through the labor union or each worker's supervision and will be recorded in the grievance logbook. However, illiterate people can submit their complaints through the village head or another representative from the stakeholder and also recorded in the grievance logbook.

Based on interviews with the government agencies, surrounding communities, and workers, it is known that they have understood the person responsible and the grievance mechanism in which the complainant's identity is protected.

#### 4.2.3

Based on the documents review of the worker's grievance logbook period of 2021 to 2022, it is known that the complaints received by the company are related to facilities. Company then showed the compliance of these complaints in accordance with agreed timeframe in its procedure. Based on interview with estate workers, it also showed that company has responded if there is any complaint directly after complaints submitted.

Based on the interviews with government agencies, surrounding communities, gender committees, labor unions and workers, it's known that there were no further complaints towards the unit of certification.

#### 4.2.4

Company has a complaint handling mechanism and system described in the Complaints Handling Procedure (SPO/006/BNS2019). The procedure explains that complaints are filed in writing to the assistant through supervision, then proceed to the manager with the approval of the department head. If it is not resolved, it can be submitted to the Cooperation Institution. Besides, company has also Procedure for Communication with the number of policy (Complaint Resolution Procedure - RSPO/6.3/PKM. This procedure guidance complaints can be submitted through the recording on logbook that has been provided, verbally direct to the foreman, through the suggestion box, through gender committees, worker union, hotline and email provided by the company and through the RSPO website. Grievances included anonymous and whistle-blower cases can be submitted through the suggestion box, suggestion boxes checked by officer in charge. To ensure that the procedure can be understood by employees who cannot read and write is to conduct socialization directly to all employees.

Based on interviews with the government agencies, surrounding communities, and workers, it's known that they have understood the person responsible and the grievance mechanism in which the complainant's identity is protected.

	<b>Status: Comply</b>	
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#### 4.3

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

##### 4.3.1

The company already has a Corporate Social Contribution Plan (CSC) document as an effort to support the welfare of the surrounding community. The program covers social aspects (electricity assistance), health (basic aid and medical equipment), education (teaching staff honorarium), to infrastructure (road repairs). The program was prepared based on the results of discussions with community representatives, this was in line with the explanations of the Village Head and community representatives in the village (Rotan Semelur, Belaras Barat, Bente, Teluk Bunian Village).

Based on the document review and also an explanation by management representatives, the company has a partnership that is supporting the operational activities of the plantation such as housing construction and replanting activities.

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

There has been no change in the total area managed by the company since the previous surveillance, here's the detail:

The CH has had documents showing legal ownership in form of Land Use Right (HGU) and Land Building Right (HGB). The land right consists of:

- HGU certificate No. 01 of 1996 for an area of 13,900 Ha
- HGU certificate No. 02 of 1996 for an area of 11,762 Ha
- HGB certificate No. 01 of 2000 for an area of 8.8125 Ha
- HGB certificate No. 02 of 2001 for an area of 13.179 Ha

Total land use title area of PT Bhumireksa Nusasejati is 25,684 Ha, however for this scope is only consist of 1 Mill (Mandah factory) and 2 supply bases (Mandah Estate and Rotan Semelur Estate) with total managed area is 12,366.18 Ha. The rest of area (13,317.81 Ha) is included in other certification scope i.e Mandah Factory.

Based on the audit, total area that supplied to Mandah POM were **12,366.18 Ha** (the rest area is for teluk Bakau Pom and its supply base from total 25,684 ha).

Plantation business permit, based on Indragiri Hilir's Head of Investment Coordinating Board Head Decree No. 503/BP2MPD-IUP-PK/XII/2014/1 dated on December 19<sup>th</sup> 2014 and Head of Indragiri Hilir District Decree No. 503/BP2MPD-IUP-P/VIII/2013/1 dated on August 22<sup>nd</sup> 2013.

Based on consultation public with National Land Agency of Indragiri Hilir District, there's no negative issue related to company operational area.

Regarding the occupation area, during this onsite audit, information was obtained that the company had submitted a recommendation request to the Indragiri Hilir Regent regarding the application for the release of the occupation area in accordance with the direction of the BPN. The company has shown evidence of recommendation from the Regent of Indragiri Hilir (No. 100/TAPEM/1779.119) on November 30, 2021, informing that the Regent of Indragiri Hilir, Riau Province recommended PT Bhumireksa Nusasejati to relinquish part of the *Hak Guna Usaha*. Based on latest consultation, currently the release is still in process with BPN.

#### 4.4.2

The company can show documentary evidence of land acquisition that has been carried out in the HGU area of PT Bhumireksa Nusasejati, for example:

- Minutes of Land Acquisition of Community Cultivation Inside the HGU Area of PT Bhumireksa Nusasejati Semelur Rotan Estate in Dusun II Dendan, Sungai Simbar Village, Kateman District, Indragiri Hilir District on July 29, 2003 witnessed by Community Leaders (Zakaria Idris, P. Hasibuan, R.A. Simatupang), Head of Simbar Village (A. Bakar), Head of Hamlet II Dendan (Tombong), Head of Kateman Sub-district (Ansyari Idris), Head of Inhil Land Office (Jukifli). There are 33 Persils, 28 owners, covering an area of 255 Ha, 19 cottage units with a plant compensation value of Rp. 150.500.000,- (Corn, Coconut, Banana, etc.) and compensation for the cottage Rp. 23,000,000,-
- Sungai Simbar Villages, Parit 14, 16 and 17. There were 11 location points belonging to the community which were compensated with a total area of 71.01 Ha on 19 February 2007, 28 January 2007 and 12 June 2007 worth Rp. 102.538.000,-
- Sungai Simbar Village, Parit 14, 16 and 17. There were 5 location points belonging to the community which were compensated with a total area of 10 Ha on March 2010 worth Rp. 310,000,000,-
- Records of land acquisition on May 12, 2011 covering an area of 8.13 hectares in Parit Gurah Baru, Teluk Bunian Village, Pelangiran District, Indragiri Hilir District. The people who received compensation were (Artawan 2.28 Ha and 0.05 Ha Afdal Darimi 11.848 Ha; 1.95 Ha and 1.748 Ha, Muh Jam 0.15 Ha; H Bahtiar 0.05 Ha, Drs. H Lukman Hakim 0,05 Ha).

That recorded evidence of land compensation is accompanied by a negotiation process, land documentation, proof of payment and also a map of the location of the area signed by both parties.

For now, the company has not carried out any new land clearing activities.

#### 4.4.3

The company has consulted with the Bappeda of Indragiri Hilir District and made an overlay between the map of the location of the plantation and the Map of the Spatial Planning of the Regency of Indragiri Hilir 2014. Based on the overlay, it is known that the location

of the plantation is in the area with the designation: Private Plantation Development.

In line with the explanation of the evidence of land compensation in indicator 4.4.2. The record of compensation is also accompanied by evidence of a land visit witnessed by both parties and also proof of the price value agreed upon by both parties.

The results of the consultation with the Indragiri Hilir District BPN also obtained information that the company's location was in accordance with the local RTRW.

#### 4.4.4

In the records of land compensation that was carried out before 2011, all records were made in Indonesian, clear proof of payment and signed by both parties between the company and the land seller (local community) without coercion.

#### 4.4.5

The company tries to provide examples of latest land acquisition activities that have followed FPIC procedures, for example the company can show documentary evidence of land acquisition that has been carried out in the HGU area of PT Bhumireksa Nusasejati, for example:

- Minutes of Land Acquisition of Community Cultivation Inside the HGU Area of PT Bhumireksa Nusasejati Semelur Rotan Estate in Dusun II Dendan, Sungai Simbar Village, Kateman District, Indragiri Hilir District on July 29, 2003 witnessed by Community Leaders (Zakaria Idris, P. Hasibuan, R.A. Simatupang), Head of Simbar Village (A. Bakar), Head of Hamlet II Dendan (Tombong), Head of Kateman Sub-district (Ansyari Idris), Head of Inhil Land Office (Jukifli). There are 33 Persils, 28 owners, covering an area of 255 Ha, 19 cottage units with a plant compensation value of Rp. 150.500.000,- (Corn, Coconut, Banana, etc.) and compensation for the cottage Rp. 23,000,000,-
- Sungai Simbar Villages, Parit 14, 16 and 17. There were 11 location points belonging to the community which were compensated with a total area of 71.01 Ha on 19 February 2007, 28 January 2007 and 12 June 2007 worth Rp. 102.538.000,-
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- Records of land acquisition on May 12, 2011 covering an area of 8.13 hectares in Parit Gurah Baru, Teluk Bunian Village, Pelangiran District, Indragiri Hilir District. The people who received compensation were (Artawan 2.28 Ha and 0.05 Ha Afdal Darimi 11.848 Ha; 1.95 Ha and 1.748 Ha, Muh Jam 0.15 Ha; H Bahtiar 0.05 Ha, Drs. H Lukman Hakim 0,05 Ha).

#### 4.4.6

The company has not cleared any new land right now, the latest acquisition done on 2011.

Related to the tenure aspect, the company has committed to relinquish the occupation of the area in accordance with the directives of the relevant agency. Explanation According to BPN, the process of releasing land rights is still ongoing.

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

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

##### 4.5.1, 4.5.2, 4.5.3, 4.5.4, 4.5.5, 4.5.6, 4.5.7 & 4.5.8

There is no change from the previous assessment. The company has not carried out any new planting's activities. Based on document review and field observations, plants with planting years above 2010 are replanting.

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

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

##### 4.6.1,

In order to conflict resolution, the company using "SOP *Penyelesaian Konflik* (RSPO/2.2/PK)" dated 1 November 2012, which is the process for resolution available in flow chart. FPIC process is described in the procedure. The procedure compiled by PSD with reference to the land compensation standards issued by Indragiri Hilir District Government.



The mechanism to identify and compensation procedure were carried out by forming team consisting of community leaders, company and government representative and price were determined based on negotiations. Based on document review (same evidence with summary of indicator 4.4.5) Land conflict resolution has been settled and completed with evidence, such as:

- Invoice of compensation payment
- Land release agreement
- Acknowledgement letter that states no conflict
- Photos of compensation handover

Based on interviews with Land Agency of Indragiri Hilir, Rotan Semelur, Belaras Barat, Bente, Teluk Bunian Village Representatives, information was obtained that there is no company plantation land originating from customary land rights.

#### 4.6.2

Based on the management's explanation and a review of the land compensation procedure, the company always refers to the local government regulations and will update it in accordance with the existing office regulations in Indragiri Hilir District.

Same as indicators 4.6.1 statement, the mechanism to identify and compensation procedure were carried out by forming team consisting of community leaders, company and government representative and price were determined based on negotiations.

#### 4.6.3

Currently there are no scheme or independent smallholders in the of the company.

#### 4.6.4

The company can show documentary evidence of land acquisition that has been carried out in the HGU area of PT Bhumireksa Nusasejati, for example:

- Minutes of Land Acquisition of Community Cultivation Inside the HGU Area of PT Bhumireksa Nusasejati Semelur Rotan Estate in Dusun II Dendan, Sungai Simbar Village, Kateman District, Indragiri Hilir District on July 29, 2003 witnessed by Community Leaders (Zakaria Idris, P. Hasibuan, R.A. Simatupang ), Head of Simbar Village (A. Bakar), Head of Hamlet II Dendan (Tombong), Head of Kateman Sub-district (Ansyari Idris), Head of Inhil Land Office (Jukifli). There are 33 Persils, 28 owners, covering an area of 255 Ha, 19 cottage units with a plant compensation value of Rp. 150.500.000,- (Corn, Coconut, Banana, etc.) and compensation for the cottage Rp. 23,000,000,-
- Sungai Simbar Villages, Parit 14, 16 and 17. There were 11 location points belonging to the community which were compensated with a total area of 71.01 Ha on 19 February 2007, 28 January 2007 and 12 June 2007 worth Rp. 102.538.000,-
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That recorded evidence of land compensation is accompanied by a negotiation process, land documentation, proof of payment and also a map of the location of the area signed by both parties.

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

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

##### 4.7.1

The procedure for compensation for the purchase of land is also contained in the SOP for Conflict Resolution (RSPO/2.2/PK) dated 1 November 2012. The procedure also explains the identification, calculation and compensation for the loss of legal rights and traditional rights for each land owner who is entitled to be compensated.

##### 4.7.2

The procedure also explains that the payment of compensation is fair without harming one party. Based on that procedure verification, that during the compensation process for growing plantings for community arable areas, the company carried out a mechanism of negotiation without coercion, joint measurement, deliberation on price fixing involving the relevant agencies and payments to the

direct owner or a designated group representative. The procedure has implemented FPIC principles, where the compensation process will not be carried out without the agreement of both parties.

#### 4.7.3

This can be proven from the results of an interview with the previous land owner from Rotan Semelur Village, she explained that there was no coercion in the process of selling the land, the compensation process has also implemented an FPIC system, there is no coercion and it is agreed by both parties without harming anyone. From the results of the interview, it is also known that many people from the village of Rotan Semelur work as employees at company.

Based on the document review and consultation public, currently there's no expansion on company operation area.

<b>Status: Comply</b>
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#### 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; 4.8.4; 4.8.3; 4.8.4

In general, it can be explained that from the company's total HGU area, there is community control that is not willing to be compensated (enclave) of 3,614.00 Ha. Related to this, the company has made efforts to remove the area from its Cultivation Rights. The following are some documentation notes on the process of releasing the area. Here's the progress of releasing the enclave area from HGU:

- Minutes of the meeting on the results of PT BNS's cadastral enclave measurements on 19 November 2015 explained, among other things:
  - Boundary markings in the form of boundary canals/ditches and boundary stakes
  - Some of the stakes are still in the form of wooden stakes so that they can be replaced with permanent stakes
  - Conducted by BPN Riau Province, Belarar Barat Village and company representatives
  - Tools used are GPS geodetic, GNSS/CORS Trimble R9, Trimble R4, GPS handheld, laptop
  - HGU stakes located in the enclave area
  - Based on the proposal from the Director and President Director No. 418/BNS/UM/PSD/IX/2016 dated 5 September 2016 concerning Application for Separation of PT. BNS who want to be returned to the State from 3 plots of land in Field A: 418.6 Ha; Field B: 4,776.3 Ha and Field C: 290.1 Ha. The total area for which certificates are separated is 5,485 hectares. (Cat: the letter was received by the staff of the Land Office of Indragiri Hilir District a.n Isa Ismail on 22 September 2016).
  - Has been shown a letter from the President Director of PT. Bhumireksa Nusasejati to the Minister of Agrarian Affairs and Spatial Planning/Head of the National Land Agency on January 8, 2018 (letter no. 027/BNS/UM/PSD/II/2018) regarding Applications for Release of Rights for an Area of 5,485 Ha. The land for which the rights are relinquished consists of 3 plots of land as follows:
    - a. NIB 05.04.00.00.0034 covering an area of 418.6 Ha.
    - b. NIB 05.040.00.0035 covering an area of 4,776.3 Ha.
    - c. NIB 05.04.00.00.0036 covering an area of 290.1 Ha.
 Total: 5,485 Ha (summary with Mandah POM dan supply base)  
 The letter was received by the Land Office of Indragiri Hilir District on February 15, 2018.
- A statement letter has been shown to release a portion of the right to cultivate, which is signed by the President Director and the Director of PT. Bhumireksa Nusasejati on January 8, 2018 in accordance with the Regulation of the Minister of Agrarian Affairs and Spatial Planning/Head of the National Land Agency No. 7 of 2017 concerning Regulations and Procedures for Determining Cultivation Rights.

The auditor confirmed the progress of the relinquishment of land rights to the BPN of Indragiri Hilir service, from the results of consultations conducted via telephone, it is known that currently the release is still in the process of being released by the central government. The service has not been able to provide a timeframe for the release, because it takes quite a long time.

Related to occupation area, the company has submitted a request for recommendation to the Regent of Indragiri Hilir regarding the request for the release of the occupation area. The company has shown evidence of a recommendation from the Regent of Indragiri Hilir (No. 100/TAPEM/1779.119) on November 30, 2021, which informed that Regent of Indragiri Hilir, Riau Province, recommended PT Bhumireksa Nusasejati to relinquish part of the *Hak Guna Usaha*. Currently the release is still in the process with the BPN.

Status: Comply	
<b>PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION</b>	
<b>5.1</b>	
<b>The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.</b>	
<b>5.1.1, 5.1.2, 5.1.3, 5.1.4, 5.1.6</b>	
The company does not purchase FFB from outside parties. The company only receives FFB from its own estate.	
<b>5.1.5</b>	
Based on the results of interviews with contractors PT Mitra Karya Jaya Perdana (replanting contractor), it is known that the company has provided opportunities for the community around the company to cooperate in the company's operational activities by becoming a contractor. In addition, it is known that the cooperation with the company has been well established and transparent. So far, it is also known that there are no problems with payments made.	
<b>5.1.7.</b>	
The certification unit showing certificate test result number 510/SKHP/Disdagtri-BIDKMET/XII/2021/272 dated 27 December 2021 with a validity period until 22 December 2022 for weighbridges type GSC SGW-3015, with serial number 161338 from the Industrial & Trade Agency of Indragiri Hilir District. The third party stated the test results, "Legally on 2021 according to the law of Republic Indonesia No. 2 of 1981 concerning Legal Metrology". With the calibration evidence, the company has shown evidence that the weighing equipment used to weigh FFB from outsiders is minus indications of fraud.	
<b>5.1.8</b>	
Currently there are no scheme or independent smallholders in the vicinity of the company.	
<b>5.1.9</b>	
The company has had SOP related to complaint mechanism in SOP <i>Mekanisme Penanganan Keluhan/Konsultasi Bagi Semua Pihak &amp; Masyarakat</i> (RSPO, established on 1 November 2012. The purpose of the SOP is to complete every internal and external complaint both quickly and well and to create a safe and prosperous atmosphere within the company and surrounding communities. In the SOP it explains objectives, responsibilities, procedures, documentation and exceptions. The period of complaint settlement is 2 weeks for each part. Based on document review of complaint book, there is no complaint from contractor or vendors.	
Status: Comply	
<b>5.2</b>	
<b>The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.</b>	
<b>5.2.1, 5.2.2, 5.2.3 &amp; 5.2.5</b>	
Based on interviews with village representatives (Rotan Semelur, Belaras Barat, Bente, Teluk Bunian Village), it is known that the village community has a livelihood by cultivating coconut plants. Currently, the community is not interested in planting oil palm because the peat conditions are quite difficult and the costs are not small.	
<b>5.2.4</b>	
Currently there are no scheme or independent smallholders in the vicinity of the company.	
Status: Comply	
<b>PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS</b>	
<b>6.1</b>	
<b>Any form of discrimination is prohibited.</b>	
<b>6.1.1</b>	
Company has a policy on non-discrimination and equal opportunities. Company shows document No. Policy 724/TQEM-SPMS/09, Rev.00 dated 1 April 2010. The policy of recognizing equal opportunities and treatment. In the Policy and Purpose Chapter, the Plantation Upstream Indonesia Sub-Section Policy on Social Policy point 1 state that all staff/employees must be treated fairly and fairly in matters relating to recruitment, progress, conditions and description of employment, regardless of race, degree, ethnicity, gender, skin color, imperfection (disability), sexual orientation, organizational membership, political views, religion, and age. Based	

on result of public consultations with agencies, worker unions, and gender committees stated that there were no cases of discrimination in obtaining employment opportunities.

Based on worker's recruitment document and interviews with the workers, company had provided equal opportunities in recruitment and operational activities. In addition, in job vacancies that have been published by the company, there were no requirements that discriminated against gender, race or ethnicity, disability, sexual orientation, age, or belief

Based on the interviews with the gender committee, women workers are given equal rights, wages and opportunities to get promotions with male workers of the same type of work, for example, there were several maintenance workers who were female workers.

#### **6.1.2**

Company has shown job vacancy announcements and work agreement letters between workers and company which showed that there was no payment requested during the recruitment process. In addition, in job vacancies that have been published by the company, there were no requirements that discriminated against gender, race or ethnicity, disability, sexual orientation, age, or belief.

Based on the interviews with the manpower agency, gender committee, labor unions, and workers (harvesters and mill operators) at MDF, MDE and RSE, it is known that workers have never felt that the company has discriminated against them. It was explained that all activities from recruitment, performance appraisal, and promotion were given equal opportunity regardless of ethnicity, caste, nationality, religion, disability, gender, sexual orientation, gender identity, membership in labor unions, politics, or age. There was no difference in the communication between superiors and workers because of the things mentioned above, so the workers did not feel isolated or discriminated against by the superiors. The company also didn't request for any payment during the recruitment process.

#### **6.1.3**

During recruitment process, the company had set the standard of competence that required based on the offered position. Selection had included evaluation of skills, performance and medical test result. Furthermore, promotion is conducted based on work period, annual evaluation result and availability of position. All workers are treated equally in accordance with company regulation including rights of the worker as well. Records on manpower procedure had been documented, as verified randomly to the several documents, here as follows:

- Recruitment document in accordance with the recruitment requirements such as employment request form, application letter, statement of police report, identity card (KTP), family identity card (KK), the result of written test, the result of interview test, and work agreement letter. For example, a worker on behalf of BDN (initial) who started working on 3 January 2022 until 31 December 2023
- Promotion documents such as management decree for worker's promotion. For example, a worker on behalf of RPI (initial) who had a promotion based on worker's appraisal, from grade G4 to G5 from 1 July 2021.

#### **6.1.4**

Based on field observation, interviews with the management and workers, it is known that there were no discriminatory in pregnancy testing given by the company. The pregnancy test conducted only to ensure that no pregnant workers in any agrochemical works such as pesticide application and fertilizing activities proven by there was no requirement regarding pregnancy test in recruitment SOP, job hiring announcement, and medical test during recruitment. All pregnant workers placed in non-agrochemical works such as day care keeper, manual upkeep, and loose fruit picker.

Company also showed list of pregnant woman and breastfeeding mothers that showed all women placed in non-agrochemical works (manual upkeep, loose fruit picker and office staff).

#### **6.1.5**

Gender committees had been formed and still active until today in each unit (both estate and mill) which are chaired by the coordinator along with the head of gender committee. Structure of the gender committee consists of male and female workers. Main objective of forming a gender committee is to provide a forum that can accommodate the aspirations or complaints of workers (especially women).

Company informed that they also held socialization about gender committee. For example, company has shown Minutes of Socialization on 15 January 2021 in MDE which was attended by 21 participants, on 12 June 2021 in MDE which was attended by 21 participants, and on 14 February 2022 in RSE which was attended by 15 participants.

Gender Committee's Program in 2021 which has been implemented including quarterly meeting, extra fooding distribution, immunization for child and pregnant women, religious activity, and sports. Besides, Gender Committee has also established program in 2022 which includes quarterly meeting, extra fooding distribution, immunization for child and pregnant women, religious activity and sports.

Based on the interviews with several workers, they also knew of the existence of the gender committee because it had been routinely socialized by the management.

#### 6.1.6

Company does not discriminate against workers' rights; it is shown by paying equal employee wages and the same scope of work. The CH issues a decree on the payment of wages for mill and estate employees, where the payment of employee wages is based on the structure and scale of wages that have been determined by the company. For example, company has shown its implementation towards structure and scale wage which shown that wage payment of same work scope of estate worker in RSE on March 2022 o.b. ELI (initial of female worker) with basic salary of Rp. 3,094,030, FTM (initial of female worker) with basic salary of Rp. 3,340,300, and RBB (initial of male worker) with basic salary of Rp. 3,236,160.

Based on the interviews with workers (harvesters, maintenance workers, and mill operators), the workers already know that there was a wage scale structure for each level of workers and this has been proven by the difference in the monthly wage income presented on the pay slip. Based on the document review of worker's pay slip in both gender and the interviews with the workers in the same grade, it's known that the monthly wages received are in accordance with the grade owned by each worker.

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

Company had procedures related to regulation reference, company policy, work relationship, leave and permission, salary payment, welfare and insurance, business trip allowance, disciplinary, mutation, work termination, grievance and complaint and others which are generally described in Collective Labour Agreement (CLA) for period of 2021-2022 and was written in Bahasa. This CLA had been registered to Manpower Agency of Indragiri Hilir District with Decree No. KTPS.07/NAKERTRANS-HISK/560 validated on 23 February 2021 and valid until January 2023. It explained the working conditions and rights/obligations of workers such as recruitment, selection, transfer, promotion, performance appraisal, remuneration, discipline, overtime, and other provisions. The CLA had been routinely disseminated by the certification unit to all employees, one of the socializations that was carried out on 3 December 2021 and was attended by 50 participants.

Based on the interviews with workers (harvesters, pesticide application workers, and mill operators) and labor union representatives, it concluded that workers have a sufficient understanding of their rights (wages, overtime, incentives, etc.) listed in the collective labor agreement and in accordance with routine socialization provided by the certification unit. Workers' wages in 2021 to 2022 have been above the minimum wage set by the government. Wage based on years of service, ability, attendance and job performance (structure and scale wage) and there were no late payments every month.

Based on the explanation above, it can be concluded that workers have understood the work requirements that have been socialized by the certification unit in an understandable language (Bahasa).

#### 6.2.2

Based on document verification sighted that the certification unit only have permanent workers and specific time workers (PKWT). All rights of permanent workers have been covered on Collective Labour Agreement 2020-2022, while PKWT rights are contained on each agreement. All PKWT rights is same with permanent worker rights, such as: annual leave, rice allowance, social security insurance. This CLA has been socialized which shown by Minutes of Socialization of CLA on 3 December 2021 and was attended by 50 participants. These all stated in each worker's work agreement. Several points related to the contents of PKWT agreement, including:

- Article 5 concerning working time which explains that "*Hari kerja normal dalam satu minggu adalah 6 hari, hari istirahat jatuh pada hari Minggu, dan waktu kerja normal adalah 7 jam sehari dan 40 jam seminggu*"



- Article 7 concerning wages and incentives which explains that the lowest wage of worker couldn't be lower than the minimum wage set by the government every year, which stated "*Pekerja berhak memperoleh remunerasi dengan ketentuan gaji pokok Rp. 3.020.000, natura 15 Kg/bulan, dan tunjangan lain sebagaimana diatur di dalam Perjanjian Kerja Bersama, serta pajak penghasilan PPh 21*".

There are sample of PKWT agreement number 453/PKWT-RSE/XII/2021 on 31 December 2021; 459/PKWT-RSE/XII/2021 dated 31 December 2021 in RSE. Work agreement (contract) between contract workers and company describes about scope of agreement, rights and obligations, work days and times, leave, salary, allowance, welfare facilities, sanctions, layoffs, settlement of disputes and others. Contract is written in Indonesian language and workers are understood the substance of the contract. On the chapter which describes salary system, stated that basic wage for permanent daily worker is above daily minimum wage. All work agreements have been registered with the labor department.

Company has informed the details of each contract worker's right and obligation on work agreement letter. It stated that the right and obligation of contract workers is referred to the company regulation and existing manpower regulation for example: Work Agreement Letter of contract worker on agreement number 453/PKWT-RSE/XII/2021 on 31 December 2021; 459/PKWT-RSE/XII/2021 dated 31 December 2021 in RSE.

Company showed overtime payment in February-March 2022 that has been in accordance with applicable laws for workers on behalf of DRW (initial) and as boiler operator. In the pay slip document, it's known that the nominal of the worker's overtime wages has in accordance with the overtime calculation.

A review of payslip document (mill operator) for March 2022, proved that the wages received are above the minimum wage and in accordance with the wage scale structure determined by the certification unit for 2022. For example, workers' wages on behalf of DRW (initial) and AKH (initial) have a different wage based on wage scale structure in 2022 and all wages above the minimum wage.

Company had shown their consistency in this recertification assessment of work agreements that are owned by every worker so there was no policy to accept family members who work without a valid work association. In addition, in the field observation activities during the audit, there were no family members of workers who helped work in the field without work ties.

### 6.2.3

Collective Labour Agreement (CLA) for period of 2021-2022 dated 27 February 2021 which formulated by *Serikat Pekerja Pertanian dan Perkebunan* SPSI (SP.PP-SPSI) PUK SP.PP.SPSI PT BNS. The CLA has covers regulation reference, company policy, work relationship, leave and permission, salary payment, welfare and insurance, business trip allowance, disciplinary, mutation, work termination, grievance and complaint and others.

Company showed overtime payment in February-March 2022 that has been in accordance with applicable laws for workers on behalf of DRW (initial) and as boiler operator. In the pay slip document, it's known that the nominal of the worker's overtime wages has in accordance with the overtime calculation.

A review of payslip document (mill operator) for March 2022, proved that the wages received are above the minimum wage and in accordance with the wage scale structure determined by the certification unit for 2022. For example, workers' wages on behalf of DRW (initial) and AKH (initial) have a different wage based on wage scale structure in 2022 and all wages above the minimum wage.

Company had shown their consistency in this assessment of work agreements that are owned by every worker so there was no policy to accept family members who work without a valid work association. In addition, in the field observation activities during the audit, there were no family members of workers who helped work in the field without work ties.

Company has also shown paid leave letter which was shown below:

- Maternity leave was given 3 months of paid leave (1.5 months before give birth and 1.5 months after). For example, paid leave letter on behalf of NAN (initial) approved by the supervisor on 10 February 2022 in RSE.
- Menstrual leave was given 2 days of paid leave. For example, paid leave letter on behalf of LSN (initial) on 10 February 2022 in MDE.
- Regular employee paid leave on behalf of SMR (initial) in MDE on 28 December 2021 for 3 days and was approved by the



supervisor on 28 December 2021.

Unit of certification had shown their consistency in this assessment of work agreements that are owned by every worker so there was no policy to accept family members who work without a valid work association. In addition, in the field observation activities during the audit, there were no family members of workers who helped work in the field without work ties.

#### **6.2.4**

Company has provided welfare facilities to occupants in the form of housing, water supply, educational facilities, mosque, school transportation and other facilities in each unit. Based on the field visit in the housing area, it revealed that workers were provided with adequate housing facilities with 2 bedrooms, 1 bathroom and there was daycare for children. The house is inhabited by 1 family and specifically for workers who are not married then 1 house will be filled by 2 workers.

In addition, the company also provided waste disposal sites for domestic waste management. For health services, the company provides clinics and paramedics. Based on field observations, it's known that the facilities and infrastructure provided for workers are still functioning properly.

Company already has a list of employee facilities and infrastructure for 2022 in each of the indicated units, as shown below:

- Rotan Semelur Estate which consists of 1 permanent housing unit and 53 non-permanent housing units at *Pondok Lestari*, 62 permanent housing units and 4 non-permanent housing units at *Pondok Lembayung*, and 30 non-permanent housing units at *Pondok Limau*.
- Mandah Estate which consists of 103 permanent housing units and 4 semi-permanent housing units at *Pondok Division 1*, 12 permanent housing units and 45 semi-permanent housing units at *Pondok Division 2*, and 24 permanent housing units and 52 semi-permanent housing units at *Pondok Division 3*.

Based on the results of field visits and worker interviews, there are wooden and semi-permanent housing units in a damaged condition. The certification unit has also conducted monitoring for the condition of the feasibility of the facilities provided every year, such as housing which repaired if there were damage (usually if there were any damage, the worker will inform it and it will be handled directly by the company). The company has demonstrated a home renovation program including the types of wooden and semi-permanent houses that are in each unit for 2022. Thus, the company is encouraged to realize a home renovation program in 2022. (OFI).

#### **6.2.5**

Company has provided accessible food sources by providing cooperatives that sell workers' daily needs and small cafeteria in the workers' area for lunch. In addition, there were also workers who open small business stalls to sell daily necessities in each housing.

Based on interviews with estate and mill workers, labor unions and gender committees, it's known that workers have no difficulty in getting food sources because the company has provided cooperatives that sell daily necessities. In addition, workers can buy these needs to the markets around the company's area without any difficulties.

#### **6.2.6**

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

Company has the determination of assessment prevailing wage and all kinds of benefit for DLW simulation in 2022 has been included in the calculation of housing facility cost, water cost, transportation cost, educational cost, and health cost. The results of these calculations are known that the standard of prevailing wage currently given/simulated by the certification unit is above the stipulation of the minimum wage (IDR 3,020,000).

#### **6.2.7**

During the assessment, there were still contract workers in main work. Current employee status are permanent workers and contract workers. Company has shown a list of contract employees in main work for 2022 in each unit as shown below:

- Rotan Semelur Estate with a total of 7 PKWT for harvest work. The appointment of the PKWT was carried out in April 2022.

<ul style="list-style-type: none"> <li>Mandah Estate with a total of 2 PKWT for harvest work. Appointment of PKWT will be carried out in June 2022.</li> </ul>
<p>Based on the explanation above, companies are encouraged to carry out the appointment of PKWT on the main work contained in the company's operational activities. (OFI)</p>
<p>Besides, based on document verification, company has shown that contract worker agreement which shown that concerning wages and incentives which explains that the lowest wage of worker couldn't be lower than the minimum wage set by the government every year, which stated "<i>Pekerja berhak memperoleh remunerasi dengan ketentuan gaji pokok Rp. 3.020.000, natura 15 Kg/bulan, dan tunjangan lain sebagaimana diatur di dalam Perjanjian Kerja Bersama, serta pajak penghasilan PPh 21</i>".</p>
<p><b>Status: Comply</b></p>
<p><b>6.3</b>  <b>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.</b></p>
<p><b>6.3.1</b>  Company had a policy concerning the rights of workers to establish labor union. This policy is stated in the Sime Darby Plantation Group Code of Conduct updated in December 2021. This policy explained that Sime Darby Group committed to respect and protect human rights including the rights of workers to freedom of association, collective bargaining, to form and join labor unions of their choice. Besides, company has also SOP Guidelines for Management of Sustainable Plantation No. Policy 724/TQEM-SPMS/09 dated 27 August 2010. Explained that the company is expected to respect the rights of all employees to form and join a community of Labour Unions in accordance with their choice and negotiate together. Besides, company has also</p>
<p>Based on result of document review, it's known that company also documented the number of labor union operating in company operations area and its members' number, here as follows:</p> <ul style="list-style-type: none"> <li>Labor Union of MDF with 97 total members.</li> <li>Labor Union of MDE with 301 total members.</li> <li>Labor Union of RSE with 426 total members.</li> </ul>
<p>The implementation of the policy is the existence of Labour unions. The election of administrators was also carried out democratically without any intervention from the company. The results of interviews with workers are known that the union has been running in accordance with its purpose of conveying the aspirations of workers to the company.</p>
<p><b>6.3.2</b>  Company has well-documented the records of meetings between labor unions and management representatives as well as with internal union meetings. For example, record of meetings conducted by labour unions in 2021 with management representative on 20 December 2021 to discuss about health facilities which was attended by 9 participants.</p>
<p>Based on the interviews with labor union representatives and their members who work in each unit, it's known that the labor union held meetings every month or whenever it's needed. The meetings accommodated in bipartite and internal meeting and there has been no labor issue that brought to Manpower Agency.</p>
<p><b>6.3.3</b>  Based on the interviews with the labor union representatives, there was no interference in the selection or labor union operational activities. All processes of selecting, decisions making and planning activities, members' aspirations to their representatives run democratically. The worker who is currently placed as the Chairman of the Labour Union in each unit is a worker at mill and estate, then there will be no conflict of interest that occurs with the company because there were no workers who have the authority as decision-makers (staff class and above). UoC also involved the labor union in drafted Collective Labour Agreement (CLA).</p>
<p>Establishment of labor union was in accordance with the applicable laws and regulations and has been recorded at the Manpower Agency. Unit of certification was giving freedom for workers to express their aspirations and did not give any intervention related to labor union activity. Based on the interview with workers, it's known that there was no mandatory to be the member of labor union. The membership of labor union is voluntary.</p>
<p><b>Status: Comply</b></p>

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

Company has employee's recruitment procedure number SOP Recruitment (No. Policy: 431/HRM-RCT/07) dated 24 May 2007. The recruitment in accordance to request to fill in shortage or replace employee stops; additional request using the labor requirement form; the process of selection, interview, and medical checkup. Company has a policy on child labor, signed by CEO and in CLA also stated that the minimum age for workers is 18 years old. Based on document verification and interview with local contractor, it has been included into service contracts and supplier agreements.

This policy has been communicated to all workers, suppliers and contractors respectively. Records of personal data of employees - age, marital status, position and rank, location of work, date of commencing employment - are kept. Checking the records of the last recruitment and interviews with employees confirmed that no one under 18 years old has been employed. During field observation at estates and mill were not found any workers under working age.

Based on field observation and verification of the plantation and mill employee list documents for the period of March 2022 did not find any workers who were less than 18 years old at the time of hiring.

**6.4.3**

Based on field observation and verification of the plantation and mill employee list documents for the period of March 2022 did not find any workers who were less than 18 years old at the time of hiring.

**6.4.4**

Company has employee's recruitment procedure number SOP Recruitment (No. Policy: 431/HRM-RCT/07) dated 24 May 2007. The recruitment in accordance to request to fill in shortage or replace employee stops; additional request using the labor requirement form; the process of selection, interview, and medical checkup. Company has a policy on child labor, signed by CEO and in CLA also stated that the minimum age for workers is 18 years old.

Company also showed that they had socialized the policy to relevant parties, for example the socialization held on 22 January 2022 to workers. Based on documents verification and field observation, there were no workers under the age of 18 and there was no child around the work area. In addition, UoC also includes clauses on child protection and prohibitions on hiring workers under the age of 18 in any agreement. UoC also put a warning board which disallowance the children existence in the work area.

<b>Status: Comply</b>
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**6.5**
**There is no harassment or abuse in the workplace, and reproductive rights are protected.**
**6.5.1**

Company has a Social Policy number 724/TQEM-SPM/09 dated 8 November 2010 state that the company developing and implementing policies to prevent sexual harassment and forms of crime against women and protect reproductive rights. Based on document verification, company has also shown example of socialization of this policy to the worker and contractor dated 12 September 2021, 3 December 2021 and 16 February 2022.

Company was developed the protocol flowchart for sexual harassment reporting. Each of units (mill and estates) has their own gender committee that supported with annual work programs:

- Estates annual Work Programs, includes: socialization; counselling; monitoring; child care facilities monitoring; committee gender meeting; health services post.
- Mill annual work programs: sexual harassment socialization; baby health monitoring; healthy environment; information and technology awareness.

Company also showed the record of the company's socialization using audio and visual for all workers and external stakeholders. This audio-visual record explained the mechanism of all grievances including violence and sexual harassment. However, illiterate people can submit their complaints through the village head or another representative from the stakeholder (gender committee and labor union).

Based on documents review and interviews with estate and mill workers, disallowance of sexual harassment and violence had been

routinely socialized by the management, socialization held by showing the audio-visual related to the mechanism in reporting any forms of sexual harassment and violence to all workers.

#### 6.5.2

Company has a Social Policy number 724/TQEM-SPM/09 dated 8 November 2010 state that the company developing and implementing policies to prevent sexual harassment and forms of crime against women and protect reproductive rights. Based on document verification sighted that company has socialized this policy to the worker and contractor dated 12 September 2021, 3 December 2021 and 16 February 2022.

In addition, company also has a policy document against female workers signed by Doctor of PT. BNS-central clinic dated 1 July 2015 at points 1-4 which mentions policies for granting menstrual leave and maternity leave, policies for pregnant women workers, and policies for women who have just given birth and breast-feeding.

Based on document verification, company has also shown several samples of menstrual leave and maternity leave of women workers as shown below:

- Maternity leave was given 3 months of paid leave (1.5 months before give birth and 1.5 months after). For example, paid leave letter on behalf of NAN (initial) approved by the supervisor on 10 February 2022 in RSE.
- Menstrual leave was given 2 days of paid leave. For example, paid leave letter on behalf of LSN (initial) on 10 February 2022 in MDE.

Based on the interviews with the gender committee and daycare officer, company had given time for breastfeeding woman and provided certain place for breastfeeding. This is one evidence that the company supports the protection of reproductive rights, especially for women.

#### 6.5.3

Based on the interviews with gender committee representatives and field observation, it is known that the company has provided a certain place for breastfeeding at daycare with special time to breastfeed. There was no prohibition from supervisors in the field related to this matter and specifically workers in the field who do not bring a vehicle will be delivered/picked up by the foreman at these times.

Company has specifically provided the need for new mother or breastfeeding workers to breastfeed by setting a special time for breastfeeding at work, the availability of a special room for breastfeeding and other supporting facilities. Company also showed the result of new mother's needs identification which was conducted on 10 February 2022 attended by new mother on behalf of NAN (initial) and paramedic. This document informed the needs of new mother during the give birth and after give birth as follows: ambulance, paramedics' guidance, daycare, breastfeeding room, and work area nearest its daycare.

#### 6.5.4

Company has shown a procedure to accommodate complaints and grievances from employees specifically in sexual harassment and violence showed in audio-visual socialization to all workers and stakeholders. In the procedure described that if requested, the company guarantees the confidentiality of the reporting identity and the disclosure of disgrace or incident (whistleblower).

Based on the interviews with workers it's known that the workers already have sufficient understanding of the grievance mechanism. Related complaints of sexual harassment can be submitted to the gender committee.

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

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

#### 6.6.1

Company had a policy concerning ethical codes in all operational activities and transactions. This policy is stated in the Sime Darby Plantation Group Code of Conduct updated in December 2021. This policy generally explained that the company respect and protect human rights by eliminating of forced, slavery and trafficking of labor and any exploitation forms. UoC also showed the SOP of recruitment (No. 431/HRM-RCT/07) validated on 24 May 2007 which stated that workers do not take any recruitment fees at any stage of the recruitment process, and no retention of passports/identity documents.

Company has also shown that on each work agreement between the certification unit and the contractor/supplier, there were clauses

related to fulfilling legal obligations in Indonesia as one of the obligations that must be fulfilled by the contractors. Some of these obligations are related to anti-bribery, anti-corruption, and anti-forced labor. To ensure compliance with these clauses, the certification unit always requests the requirements for the completeness before the contractor does work.

Based on the interviews with manpower agency, gender committee, labor union, and workers at Mill and Estates, there is no issue of discrimination and forced labor in the company. There were no significant obstacles related to employment or violations of company regulations. Company provided output targets that can be obtained in less than 7 hours of work. If the harvester obtains more output within or more than 7 working hours, then the harvester will get the incentive payment. No penalty was given to the harvester if it does not get output due to natural factors such as rain. Based on payment list, the harvesters have earned above the minimum wage.

There were no pressure/forced in doing overtime work, workers who had overtime at the company can refuse if ordered to do overtime activities because overtime is not the worker's obligation. Based on interview with workers, worker union and gender committee, all work in the company was done voluntarily. There are no practices of retention of identity document, payment of recruitment fee, contract substitution; lack of freedom to resign, debt bondage, and withholding of wages in the company.

#### 6.6.2

Company still has workers with contract status for few works such as manual upkeep and harvesting. All the rights for each employment status have been distinguished for workers with contract status and the permanent status. There was no discrimination between contract workers and permanent workers. Company has also socialized about its policy and procedure related to prohibition of worker discrimination in the company to the workers such as on 11 December 2021.

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

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

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

##### 6.7.1

The certification unit has shown a OHS Committee structure decision letter for all units at PT Bhumireksa Nusasejati from the Manpower and Transmigration Agency of Riau Province, including for the Mandah Factory unit with No. 164/Disnakertrans-PK/SK-P2K3/VI/2021 dated June 16<sup>th</sup>, 2021. OHS Committee secretary Linggar Eko Setiowati based on the letter from the Ministry of Manpower of the Republic of Indonesia Number 5/11926/AS.02.04/XI/2020 regarding the appointment of general OHS experts on November 27<sup>th</sup>, 2020. OHS Committee secretary with a license for OHS expert authority card No. 14927/PK3/AJ/31/20020/P2 on November 27<sup>th</sup>, 2020 and valid until November 27<sup>th</sup>, 2023.

The Certification Unit shows evidence of P2K3 management meetings with MDF, MDE and RSE workers, including the minutes of the P2K3 meeting at MDF on December 9<sup>th</sup>, 2021, pkl. 15.00 to 17.00 which was attended by 12 people including the delivery of material regarding the visit of SORA (Structure Oil Recovery Assessment) where there was an issue area unconditioned and followed up by ensuring all stations and repairing them. In addition, the unit must ensure that the fire extinguisher and first aid kit are in good condition and filled. In terms of factory performance, there is an issue of high FFA so that it is followed up with all assistants and process foreman to always pay attention to the FFB received and maintain processing operations

In addition to the MDF, the certification unit also has a P2K3 MDE and RSE organizational structure. This already refers to the regulation of the Minister of Manpower of the Republic of Indonesia Number: Per. 04/MEN/1987 concerning P2K3 and Procedures for Appointing Occupational Safety Experts. However, the P2K3 structure at RSE was not updated because the P2K3 Chair was no longer working at PT. BNS since March 1<sup>st</sup>, 2022. The certification unit has the opportunity to update the P2K3 organizational structure in accordance with existing personnel to the Provincial Manpower Office. **OFI**

##### 6.7.2

The certification unit has emergency response procedures in the form of SOP for Alertness and Response as well as Condition Maintenance No. SOP/KRSPk/BNS/2012 which was approved by the Area Controller and manager on November 1<sup>st</sup>, 2012. In the SOP there is a definition of an emergency, which is an unplanned or unplanned situation. accidents that occur and can endanger the



health, safety of workers, the surrounding community and have the potential to damage the work environment and the surrounding environment. This emergency situation is limited by the occurrence of fires, explosions, B3 spills/leaks, earthquakes, and floods.

The certification unit has employees who have attended first aid training including Hendra Topan with first aid training held on October 25<sup>th</sup> to 27<sup>th</sup> 2019 with certificate number 5/9671/AS.02.02/XI/2019 organizer PT. Arpindo Primary. The results of field observations related to the OHS facilities owned by the company are in good condition and in sufficient quantities in accordance with the provisions and needs in the field

### 6.7.3

The unit of certification shows several records of the handover of PPE, including:

#### RSE

- Division 1 RSE on December 6<sup>th</sup>, 2021, the submission of PPE by the Division Assistant for harvest workers including Helmets, Dodos Gloves and Boots. In addition, there is a handover of types of PPE for spray employees, namely spray vests, work shoes, gloves, masks and goggles.

#### MDE

- At Mandah Estate on February 3<sup>rd</sup>, 2022, PPE was handed over by the Divisional Assistant consisting of helmets and safety shoes for 33 harvesting and maintenance employees.

#### Mandah Factory

- On October 7<sup>th</sup>, 2021, handover of PPE for 2 factory employees, each at the sterilizer and Thresher stations, consisting of safety shoes and ear plugs
- On February 3<sup>rd</sup> 2022, the delivery of safety shoes for 22 employees of the Process Division I and employees of the Process Division II.

Based on the results of interviews with employees at MDF, MDE and RSE, information was obtained that PPE is replaced regularly and sees the condition of the PPE. If the PPE has been damaged even though it has not yet entered the replacement period, the field supervision proposes to the company for replacement with new PPE. The provision of PPE is given as part of the P2K3 program and employees are free of charge.

### 6.7.4

Company provided health services such as clinics and paramedics. Based on field observations, it was known that the facilities and infrastructure provided for workers are still functioning properly. Based on the documents review and interviews with workers (harvesters, pesticide applicators, mill operators), it revealed that all workers (contract workers and permanent workers were registered in the BPJS program, proven as follows:

- *BPJS* (Health Insurance) payments have been completely fulfilled and the last proof of payment is on 7 February 2022 for period of February 2022 and 7 March 2022 for period of March 2022.
- *BPJS* (Social Security Insurance) payments have been completely fulfilled and the last proof of payment is on 7 March 2022 for period of February 2022 and 7 April 2022 for period of March 2022.

Based on the interviews with estate workers, mill workers and labor union, they informed that they had the acknowledgement of their involvement in *BPJS* program and they also held the *BPJS* card. Based on the document review and the interview with management representatives, it's known that there were no fatal or major accident on the period of 2021 to 2022.

### 6.7.5

The company can show a recorded LTA document for the period October – December 2021. The document explains the date, victim's name, gender, employee status, type of accident, number of people, lost working days and accident category. The following is an example of MDF for the period October to December 2021 :

Month	Type of Accident	People	Loss of Workdays
October 2021	-	0	0
November 2021	-	0	0
December 2021	-	0	0
<b>TOTAL</b>		<b>0</b>	<b>0</b>

Based on the OHS Committee report for the 4<sup>th</sup> quarter of 2021 at the MDF there were no work accidents. Employees understand and apply the results of identification and potential risks and carry out efforts to prevent the occurrence of workplace accidents in the



field. Based on the data and description above, it shows that there are no work accidents that cause lost working days		
	<b>Status: Comply</b>	
<b>PRINCIPLE #7 PROTECT, CONSERVE AND ENHANCE ECOSYSTEMS AND THE ENVIRONMENT</b>		
<b>7.1</b>		
<b>Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.</b>		
<b>7.1.1</b>		
<p>The Certification Unit has policies related to plant pest control including:</p> <ul style="list-style-type: none"> <li>• SOP Reference Manual for Palm Oil Agronomy No. 110/EST-ARM/13 in Section 15 concerning Plant Protection which was distributed on 16 September 2013 which was ratified by the Head Plantation Upstream Indonesia, including related <ul style="list-style-type: none"> <li>- Control of Oryctes on Immature Oil Palm Plants</li> <li>- Several Types of Chemicals for Palm Oil Pest Control</li> <li>- Pocket Caterpillar and Fire Caterpillar Pest Control</li> <li>- Use of Useful Plants for natural leaf pest control,</li> <li>- Control of rat pests on oil palm plantations</li> <li>- Utilization of owls for rat pest control</li> <li>- Disease Control of Root Rot and Stem End Rot</li> <li>- Best Practice Certification to Minimize Ganoderma Inoculum In Oil Palm Replanting</li> <li>- Use of Abbuscular Mycorrhizal Fungus for Control of Base Rot Disease (Ganoderma)</li> </ul> </li> </ul> <p>The Certification Unit demonstrated the realization of biological pest control by planting useful plants as hosts for plant pest in MDF, MDE and RSE. As an example, the following examples show useful plant management in RSE, including:</p> <ol style="list-style-type: none"> <li>a) Turnera Subulata, in the period January to December 2021 RSE planted a 1,362 m long Turnera Subulata spread over the main canal of RSE's garden</li> <li>b) Antigonon Leptopus, in the period January to December 2021 RSE planted Antigonon Leptopus as long as 1,380 m spread over the main canal of the NPE plantation</li> </ol> <p>Tyto alba is used as a natural enemy predator for controlling rat pests. In the owl census report, there is information on the realization of owl installation and cultivation in MDE and RSE</p> <p>In addition, the company has also made CECT which is used as a medium for placing weeds from chipping palm oil and saplings so that they can be submerged in water and not become a breeding ground for rats and Oryctes rhinoceros.</p> <p>Based on the pest and disease census reports for the period of December 2021, there is a census report of caterpillars with an average attack of 2.84 caterpillars / midribs in Field F018 Division I MDE and controlled using acetate insecticides 258 Lt. At the time the audit was carried out there was no HPT census activity, no plant pest control application activities that used poison and the results of observations of plant conditions in the field did not show any plant pest attacks that damaged crops and plant pest control in 2021 was considered effective in controlling caterpillar attacks</p>		
<b>7.1.2</b>		
<p>The company can show the invasive list in accordance with the Minister of Environment and Forestry Regulation 54, 2016. From the results of the list of documents, it is shown that the species used by PT BNS for Integrated Pest control are not classified as invasive species. The species used for integrated pest control in MDE and RSE include:</p> <ul style="list-style-type: none"> <li>• <i>Antiginon leptopus</i></li> <li>• <i>Euphorbia heterophylla</i></li> <li>• <i>Turnera subulate</i></li> <li>• <i>Cassia cobanensis</i></li> <li>• <i>Tyto Alba</i></li> </ul>		
<b>7.1.3</b>		
<p>In the SOP Reference Manual for Palm Oil Agronomy No. 110/EST-ARM/13 in Section 15 regulates Plant Protection without the use of fire in pest control and in the Guidelines for Sustainable Management No. 724/TQEM-SPMS/09 stipulates that IPM (Integrated Pest Management) is a management system that uses appropriate biological techniques and methods. At Plantation Upstream Indonesia, several IPM techniques are used, such as the use of owls for rat control and breeding of beneficial plants to encourage</p>		

the growth of natural enemies of fire caterpillars. So in the plant pest control process the certification unit does not use fire to control plant pest, this is also proven by the results of field visits to MDE and RSE and interviews with workers that there is no plant pest control process using fire

**Status: Comply**

## 7.2

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

#### 7.2.1

The unit of certification has policy No. MRC/VP I – Sr. Mgr UPD/0452/XII/2015 dated December 1, 2015 regarding Recommendations for pests, diseases and weeds which explains, among others:

- How to control pests, diseases and weeds without causing damage and economic losses
- How to apply such as active ingredients, dosages and dilutions along with working steps
- Weed type and location control targets
- Herbicides used, annual rotation, description and methods of control.

The unit of certification has shown a list of pesticide types, target species and justification for pesticide use for the period January to December 2021. The types of pesticides are as follows:

NO	Trademark	Active of Ingredients	Justification Of Use
1	Capture 50 EC	Cypermethrin 50 g/l	Oryctes control
2	Prima Up 480 SL	Isopropil Amina glifosat	Cycle chemist control
3	Lifline 280 SL	Amonium glufosinat	Cycle chemist control
4	Kenly 20 WG	Metil metsulfuron 20,05%	Path chemist control
5	Manthane 75 SP	Asefat	Pest control
6	Centalon 480 EC	Triclopyr 480 g/l	Path chemist control
7	Bacillus Thuringiensis	Dipel WP/ES	Pest control

Based on the results of field observations in MDE and RSE, in general, the condition of plants growing well, weed conditions were controlled, spraying activities using pesticides with selective weeding, there were beneficial plants growing in several main roads and canals, and there was owl cultivation in each of them

#### 7.2.2

The unit of certification has shown records of pesticide use in MDE and RSE. The following shows examples of pesticide use in RSE for the period January to December 2021

NO	PESTICIDE	%	2020			2021			Remark
			Ha	Qty	Lt/Ha	Ha	Qty	Lt/Ha	
1	Glyfosat (Lt)	48%	12,771	3,065	0.24	10,681	2,051	0.19	Cycle Chemist
2	Metil Metsulfuron (Kg)	20%	18,542	111	0.01	17,913	107	0.01	Cycle & Path Chemist
3	Tryclopir (Lt)	48%	3,482	752	0.22	4,136	893	0.22	Path Chemist
4	Glufosinate (Lt)	28%	560	78	0.14	2,706	341	0.13	Cycle Chemist (TBM)
5	Cypermethrin (Lt)	5%	4,507	101	0.02	17,295	305	0.02	Oryctes
6	Asefat (Kg)	75%	2	4	2.03	2	4	2.03	Fire Caterpillar

Based on observations at MDE and RSE, it is known that workers understand the principle of selective weed control and the Buffer zone area such as a river border, about 2 trees along the river border, no application of pesticide spraying is allowed

#### 7.2.3

The certification unit has an environmental protection policy prepared by the Minamas Plantation environmental protection policy committee number KPL/04/2003 which was approved by Tan Sri Dato' Abdul Khalid Ibrahim as Group Chief Executive Officer, where great attention is paid to Integrated Pest Management, which includes monitoring pests on a regular basis, taking action on the use and protection of plants that are useful for increasing predatory and parasitic activities, protection and use of natural enemies, and policies on the use of chemicals. In the use of pesticides, the efficiency and safety of use refers to the requirements in the pesticide regulatory guidelines (high toxicity) of the pesticide commission. Priority is given to reducing or eliminating contamination by pesticide spray workers and the risks to organisms and the environment are not targeted.

Growth and preservation of beneficial plants, such as Cassia cobanensis, Turnera Subulata and Antigonon Leptopus to increase

activity from predators and parasites. For example, the certification unit is developing a Beneficial Plant in RSE for the following January to December 2021 period:

DIVISION	AREA (Ha)	<i>Turnera S. (m)</i>	<i>Antigonon L (m)</i>
I	890.64	364	328
II	931.11	356	410
III	687.00		
IV	822.20	642	642
V	697.00		
<b>TOTAL</b>	<b>4027.95</b>	<b>1,362</b>	<b>1,380</b>

The unit of certification has a rat pest control method using owls with gupons established in each estate. The company has a policy of increasing the number of owl cages with a density of 1 owl cage per 60 Ha, gradually increasing to 1 cage per 30 Ha and finally at a density of 1 owl cage per 10 ha. So the use of rat poison is gradually reduced as the owl population has grown.

In addition, the total reduction of herbicide weed control is not recommended in mature crop areas. Herbicide sprays are restricted to oil palm discs and harvesting paths must not spray around oil palm trunks. Fine grass and *Nephrolepis Biserrata* are allowed in the garden to maintain the ecological balance

#### 7.2.4

Based on observations and interviews in MDE and RSE it was found that there was no preventive use of pesticides for the prevention of Plant pest. The unit of certification monitors pests regularly, uses and protects plants to increase predator and parasite activities, protection and use of natural enemies, and policies on the use of chemicals. In the use of pesticides, the efficiency and safety of use refers to the requirements in the pesticide regulatory guidelines (high toxicity) of the pesticide commission. Priority attention to reducing or eliminating contamination of pesticide spray workers and risks to organisms and the environment is not the target

The unit certification develops Beneficial Plants including *Cassia cobanensis*, *Turnera Subulata* and *Antigonon Leptopus* to increase the activity of predators and parasites. In addition, the Company has a rat pest control method using owls with gupons set up in each estate

#### 7.2.5

The unit of certification has demonstrated a policy to minimize and eliminate the use of paraquat pesticides as stated in the MRC Controller Memorandum, No. MRC/Controller/HPO/698/X/2008 and HPO Memo No: POD-UM-0127/X2008 dated October 16, 2008 regarding the recommendation to replace the application of the active ingredient Paraquat-Gramoxone in the Minamas Plantation environment. The memo contained, among other things, "following the need for safer herbicides, ammonium glufosinate is recommended as a substitute for paraquat", so that the MDE and RSE units no longer use Agrochemicals with the active ingredient Paraquat and the use of chemicals for spraying plates and bars is done wisely, selectively without destroying the environment and natural ecosystems. The following are examples of pesticides used in RSE for the period January to December 2021:

NO	PESTICIDE	%	2020			2021			Remark
			Ha	Qty	Lt/Ha	Ha	Qty	Lt/Ha	
1	Glyfosat (Lt)	48%	12,771	3,065	0.24	10,681	2,051	0.19	Cyrcl Chemist
2	Metil Metsulfuron (Kg)	20%	18,542	111	0.01	17,913	107	0.01	Cyrcl & Path Chemist
3	Tryclopir (Lt)	48%	3,482	752	0.22	4,136	893	0.22	Path Chemist
4	Glufosinate (Lt)	28%	560	78	0.14	2,706	341	0.13	Cyrcl Chemist (TBM)
5	Cypermethrin (Lt)	5%	4,507	101	0.02	17,295	305	0.02	Oryctes
6	Asefat (Kg)	75%	2	4	2.03	2	4	2.03	Fire Caterpillar

#### 7.2.6

The unit of certification has shown the Inter Office Mail No: MRC/VP I –Sr.Mgr UPD /0452 / XII/2015 Dated December 01, 2015 issued by Minamas Research Center regarding recommendations for pest, disease and weed control which explains how to control pests, diseases and weeds without causing damage or economic loss. In addition to controlling pests and diseases, it is explained about the types of pests and diseases, how to control them, the active ingredients used, how to apply (active ingredients, dosage, dilution procedures) and work steps. As for weed control, it explains the age of the plant, control targets, herbicides used, percentage of active ingredients, rotation, information and control procedures.

The certification unit shows the minutes of weed, pest and disease spray training, including On January 06<sup>th</sup> 2022 at the RSE Division V, socialization of weed spray work and MSDS was carried out. The assistant speaker for Division V RSE was attended by 7 spray employees. During this outreach, the following topics were discussed:

- Explanation of the identification of the dangers of spraying activities
- Minimize the risk of work accidents
- The need for the use of PPE
- Hazards of chemicals/poisons
- First aid for exposure to chemicals

Based on observations and interviews with spray workers at MDE and RSE, information was obtained that the spray team had understood the correct method of spray application, the target of the spraying job, environmental aspects or the boundaries of the spraying area and understood the OHS aspects

#### 7.2.7

The certification unit has environmental protection policies, including those related to the use of pesticides, their storage and management. The environmental protection policy was prepared by the Minamas Plantation Environmental Protection Policy Committee No. KPL/04/2003. The results of contamination of the environment can harm animals and humans.

Based on observations in the pesticide warehouses, it is known that Pesticides are stored in a safe place, away from food, drugs, clothing or pet food. Pesticides are stored separately, locked and with special marks. Pesticides are checked regularly to avoid packaging damage and the use of pesticides is recorded in the warehouse.

Handling spilled pesticides, including:

- Keep out of reach of people and animals
- Do not smoke and use lighters near spills
- Use soil or sawdust to absorb the pesticide liquid
- Clean all parts of the equipment
- Use pesticide safety clothing during cleaning activities for spilled material

In addition, the certification unit has a copy of the material safety data sheet as a reference for the use and management of pesticides, including actions that must be taken if employees are poisoned or contaminated with pesticides

#### 7.2.8

Companies can show documents for recording and monitoring used pesticide containers by using a logbook of incoming and outgoing goods at the Agrochemical warehouse. In addition, the company also has a pesticide storage procedure contained in the SOP for handling Hazardous and Toxic Materials Number SPO/P&C/PLB3 dated 27 May 2013. The SOP describes procedures for chemical management, chemical storage, storage provisions, usage chemicals, transfers, chemical leaks or spills, open vessels or tanks, expired products, first aid, Training Programs, Things that must be considered to prevent chemical spills/leaks, Storage of required packaging and diesel tanks. The company has also conducted socialization to employees regarding the prohibition on the use of hazardous waste packaging including used pesticide packaging on April 2, 2022.

Based on field observations at the agrochemical warehouse and hazardous waste storage area at Mandah Estate, it is known that the pesticide storage area is specially provided with adequate ventilation and an isolated location. Used pesticide packages classified as Hazardous Waste were also found stored in a well-monitored Hazardous Waste storage warehouse which was then handed over to licensed collectors.

Based on interviews with pesticide application officers at Mandah Estate and Rotan Semelur Estate, it was found that all containers used for pesticide packaging were returned and sent to the Hazardous Waste Warehouse and were not used for purposes other than pesticide application activities. All used packaging containers, work tools and work clothes are stored in a special storage area, so that no contaminated items are taken home. The results of observations in the employee housing area showed that there was no reused pesticide packaging.

#### 7.2.9

Based on interviews and observations at MDE and RSE, it is known that the unit of certification does not apply pesticides through the air. Spray workers use manual knapsack for spraying weeds in the field according to a predetermined dose. In addition, based on the results of field visits to workshops and pesticide storage warehouses, no facilities and infrastructure were found to apply pesticides by air

#### 7.2.10

Company has done latest specific medical check-up (cholinesterase & spirometry) been conducted in 2019. All of pesticide applicator in normal conditions (healthy to work). The unit of certification shown the Decree Letter from Director General of Labor Inspection and Occupational Safety and Health with number 5/151/AS.02/XI/2020 dated 30 November 2020; regarding the guidelines for medical check-up for workers during the COVID-19 pandemic, that in terms of the OHS aspect, health check cannot be carried out (initial, periodic, specific check-up). It can be postponed temporarily. However, it doesn't invalidate the company obligation to carry out workers health checks.

Company doctor has shown plan for workers' medical check-up in 2021 and 2022. It should have been done on April 2022. However, the medical check-up only be carried out for general check-up in each unit. It was stopped due to a confirmation case in each unit (MDF, MDE and RSE). which was last checked up in 7 March 2022. The specific medical check-up (audiometry, spirometry and cholinesterase) will be conducted in end of 2022. Company is considered to implement specific medical check-up with the strict health protocols.

In terms of monitoring the worker's health, the company has monitored the worker's health in each division. Based on the interviews with pesticide application workers and manuring workers in MDF, MDE and RSE, it can be concluded that they have not been suffered from skin disease and itches because they consistently use PPE while working

#### 7.2.11

Based on interviews and observations with employees at MDE and RSE, it was found that the spray workers who were at work were not pregnant and breastfeeding or workers with other medical conditions. This has also been regulated in the SOP Block Spraying System (Pests and Diseases) where the spraying employee has skin disorders or open wounds or respiratory diseases. In addition, there is a policy for children, pregnant or breastfeeding women, and those who are not healthy cannot participate in spraying pesticides.

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

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

#### 7.3.1

The company has identified the waste from operational activities contained in the Waste Type Identification document for Estate and Factory. The identification is grouped based on the activity that generates the waste, the name of the waste, the code of the waste, the type of solid or liquid, and its management. The determination and classification of waste codes uses the reference to Government Regulation number 101 of 2014. The company also has several procedures related to waste management and utilization which are listed in several documents, including:

- Palm oil mill technical guidelines II (Utilization of shells, fiber and EFB) Number 120/POD-FAC/07 dated 26 July 2010.
- SOP for Waste Pool Operation Number 000/BNS-LBH/12 dated 14 May 2019.
- SOP for handling domestic waste Number 012/SOU/IV/2014 dated April 4, 2014.
- SOP for Handling Hazardous and Toxic Waste No. SPO/P&C/PLB3 dated 27 May 2013.
- Work Instructions for Handling Used Pesticide Packaging.
- Work Instructions for Handling Hazardous and Toxic Waste (Solid and Liquid).
- Clinical Waste Handling Work Instructions.

In the realization of waste management, it is divided into several types based on the characteristics of the waste it produces, including:

#### **Hazardous and Toxic Waste**

In the management of hazardous and toxic waste, the company does not re-use it but only does temporary storage located at Mandah Factory and each Estate. The company also has a licensed hazardous waste storage area, including:

- Operational Permit for Hazardous and Toxic Waste Management for PT BNS Mandah Factory unit based on DPMPTSP Decree of Indragiri Hilir District Number 503/DPMPTSP-IPL.B3/IV/2019/03 dated April 11, 2019 and is valid for 5 years. The permit refers



to the Recommendation Letter from the Environmental Service number 660.3/DLHK-PPKL/Rek/XII/20 April 10, 2019. The permit is valid for 1 hazardous waste warehouse located at Mandah Factory.

- Hazardous and Toxic Waste Management Permit for PT BNS based on DPMTSP Decree of Indragiri Hilir District Number 503/DPMTSP-IPSL.B3/2 dated March 15, 2018 and is valid for 5 years. The permit refers to the Recommendation Letter from the Environmental Service number Rek-TTDLHK/III/2018/04 dated March 16, 2018. The permit is valid for the entire scope of the Estate located in PT BNS (TBE, NLE, NPE, RSE and MDE).

The waste stored in the temporary storage warehouse will then be transported by a licensed party once a year. The latest transportation is proven through the Electronic Manifest document and the official report of the transportation carried out on March 22, 2022 by PT Global Marindo Perkasa which is a licensed party. The company can show a cooperation agreement with the carrier, which is based on the document of the Cooperation Agreement Number 001/SPK-Pengangkutan-dan-pemushanan-LB3/BNS/III/2022 which was made on March 14, 2022 and is valid until June 13, 2022. The company can also show the document the legality of the carrier, such as a valid transportation permit from the Ministry of Environment and Forestry, a valid permit for special goods transportation from the Ministry of Transportation, a valid Business Identification Number and a Cooperation Agreement between the carrier and a licensed processor and/or user.

Companies can also show documents for storing and handling Hazardous Waste in accordance with their SOPs and Government Regulation Number 101 of 2014. These documents include Manifest, balance sheet, and logbook. Based on the results of the document review by comparing the manifest, the balance sheet and the logbook, it can be seen that the data on waste transported on March 22, 2022 was in accordance with the data recorded in the balance sheet and logbook for the period before the transportation was carried out. Similarly, the comparison between the months after the transportation was carried out (March and April 2022) starting from empty. The company records all waste that enters and leaves the storage warehouse properly so that waste management data can be tracked easily and there are no recording differences.

The results of field visits to hazardous waste storage warehouses at Mandah Estate and Rotan Semelur Estate also show that the company has managed hazardous waste quite well. All obligations listed in the waste storage permit have been fulfilled, such as the availability of fire extinguishers, showers, eyewash, coordinates, alarms, first aid kits, oil traps and appropriate labeling. In addition to good lighting and air ventilation, the company also has drainage channels on the outside of the warehouse to anticipate pollution to the surrounding environment. The results of interviews with warehouse managers also show that managers fully understand the SOP for hazardous waste management and mitigation actions in the event of potential pollution. The company has also reported the results of hazardous waste management which is carried out every quarter with evidence of the Reporting Document of Hazardous Waste Management Report of PT BNS Unit Mandah Factory and Estate for the period of Quarter IV 2021 which is reported to the Environmental Service of Indragiri Hilir District on March 17, 2022 and to the Ministry of Environment and Forestry on April 12, 2022 with proof of ID TTE 1649781431-4961.

The transportation of all hazardous waste from the 7 storage warehouses is carried out centrally by means of a day before the date of transportation, Mandah Factory and the 5 Estates send their waste to Teluk Bakau Factory. The company carries out the transportation of hazardous waste through 2 stages, where the initial transportation is carried out by PT Global Marindo Perkasa using sea access, then continued for land transportation carried out by PT Desa Air Cargo Batam which is also a party utilizing and processing hazardous waste. PT Desa Air Cargo Batam also has a valid permit for transportation, utilization and processing of hazardous waste.

#### **Non-hazardous and toxic waste**

Non-hazardous waste such as domestic waste and used fertilizer sacks is managed in the form of reuse for goods that can still be used. In addition, waste that cannot be reused will be collected, if it still has economic value such as scrap metal and used tires, it will be sold to parties who cooperate with the company. Non-hazardous waste that cannot be reused will be disposed of in landfills. Transportation of non-hazardous waste from employee housing or emplacement areas is carried out twice a week and immediately disposed of in a landfill, and when the landfill is full, it will be stockpiled and put-up signboards marking the opening and closing dates. The company has a policy regarding the prohibition of burning waste, including in landfill areas.

The results of field observations in the landfill and emplacement area showed that there were no traces of combustion, all domestic waste was disposed of in waste collection tanks scattered throughout the building. The results of interviews with residents of the emplacement also stated that the company routinely carried out socialization related to domestic waste management, either directly



through meetings, or indirectly by installing signboards prohibiting burning trash and littering.

### **Liquid, Solid and Air Waste**

Solid waste from the FFB processing process in the form of shells and fiber is reused by the company as a substitute for fossil fuels (diesel) for power generation in boilers, while for EFB 10% is used for boiler fuel and 90% is burned at the Incinerator, currently still under construction. the experimental stage for the overall use of EFB for boilers and in the procurement stage for processing equipment. Some of the solid waste in the form of shells is also sent or sold, while the empty fruit bunches are used as fertilizer. Data on solid waste utilization is explained in more detail in indicator 7.9.1.

The company does not use POME by applying it to the Land Application, but instead dumping it into water bodies. The regulation and management of POME are explained in more detail in indicator 7.8.3. As for air waste, the company has not made a common use for air waste, namely the Biogas Plan, so far, the management related to air waste has only been limited to measuring air quality from waste-producing sources such as WWTP, Boilers and Gensets.

### **7.3.2**

Based on interviews with the managers and managers of the Mandah Factory and Estate Hazardous Waste Warehouses, it is known that they have an understanding of the handling of waste disposal, especially hazardous waste and domestic waste and its management as regulated in the procedures owned by the company. The waste warehouse manager can also explain the technicalities related to waste management, such as the treatment of incoming and outgoing goods, recording and reporting, transportation period, handling in the event of a work accident and other actions regulated in company procedures. The results of the verification of the Hazardous Waste Logbook document also show that all incoming and outgoing waste has been properly documented and in accordance with its actual conditions. All hazardous waste generated in each division will be sent to the hazardous waste warehouse a maximum of 1 week from the date the waste was generated, previously stored in a special room that has been provided in each division office.

The results of interviews with workers who live in the emplacement area also stated that the waste management carried out by the company was very good and regular. Trash cans are provided properly, all waste disposal facilities have also been provided by the company such as organic and non-organic waste bins that will be replaced if damaged, hazardous waste warehouses and landfills. The resource persons also understand very well how to separate the types of waste they produce and what types of waste should not be reused. The respondent's understanding of waste management is the result of routine and consistent socialization and training as evidenced by the minutes that were held on August 4, 2021 to all staff and employees.

### **7.3.3**

The company does not do open burning to destroy waste, this can be proven from field observations in the residential area and Landfill Mandah Estate and Rotan Semelur Estate not found any traces of burned waste. The results of interviews with employees also stated that they had never burned waste, because they were aware of the prohibition on burning activities and the sanctions they would receive if they burned them. Garbage from housing is disposed of in the bins that have been provided, then transported every 2 times a week and disposed of in landfills and then buried when it is full. The results of field observations in employee housing areas also show many warnings to prohibit waste burning activities as well as the dangers that can arise from burning activities. Interviews with management also explained that the regulations regarding the prohibition of burning have been understood by all workers and strict action would be taken if they violated them.

<b>Status: Comply</b>
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## **7.4**

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

### **7.4.1**

The unit of certification has SOP Reference Manual for Palm Oil Agronomy No. Policy; 110/EST-ARM/13 released based on the memorandum of Head Plantation Upstream Indonesia on September 01, 2013, there are guidelines for managing soil fertility, including:

#### **Manuring**

- This procedure is explained in Chapter 8 regarding the procedures for fertilization in immature areas, application of empty stump in immature areas, application of empty stubble, and application of liquid waste.

### **Making Cover Crops**

Based on the results of the document review, there are records of fertilization in MDE and RSE. For example, the following is the monitoring fertilization data in RSE for the period January to December 2021:

No	Type	Unit	Recommendation	Realization	%
1	Zincopbor	Kg	80,703	80,703	100
		Ha	1,937	1,937	
2	FE +15	Kg	30,670	30,670	100
		Ha	1,937	1,937	
3	NPK65	Kg	1,581,362	1,581,362	100
		Ha	1,937	1,937	
4	MOP	Kg	598,321	598,321	100
		Ha	1,937	1,937	

With manuring and selective weed control, among others, to maintain the balance of the ecosystem and increase soil fertility so as to provide optimal and sustainable results

### **7.4.2**

The unit of certification has LSU and leaf analysis procedures with No. Ext. Serv Kal 1-01/01 which was made in November 2005 which regulates the preparation for determining the sampling unit, determining the sampling pattern for each LSU, preparing tools and materials for sampling purposes, arranging the sampling organization and training for the sampling team.

Sampling was carried out for the first time when the plants were 3 years old and then continued at 1 year intervals for sampling. Based on the time of sampling, the plantations were divided into 2 groups, namely the early year group (February-March) and the mid-year sampling group (June-August).

In addition, the certification unit has a procedure for leaf analysis (SOP Leaf Sampling Unit No. PM 0901 dated April 01<sup>st</sup>, 2010) which aims that the results of leaf analysis are a key factor in determining the recommended dose. In addition, the accuracy and accuracy of the results of leaf analysis depends on the method of taking the leaves). true leaf samples in the field.

the unit of certification has demonstrated the procedures for taking the soil survey as stated in Procedure no. ExtServ. Cal. II-01/01 which contains, among others, the mechanism for preparing the survey, gathering information about the survey area, making a base map and making a preliminary map. The Company has also demonstrated the detailed soil survey procedures listed in Procedure No. Ext. serv. Kal II-02/01 which contains, among others, the mechanism for taking soil samples

In the guidelines for sustainable plantation management No 724/TQEM-SPMS/09 dated August 27<sup>th</sup>, 2010 it is stated that soil checks are carried out a maximum of every five (5) years to determine the nutrients contained in the soil.

- **Soil Sample Analysis**

The company has shown the soil sampling documents in Division I MDE PT. BNS contains, among others, conditions of organic matter at a depth of 0 to 30 cm including pH 3.73, Nitrogen 1.24%, P Total 5,756.91, calcium Total 1.00, Magnesium 0.94 Cu 140.69 ppm, Zn 138.69 ppm dan CEC value of land 78.32 cmol kg.

- **Leaf Sample Analysis**

The company has shown the RSE leaf sampling document conducted by MRC with a test report No. P3/2020. Leaf analysis was carried out on 23 February 2021. Leaf samples analyzed included ASH 3.44 – 3.83, P 0.1640 – 0.1700, K 0.9280 – 1.0120, Mg 0.3470 – 0.4050, Ca 0.460 – 0.513, N 2.71 – 2.80

### **7.4.3**

Based on the 2011 Peat Depth Survey Report, it was explained that the organic matter content in the area of PT. BNS is already very high. Therefore, the unit of certification does not carry out EFB or POME application activities. The resulting EFB is burned in a factory furnace, then the ash from the combustion is taken and used as a mixed material for planting media in nurseries. Meanwhile, the POME produced is discharged into water bodies after going through several processes so that it is feasible in accordance with applicable laws and regulations

### **7.4.4**

The unit of certification has records of fertilization for the period January to December 2021 in MDE and RSE which are documented in monthly reports. Manuring activities have been carried out in accordance with the fertilizer recommendations issued by the MRC. The results of the interview with the Manuring Foreman at revealed that the unit had applied fertilizer according to the company's plan.

Based on the results of the document review, there are records of fertilization in MDE and RSE. For example, the following is the monitoring of Manuring data in RSE for the period January to December 2021

NO	Fertilizer	Unit	Recommendation	Actual	%
1	Zincopbor	Kg	80,703	80,703	100
		Ha	1,937	1,937	
2	FE +15	Kg	30,670	30,670	100
		Ha	1,937	1,937	
3	NPK65	Kg	1,581,362	1,581,362	100
		Ha	1,937	1,937	
4	MOP	Kg	598,321	598,321	100
		Ha	1,937	1,937	

Status: Comply

## 7.5

Practices minimize and control erosion and degradation of soils.

### 7.5.1

The unit of certification can show maps that identify marginal and fragile soils, including land with steep slopes listed in the Semi Detailed Soil Survey and Land Suitability for Oil Palm Plantation period 2018-2023. Among other:

MDE

- The 2018 Semi Detailed Land Map with a scale of 1:60,000 describes the land type of MDE *Typic Haplohemist* covering an area of 4,109.49 Ha (100%).
- The 2018 Land Slope Class Map with a scale of 1:60,000 describes the land slope class of MDE 0-4% Level (Flat) covering an area of 4,109.49 Ha (100%).

RSE

- The 2018 Semi Detailed Land Map with a scale of 1:60,000 describes the soil type of RSE *Typic Haplohemist* covering an area of 3,654.16 Ha and *Typic Sulfihemist* seluas 461.03 ha
- The 2018 Land Slope Class Map with a scale of 1:60,000 describes the land slope class of RSE 0-4% Level (Flat) covering an area of 3,779.10 Ha (100%).

### 7.5.2 & 7.5.3

The Document of Semi Detailed Soil Survey and Land Suitability for Oil Palm Plantation Period 2018-2023 informs that PT. BNS has a flat topography with a slope of 0 – 4%. Elevation at PT. BNS ranges from 1 to 447 meters above sea level (3 to 1,467 feet), namely in MDE 4,109.49 Ha and RSE 3.654,16 Ha. Based on the description above and the results of direct observations in MDE and RSE there is no replanting area with steep slopes

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

The Document of Semi Detailed Soil Survey and Land Suitability for Oil Palm Plantation Period 2018-2023 informs that PT. BNS has a flat topography with a slope of 0 – 4%. Elevation at PT. BNS ranges from 1 to 447 meters above sea level (3 to 1,467 feet), namely in MDE 4,109.49 Ha, and RSE 3,654.16 Ha. MDE and RSE have *Typic Haplohemist* and *Typic Sulfihemist* soil types. In addition, PT. BNS has not carried out new plantings and is currently in the process of replanting since 2013. Based on the above description and the results of observations in MDE and RSE that PT. BNS is no longer planting new oil palm

### 7.6.2

Consistent with indicator 7.6.1 that PT. BNS units MDE and RSE have *Typic Haplohemist*, *Typic Sulfihemist* soil types and have slopes between 0 – 4%. Besides that, PT. BNS has not carried out new plantings and is currently in the process of replanting since 2013

### 7.6.3

In line with indicators 7.6.1 and 7.6.2 that PT. BNS units MDE and RSE have *Typic Haplohemist*, *Typic Sulphemist* soil types and have slopes between 0 – 4%. Besides that, PT. BNS has not carried out new plantings and is currently in the process of replanting since 2013 and based on field observations that the company only replants and does not build new drainage and infrastructure

**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

In line with indicators 7.6.1, 7.6.2 and 7.6.3 based on document review, field observations and interviews with MDE and RSE Managers that PT. BNS has no new plantings after 15 November 2018 and is currently in the process of replanting oil palm

### 7.7.2

The certification unit can show an inventory document of peat areas within the managed area which was submitted to the RSPO Secretariat via email on November 14<sup>th</sup> 2019 and the RSPO Secretariat responded to it on November 18<sup>th</sup>, 2019. The data submitted include the following:

<b>Company Name</b>	<b>Sime Darby Plantation Berhad</b>
<b>Membership Number</b>	<b>1-0008-04-000-00</b>
<b>Reporting Year</b>	<b>2018</b>

Total Planted area (Ha)	Summary of estates containing peat (Ha)			
	Planted	Unplanted		
		Conservation	Rehabilitation	Other
83,826.50	32,606.08	2,293.03	-	5,487.00

### 7.7.3

The Certification Unit has a policy in managing peat subsidence through water management programs at MDE and RSE. Observation of Peat Surface Subsidence (Subsidence) through subsidence stakes is carried out every 6 months. Water level measurements in the MDE and RSE garden canals were carried out every day, while the patho piezometer measurements were carried out once a week.

Based on the document review and observations of subsidence stakes in the field, the variation in the value of land subsidence is between -3 to -9 cm. The installation of the subsidence stake was carried out in 2018, so based on the applicable regulations that the value of the subsidence of the peat soil surface at PT. BNS does not exceed the threshold above -35 cm per 5 years. In addition, there are results of measurements of ground water level, including:

No	Estate	Piezometer Code	Groundwater Level (Cm)
			Jan – Dec 2021 Average
1	MDE	MDE F018A	-38
2	MDE	MDE F020A	-38
3	MDE	MDE F021A	-40
4	MDE	MDE F021B	-39
5	MDE	MDE F023A	-41
6	RSE	RSE FC032A	-39
7	RSE	RSE FC033A	-39
8	RSE	RSE FC034A	-39
9	RSE	RSE FD029A	-38
10	RSE	RSE FD031A	-41

Based on the groundwater level data above, the condition of the water level is still in accordance with the threshold, which does not exceed -70 cm.

### 7.7.4

The certification unit has a policy on water level management in the policy of “Water Management in Coastal/Peat Oil Palm Planting”.

Piezometer measurements are carried out once a week, while Peg Water Level measurements are carried out every day.

No	Estate	Piezometer Code	Groundwater Level (Cm)
			Jan – Des 2021 Average
1	MDE	MDE F018A	-38
2	MDE	MDE F020A	-38
3	MDE	MDE F021A	-40
4	MDE	MDE F021B	-39
5	MDE	MDE F023A	-41
6	RSE	RSE FC032A	-39
7	RSE	RSE FC033A	-39
8	RSE	RSE FC034A	-39
9	RSE	RSE FD029A	-38
10	RSE	RSE FD031A	-41

Based on the data above, it shows that the condition of the water below the peat surface is still within the threshold for good management, which is not more than -70 cm below the peat soil surface.

In addition, the company maintains land cover by maintaining Nephrolepis Bisserata, Beneficial Plants, soft weeds and selective weed control.

#### 7.7.5

The unit of certification has shown the Inter-Office Mail from the Head of Minamas Research Center regarding the Peatland Drainage Study Report of PT Bhumireksa Nusasejati No. MRC/Head-MRC/Mgr-Est/0103/V/2020 dated May 28<sup>th</sup> 2020. The Study Document of Peatland Drainage of PT Bhumireksa Nusasejati, Indragiri Hilir District, Riau Province was prepared by Agronomy Minamas Research Center Siak, in May 2020. This is in accordance with RSPO Drainability Assessment Procedure version 1.1, November 30<sup>th</sup> 2019. The report contains the following technical conclusions from the peat soil test results:

- Observations at the time of the highest rainfall and the highest water level indicated that there was a flood with a height of less than 10 cm in Rotan Semelur Estate and Nusa Lestari. To maintain the position of the water at the optimum level, the floodgate needs to be lowered  $\pm 40$ -50 m.
- From the observation data on the subsidence rate at PT Bhumireksa Nusasejati conducted at 10 subsidence points an average of 1.1 cm/year, and it can be concluded that the groundwater level at PT Bhumireksa Nusasejati is generally at the optimum level for oil palm plantations.
- Fields B035, C034 and C035 have the fastest drainage time limits, which are about 93 years, 101 years and 101 years.
- Based on the calculation of the threshold for 2x planting cycles, the study location has not yet reached the threshold, so that replanting activities can be carried out with due regard to water management.

In the period January 1<sup>st</sup> to April 15<sup>th</sup> 2022 PT. BNS has replanted oil palm covering an area of 698.23 ha. Referring to the RSPO Drainability assessment procedure version 2.0, October 26<sup>th</sup> 2021, it is explained that if a company is going to replant oil palm, the peatland drain report must have received approval from the RSPO Secretariat.

Based on the above, the certification unit has the opportunity to ensure the process of submitting and approving the peat depletion report that has been submitted to the RSPO secretariat. **OFl.**

#### 7.7.6

The unit of certification has not planted new oil palms and has been replanting oil palm since 2013 until now. MDE and RSE areas PT. BNS does not have a conservation area. The unit of certification does not carry out infrastructure development and opening drainage in conservation areas. In addition, the company does not carry out plant maintenance, either application of fertilizer or chemist at a distance of 50 meters left and right along the river border

The certification unit has a water management program including maintaining the groundwater level and monitoring the subsidence of the peat soil surface. Land subsidence benchmarks were observed and measured every 6 months, piezometer measurements were once a week and water level measurements were carried out every day.

In the study of peat depletion, PT. BNS in 2020 that based on the results of the calculation of the 2 x planting cycle threshold, the



study location has not yet reached the threshold so that replanting activities can be carried out while still paying attention to water management

#### 7.7.7

Operational area of MDE and RSE does not have a conservation area. MDE and RSE units have Typic Haplohemist, Typic Sulfihemist soil types and have slopes between 0 – 4%. In addition, the certification unit has not cleared new land and is currently in the process of replanting since 2013. Based on field observations that the company has carried out the management of its operational areas properly, including maintaining conservation areas, selective weed control, reducing the use of materials, pesticides and optimizing biological pest control, monitoring the water level and the level of subsidence of the peat surface soil on a regular basis.

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

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

#### 7.8.1

Based on the 2008 UKL-UPL document, the results of the 2009 HCV identification, as well as a map of river flows and water sources, it can be seen that there is no water source in the operational area but only an artificial canal. Based on the document, it is known that the water source management plan is to test the quality of surface water at the Upstream and Downstream canals every 6 months and drill wells every 1 year. All tests were carried out by a KAN accredited laboratory (LP-547-IDN). Related to this, the company shows the results of testing the quality of surface water for the period of semester 2 of 2021 carried out on December 8, 2021. The company conducted surface water testing with 34 indicators carried out at 3 sample points, namely at the WWTP outlet, and 100 meters before and after the point. WWTP outlets on company-owned channels.

Based on the test results data for the Semester 2 2021 period, there are no parameters that are above the quality standard. The results of the analysis of test data for the last 2 years show that several parameters have fluctuated, this is due to the sampling period carried out in different seasons. This is very influential because the company's location is on the coast and there are high and low tides and the intensity of the rainy season. In addition, the canal is a closed canal that is only affected by company activities and only for transportation routes.

The results of interviews with workers from Mandah Estate and Rotan Semelur Estate stated that there were never any complaints about river water, they only used the river for transportation and not for consumption or daily needs. The results of interviews with the community around the company and related agencies also did not reveal any negative issues related to the condition of the river water. In addition, the company has also made efforts to control potential pollution through measuring the level of the river water level and providing embankments around the WWTP which can accommodate  $\pm 100,000$  m<sup>3</sup> of waste water to anticipate damage to the WWTP embankment.

The unit of certification also does not limit access to clean water, and all workers also have access to adequate clean water. Based on the results of field observations in the Mandah Estate housing area as well as interviews with fertilizer workers, spraying workers, and harvest workers, information was obtained that clean water facilities for housing were obtained from drilled wells and rainwater storage facilities. Drinking water testing is also carried out by the company to see the quality of drinking water taken from drilled wells carried out by a KAN accredited laboratory (LP-547-IDN) on September 9, 2021. The results of testing the quality of drinking water also show that all parameters of the test results are still in accordance with the standards. The applicable quality is the Regulation of the Minister of Health Number 32 of 2017. Based on this, the opportunity for improvement in the previous surveillance has been fulfilled.

The company also has procedure No. 724/TQEM-SPMS/09 concerning Guidelines for Sustainable Plantation Management, which includes protection of river borders. Based on the results of document verification and field observations via video to several sampling locations, it shows that the company has carried out activities in an effort to improve water quality, including:

- Conduct outreach to all employees and the surrounding community to maintain water quality.
- Maintain the cleanliness of the environment around the water source and provide a sign prohibiting littering in the canal.
- Report the results of the examination in accordance with the provisions of the applicable laws and regulations.
- Testing the water quality of rivers and canals listed in the UKL-UPL report
- Management of erosion and surface water runoff, management of water in the lowlands and monitoring of surface water quality as stated in the implementation of UKL-UPL every semester.
- Waste water management using WWTP.



- Monitoring the use of water for palm oil processing and evaluating its use.

### 7.8.2

The company has procedures related to identification, management and maintenance of water sources and quality which are listed in several procedures, including:

- SOP Number 724/TQEM-SPMS/09 dated March 25, 2009 concerning Guidelines for Sustainable Plantation Management, which includes protection of river boundaries (big river: 100 m and small river 50 m).
- SOP Number 01/BNS/III/09 dated March 25, 2009 regarding Water Management. The SOP document contains guidelines for spillway management, dams, measurement of water levels in all types of canals, floodgate management, rainfall, and conservation.

The procedure also explains several things related to the management of river borders and other water sources, such as determining the width of river borders following Presidential Decree no. 32 of 1990, carried out border protection, carried out socialization to all parties involved in plantation operational activities to participate in carrying out water protection activities, making boundary markings, and monitoring water resources. The company also has topographic data in the form of maps with a scale of 1:115,000 covering the scope of certification. Based on the map, there are no rivers, lakes or springs within the company area. All water bodies within the company area are artificial canals with closed access. In addition, the company shows a topographic map which shows that the slope level ranges from 0 – 3 % (0° – 2°). The results of document review and interviews as well as verification of the company's area through satellite imagery also show that there are no rivers, all water flows in the company's area are only artificial canals.

However, the company continues to make efforts to manage water sources such as periodically monitoring the condition of the canal from potential pollution and fires every month, testing surface water quality standards to ensure water quality is still within normal limits every semester, as well as marking the boundaries of the chemical application area in color. red. In addition, the company also conducts socialization to employees and the surrounding community in conservation efforts which can be proven based on the minutes of socialization to workers on December 4, 2021 and to the community on March 1-2, 2021, while for the 2022 period it will be held in June 2022. based on the HCV 2022 Management Plan document. Interviews with spraying and fertilizing workers in Mandah and Rotan Semelur Estate also stated that they were aware of the rules regarding chemical application limits, prohibition of washing chemically contaminated goods in water bodies and other activities that have a negative impact on the environment. water sources.

### 7.8.3

The unit of certification has facilities for the management of POME produced from palm oil processing with a capacity of 45-ton FFB/hour using WWTP. POME that has been managed at WWTP is then disposed of in an artificial canal located in the company area. Before being channeled into the canal, all POME is fed into the WWTP with a single-feeding system which is then processed to reduce pollutant elements so that it is suitable for disposal into water bodies. Waste treatment facilities owned are 10 ponds consisting of 1 Bio Digester Tank, 1 Sedimentation Pond, 1 Cooling Pond, 2 Anaerobic Ponds, 2 Aerobic Ponds, 2 Acidification Ponds and 1 Final Pond as a POME reservoir where the outlet is located at the Final Pond.

The company also has a Wastewater Disposal Permit to Water Sources for PT BNS based on DPMPSTP Decree of Indragiri Hilir District Number 503/DPMPSTP-IPAL/05 which was legalized on November 9, 2018 and is valid for 5 years. The permit refers to the Recommendation Letter from the Environmental Agency number Rek-TTDLHK/II/2018/06 dated October 26, 2018. There is an obligation in the permit document, namely to monitor potential environmental impacts on a regular basis and ensure the quality of POME to be disposed of is in accordance with applicable quality standards. The company can show the results of the recapitulation of the flow of POME to water bodies with a total of 3,252 m<sup>3</sup> for the period December 2021, or the equivalent of 108.45 m<sup>3</sup>/day.

To determine the feasibility of POME quality, the company conducts monthly testing using quality standards that refer to the Ministry of Environment Decree No. 5 of 2014 Attachment III. The company can show evidence regarding the results of POME quality measurement in the form of a document of the results of tests carried out by a laboratory accredited by KAN (LP-547-IDN). Based on the results of the analysis of the test results for the period January - December 2021, it shows that all parameters are in accordance with the applicable quality standards. This shows that the POME generated from FFB management activities is feasible to be discharged into water bodies.

In addition, the company also has procedures related to liquid waste management based on the SOP for Operation of Waste Ponds Number 000/BNS-LBH/12 dated May 14, 2019 which explains the management of factory and plantation waste. The company has

also reported the results of liquid waste management which is incorporated in the Environmental Management Report every 3 months and in the RKL-RPL report every 6 months to the relevant agencies. The Environmental Management report for the 4th quarter of 2021 has been reported on March 17, 2022 to the Environmental Service of Indragiri Hilir District.

#### 7.8.4

The company already has Surface Water Utilization for PT BNS Mandah Factory unit based on the Decree of the DPMPTSP Indragiri Hilir District Number 503/DPMPTSP-SIPAP/X/2020/05 on 19 October 2020 and is valid for 2 years. In the document there is a provision for a quota of surface water uptake of 360 m<sup>3</sup>/day with a production time of 15 hours/day. The water extraction location is located upstream of the company's canal. The company also has procedures for using water as regulated in the SOP Operational Water Treatment Plan number DIV.PROSES/BNS-TBF/XI/2016 which has been in effect since February 2016.

The company can also show documents for recording daily water use, as well as the results of the recapitulation of water use for palm oil processing units every month, for example for the period January - December 2021. Based on surface water utilization data, the average use of water for FFB processing is equal to 70,066 m<sup>3</sup>/year or equivalent to 0.99 m<sup>3</sup>/ton FFB. However, if the overall water use is calculated, the total water use is 116,514 m<sup>3</sup>/year or equivalent to 319 m<sup>3</sup>/day, this shows that there is no excess use of surface water from the valid permit.

The company can also show proof of payment of water levies to the Regional Revenue Service Technical Implementation Unit (UPTPPD) for the period January, February and March 2022 with the payment period being made every month. The last example of proof of payment of water levies is based on proof of payment made on 7 April 2022 for the total water use in March 2022 of 6,828 m<sup>3</sup>, the water tax paid is not only for the FFB processing process but for all water uses.

The results of field observations in the Water Treatment Plan (WTP) and Water Intake also show that the flowmeter used is still functioning properly. The results of interviews with officers responsible for WTPs also show that operators are very understanding about how WTPs work and recording flowmeter data. Officers can also show data in and out of water which is recorded every day.

**Status: Comply**

#### 7.9

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

#### 7.9.1

The Certification Unit has made efforts to improve the efficiency of the use of fossil fuels and optimize renewable energy, these efforts are also monitored and documented in the form of a document Conversion of Biofuel to Solar at Mandah Factory for the period 2020 - 2021. The biofuel in question is solid waste in the form of shells and fiber which used for substitution of fossil fuels (diesel) as a producer of electrical energy using a boiler. The recapitulation of solid waste utilization for the period January – December 2021 shows that from 70,888 tons of processed FFB, it can produce biofuel in the form of 3,544 tons of shells and 9,215 tons of fiber, all of which are used for the combustion process in boilers or equivalent to 18% of the total processed FFB. The company also utilizes 10% of the EFB produced to be used as boiler fuel using Empty Bunch Press and Chopper technology. The total EFB utilized in 2021 is 961.2 tons.

Based on the data analysis of the use of diesel fuel for FFB processing, information on the estimation of diesel fuel needed to generate electricity in the factory area is 621,430 liters/year or 8.8 liters/ton of FFB. However, due to the efficient use of diesel fuel which is substituted with biofuel, it can reduce the use of diesel to only 95,040 liters/year or equivalent to 1.34 liters/ton of FFB. This shows that the use of biofuels can reduce the use of diesel fuel by 84.77% for 2021.

The results of interviews with the company stated that this efficiency is very beneficial because it can reduce diesel consumption. Currently it is needed only to turn on the generator as the initial power plant. Energy efficiency is also applied to all operational activities of the company by minimizing the use of fuel by contract workers, including all machinery and transportation operations. The total utilization of diesel for 2021 is 240,132 liters where there is an increase in the use of diesel fuel from 2020 by 202,544 liters, this is due to the lack of FFB supply in 2021 so that shell and fiber production is reduced which results in the use of diesel increasing drastically. For 2022, it can be seen that the monthly use of diesel fuel has decreased by around 20% from 2021 because the supply of FFB has increased again. Currently, the company has not utilized methane gas to produce electricity.

**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 minimize GHG emissions.**
**7.10.1**

The Certification Unit has carried out an inventory of GHGs contained in the Greenhouse Gas Emissions Mitigation Program document for the period 2021, based on document analysis, it can be concluded that the company has identified the source of GHG produced by the Mandah Factory unit and its suppliers. Identification of significant sources of GHG emissions are identified and mitigation plans have been developed by the company covering mills and plantations. Significant GHG emissions include land use change, POME processing, use of fertilizers and pesticides, use of fossil fuels for operations and transportation. The mitigation plans include, among other things, the correct dosage and application of fertilizers as recommended, reducing reuse and recycling, limiting the use of electricity, transportation and machine maintenance, as well as periodic air quality tests. The company has also reported the results of the GHG calculation to the public which was submitted to the RSPO GHG website.

Reduction of fossil fuels at Mandah Factory has been carried out by using fiber and shells for fuel substitution. The company also uses POME to be applied to land with test results from the monitoring period January – December 2021 which show that all wastewater testing parameters have met the applicable quality standards. Based on the review of documents for example: monitoring of pesticide use, monitoring of diesel fuel, identification of HCVs and others it is found that accurate data has been entered into the RSPO GHG Calculator version 4.0. The summary of GHG emissions for the period July 2020 - June 2021 is as follows:

**General Information**

Association	No. of Estates/Plantations	FFB Processed (t)	Planted Area (ha)
Own Plantation	2	70,756.546	8,133.19
Group Plantation	1	83.96	3,781.59
3rd Party	0	0.00	0.00
<b>Total</b>	<b>3</b>	<b>70,840.51</b>	<b>11,914.78</b>

**Summary Emissions**

Description	Value	Unit	Description	Value	Unit
CPO	27.38	tCO <sub>2</sub> e/tProduct	Oil palm planted on mineral soil	0.00	Ha
PK	27.38	tCO <sub>2</sub> e/tProduct	Oil palm planted area on peat	11,974.78	Ha
PKO	0	tCO <sub>2</sub> e/tProduct	Total oil palm planted area	11,974.78	Ha
PKE	0	tCO <sub>2</sub> e/tProduct	Conservation area (Forested)	714.69	Ha
OER	22.31	%	Conservation area (non-Forested)	0.00	Ha
KER	4.66	%	FFB Production per hectare	9.14	t/ha

**Mill Emissions and Credits & Emissions from Palm Kernel Crusher**

Mill Emissions and Credits			Emissions from Palm Kernel Crusher	
Emission Source and Credits	tCO <sub>2</sub> e	tCO <sub>2</sub> e/t FFB	Emission Source	tCO <sub>2</sub> e
POME	13,885.94	0.20	PK from own mill	0.00
Fuel Consumption	749.21	0.01	PK from other sources	0.00
Grid Electricity Utilization	0.00	0.00	Fuel Consumption	0.00
Export of Excess Electricity to Housing & Grid	0.00	0.00	Total Crusher Emissions	0.00
Sale of PKS	0.00	0.00		
Sale of EFB	0.00	0.00		
<b>Total</b>	<b>14,635.15</b>	<b>0.21</b>		

**Estate / Plantation Field Emissions and Sinks**

Description	Emission (tCO <sub>2</sub> e)			TOTAL
	Own	Group	3rd Party	
<b>Emission Source</b>				
Land Conversion	79,220.71	95.18	0.00	79,315.88
CO <sub>2</sub> Emissions from Fertilizer	5,143.43	11.98	0.00	5,155.42
N <sub>2</sub> O Emissions from Peat	60,043.48	63.93	0.00	60,107.42
N <sub>2</sub> O Emissions from Fertilizer	3,668.64	8.52	0.00	3,677.16

Fuel Consumption	1,251.26	2.02	0.00	1,253.28
Peat Oxidation	437,948.06	466.33	0.00	438,414.39
Crop Sequestration	-73,034.96	-79.96	0.00	-73,114.92
Sequestration in Conservation Area	-6,361.60	-0.20	0.00	-6,361.80
<b>Total</b>	<b>507,879.01</b>	<b>567.81</b>	<b>0.00</b>	<b>508,446.82</b>

**FFB Supplier**

Supplier Name	FFB Production by Estate/Plantation (t)	FFB Supplied by Estate/Plantation (t)	Percentage of FFB supplied by Estate/Plantation (%)
Mandah Estate	39702.45	39392.45	99.22
Rotan Semelur Estate	32001.10	31364.10	98.01
Nusa Perkasa Estate	37175.39	83.96	0.23

**Palm Oli Mill Effluent Treatment**

Description	Unit	Value
POME Produced	t/yr	47.640.24
Diverted to Compost	%	0
Diverted to anaerobic digestion	%	100
POME to anaerobic pond	%	100
POME to methane capture (flaring)	%	0
POME to methane capture (electricity generation)	%	0
COD value before anaerobic digestion	mg/l	0
COD value after anaerobic digestion	mg/l	0
COD removed during digestion	tCOD/tPOME	0
POME Produce	t/yr	47.640.24
CH <sub>4</sub> (Total)	t/yr	624.09
Applied N in POME	t/yr	21.44
Total N <sub>2</sub> O emission from POME	tCO <sub>2</sub> e/yr	0.14

\*POME is only processed in WWTP

Based on the results of the above data analysis, it can be seen that the emission value from the production of CPO and PK is quite high at 27.38 tCO<sub>2</sub>e/tProduct. Likewise, when compared to the emission value of the previous period, it shows that there is an increase in CPO and PK emissions from 26.05 tCO<sub>2</sub>e/tProduct to 27.38 tCO<sub>2</sub>e/tProduct. The results of interviews with management stated that the increase in emissions was due to replanting activities on most of the company's land which caused the supply of FFB to decrease, so the factory operating hours were not the same as the previous period. The magnitude of the emission value is due to the fact that all of the company's planted areas are on peatlands.

**7.10.2**

The Certification Unit did not carry out new developments after 2014, but the company continues to manage GHG by conducting an inventory of emission sources. They can show identification documents of activities that generate emissions for the period 2021 for Mills and Plantations. This is done to estimate carbon stocks in the management area along with potential sources of emissions that can occur directly as a result of the management, and a plan to minimize these emissions is drawn up and implemented.

The GHG emission reduction mitigation plan developed by the company is the use of renewable fuels in the form of shells and fiber as a substitute for diesel, performing maintenance on operational equipment on a regular basis, and utilizing POME in Land Applications. Companies can show records of GHG mitigation for Estate and Mill units, for example the use of fertilizers according to the dose, routine maintenance of operational vehicles, socialization of the prohibition of burning waste, implementation of efficient use of electricity and integrated pest control to minimize the use of pesticides.

**7.10.3**

The certification unit has identified sources of pollution and a mitigation plan is contained in the SOP for Greenhouse Gas Inventory Number 700/PSQM-GRK/12 dated March 1, 2012 which explains the identification of emission sources from plantation operations

and palm oil mills. The company has also carried out management and monitoring related to the results of the identification and mitigation plan as evidenced through the RKL-RPL document for semester 2 of 2021 and has reported it to the Environmental Service of Indragiri Hilir District on March 17, 2022.

Based on the verification of the document, it shows that in the management of air pollution, the certification unit has tested air emissions on boilers and generators as well as ambient air. The test was carried out by a KAN accredited laboratory (LP-412-IDN) on September 16, 2021. Based on the analysis of the value of the test results, it can be concluded that there is no value that is above the applicable quality standard, namely PermenLH Number 07 of 2007 for Boilers, PermenLH Number 13 2009 for Gensets and PPRI Number 22 in 2021 for ambient air.

In addition, the company has also carried out management for interference from immovable sources. The test was carried out by a KAN accredited laboratory (LP-412-IDN) on September 16, 2021. The tests carried out by the company included testing for odor, vibration, and noise in the work area and housing. Based on the results of document verification, it shows that all test results are in accordance with the quality standards set for each applicable statutory regulation, namely KepmenLH No. 48/1996 for noise, KepmenLH number 49/1996 for vibration, and KepmenLH No. 50/1996 for odors.

However, for noise measurement results, based on Permenakertrans Number 5 of 2018 for several FFB processing areas at the Mill, it shows that they are above the required quality standard values. Under these conditions, to reduce the potential for harm to hearing, the company has prepared several control actions plans to reduce the impact on the health factors of operators working in the workplace. Efforts that have been made by the company include:

- Regular maintenance program for tools/machines to keep them awake.
- Setting the working time by means of job rotation so that the amount of noise exposure to workers can be controlled (should not be >8 hours/day for a noise level of 85 dBA).
- Preparation of HIRARC (Hazard Identification Risk Assessment & Risk Control) documents for all activities in the Factory and socializing it to all related employees
- Conduct periodic socialization and training of SOPs to related operators.
- Installation of "Noise Zone" warning boards and mandatory use of PPE.
- Regular inspection and evaluation of the health of the workforce and the work environment at stations with a potential noise hazard level.
- Examination of the use of PPE by safety officers related to the discipline of using PPE.
- Provide PPE in the form of earplugs and earmuffs and conduct audiometric health checks for factory employees.

The results of interviews with boiler and generator officers stated that there was never any hearing loss experienced by the informants or other factory workers, the company has also carried out routine health checks. The resource person also explained that the obligation to use PPE in the work area is an obligation that must not be violated, warnings about the use of PPE and checking the completeness of PPE are also applied in the company.

<b>Status: Comply</b>	
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#### 7.11

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

##### 7.11.1

The Mandah Factory certification unit can show SOP Number SPO/B.5.2/BNS dated 01 May 2013 regarding prevention and control of land fires and SOP Number 01/BNS-PPAPAR/III/16 dated 01 March 2016 regarding management and monitoring of emergency response facilities. The scope of the SOP includes planning, prevention, mitigation, post-fire management and reporting and coordination of firefighting and land preparation work, where the procedure explains that land clearing is carried out by mechanical means and Zero Burning. The land clearing procedure is carried out by not burning but doing it mechanically.

The company also has SOP for New Land Clearing Number 110/EST-ARM/13 dated December 20, 2012 which shows the work process on land preparation by not burning in land clearing activities. The company can also show documentation of replanting activities using mechanical (heavy equipment) and chipping methods not by burning.

Based on the results of field observations in the replanting area of blocks G18 to G21 Estate, information was obtained that there were no signs of land clearing by burning. All land clearing activities used mechanics. Based on interviews with management and the Environment Agency, it was also stated that the company is committed to not burning for land clearing.



### 7.11.2

The company already has procedures related to fire prevention and control. Based on the review of the document, it is known that the fire control techniques owned by the company have referred to the prevailing laws and regulations in Indonesia, including Law Number 18 of 2004, Law Number 32 of 2009, Minister of Environment and Forestry Regulation Number 32 of 2016 and Minister of Agriculture Number 5 of 2018. The fire control and prevention program has been included in the program for Monitoring the Facilities and Infrastructure of the Fire Department for the period of 2021, for example, monitoring fire extinguisher, monitoring firefighting equipment and fire simulations. The company has also managed, monitored, prevented and controlled land and forest fires, including the following:

- Establishment of a firefighting team equipped with the necessary equipment.
- Installing a Fire Danger Index (FDI) in each plantation.
- Provide a fire tower.
- Implement water management
- Monitoring from NOAA18 satellite
- Installing signboards prohibiting land burning as well as direct socialization to employees and the community.
- Provide fire extinguisher and firefighting equipment.
- Provide firefighting training to the Team and local residents.
- Establish a *Masyarakat Peduli Api* (MPA) in the villages surrounding the company.
- Carry out fire monitoring using Drones every 3 days for each Estate.

The company can also show a list of facilities and infrastructure owned by referring to the standardization of equipment in Ministry of Agriculture 05 of 2018. The results of field observations via video at the Fire Department Warehouse show that all facilities and infrastructure are in good condition and well maintained, firefighting simulation activities are also running well and the tools used can function optimally. The company already has complete facilities and infrastructure as shown in the document List of Fire Extinguishing Equipment and Other Equipment with the latest update on December 2, 2021. Based on field observations and at the location of the fire tower, it also shows that the company manages these facilities and infrastructure well, the results of interviews with several employees also stating that the company has made efforts to prevent and control fires through the installation of signboards, socialization, and fire simulations by the Mandah Factory and Estate firefighting teams.

In addition, the company can also show several documents related to fire management that have been carried out, including:

- Map of fire prone areas including location of fire towers, reservoirs and storage facilities and infrastructure.
- Document report on Firefighting Facilities and Infrastructure for Semester II 2021 which was reported to the Environmental Service of Indragiri Hilir District on March 17, 2022.
- Document preparedness reports on systems, facilities and infrastructure for controlling plantation land fires as well as reports on patrols for preventing plantation fires
- Records of patrolling fire-prone areas for the period January – December 2021 with the result that there were no fires in the company's operational areas. The results of the examination of the document revealed that there was a fire incident outside the company's operational area, namely a community garden which is less than 5 kilometers away.

The results of the interview with the Plantation Office of Indragiri Hilir District also stated that the firefighting equipment owned by the company was sufficient for fire control. The results of interviews with the emergency response team at Mandah Estate stated that the company's procedures for dealing with potential fires do not only apply to the operational scope, but also to all areas within 5-kilometers of the company's outer boundary. This can also be proven from the report on fire prevention in the community's corn field on February 2, 2021, with the result that the fire incident can be handled properly.

### 7.11.3

The Mandah Factory already has an Emergency Response Preparedness Team Structure consisting of a coach, daily chairman, secretary, general assistant, assisted by a fire, security, removal, evacuation, and health team of 32 administrators for each management unit. In addition, in involving the surrounding community to respond in case of fire, the company also formed a *Masyarakat Peduli Api* team, for example from Mandah Village. The results of the interview with the Village Head stated that routinely involved in socialization and emergency response simulations, the company also played an active role in helping to deal with fires that occurred in the village area.



Based on document review, interviews with management units and workers accompanied by simulations of fire extinguishers, it can be seen that the company has human resources capable of preventing and dealing with fires. This is also supported by adequate equipment and routine activities in conducting emergency response team simulations. Emergency Response Team members are employees selected by the company and trained to participate in simulations who are expected to be able to handle emergency conditions, and master the role and security measures. The company has conducted a simulation of an emergency and fire on February 22, 2022.

The Mandah Factory unit also has a certified firefighting team of 1 person issued by the Head of the Environmental and Forestry Education and Training Center of Riau Province. In fire management, the company monitors hotspots from the company area so that it can cover the surrounding villages. The company also routinely provides assistance and socialization in the prohibition of land burning activities to minimize the risk of a greater fire that is carried out in conjunction with the management of SIA and HCV.

**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 and 7.12.8

The company clears the land without prior HCV assessment so that remediation and compensation procedures apply. The company has conducted an HCV assessment for the PT BNS area with an extensive study scope of 25,662 Ha. In this regard, the company has conducted a LUCA study and carried out the RaCP management process which is part of the scope of PT BNS Teluk Bakau Mill. The LUCA management process is as follows:

- 27 August 2018 the company submitted a Disclosure of Liability and LUCA to the RSPO Compensation Plan.
- 13 February 2019 RSPO responded by concluding that there are some clarifications that need to be completed by the company.
- 18 Feb 2021 Company submits LUCA Report 2nd Review to RSPO.
- 6 April 2021 RSPO issued an Advisory Note regarding the ongoing LUCA process with LUCA status still requiring clarification from the company.
- 19 Nov 2021 Company submits LUCA Report 3rd Review to RSPO.
- 10 February 2022 The company again confirmed the response of the results of the 3rd LUCA clarification.
- 18 February 2022 RSPO provides a Conditional Approval which refers to the previous Advisory Note. The conditional approval is valid for 6 months from the date it was sent.

The Conditional Approval explains that the LUCA status owned by PT Bhumireksa Nusasejati, Teluk Bakau Mill unit is still in the "On-Going" stage and for companies whose LUCA status has not been completed, the RSPO provides a policy that states "Proceed with continuation of audits however, the NC will remain open until the next ASA and management unit must provide the update to the pending action / clarification to RSPO Secretariat within the next 3 months"

Based on this evidence, and the analysis of several documents including email communications between PT BNS and RSPO, it can be concluded that the company has communicated to the RSPO, but has not been able to show sufficient evidence that the RAC-Plan has been approved by the RSPO. **(Non-Conformity 2022.01).**

### 7.12.2

Based on the verification of land clearing data, there is no indication of new land clearing after 15 November 2018, therefore the company has no obligation to conduct a High Carbon Stock (HCS) study. The HCV assessment for PT Bhumireksa Nusasehati was conducted before the Assessor Licensing Scheme (ALS) requirements came into effect, namely in November - December 2009 with final documents in December 2009. The HCV assessment was carried out by the Indonesian Sustainable Palm Oil Foundation (YASBI). chaired by Purwo Susanto using the 2008 HCV toolkit. The HCV identification assessment was carried out for PT Bhumireksa Nusasejati which consists of 2 POM (Teluk Bakau and Mandah Factory) and 5 Estates (TBE: Teluk Bakau Estate, NLE: Nusa Lestari Estate, NPE: Nusa Perkasa Estate, RSE: Rotan Semelur Estate, MDE: Mandah Estate), with a total study area of 25,671 Ha. The following is data on the area of HV based on the results of the study, including:

HCV Type	Information	Potential HCV (Ha)	Definitive HCV (Ha)	Location
HCV 1	Conservation Area Reserve	9.43		NPE Block 26 - 13

HCV 1 and 3	Peat Ecosystem	716.92		MDE, NPE, RSE
	Peat Ecosystem Expansion	321.45		RSE, MDE
	Sub-Total	1,047.80	-	
HCV 4	Dendan River Riparian	86.49		NPE, RSE
	Kateman River Riparian	3.79		Teluk Bakau Factory
	Sub-Total	90.28	-	
HCV 3	Cemetery Area	-	0.03	NPE
	Cemetery Area	-	0.52	TBE
<b>Grand Total HCV area at PT BNS</b>		<b>1,138.63</b>	<b>0.55</b>	

Based on the data from the 2009 HCV assessment, it can be concluded that there was no HCV 1 and 3 in PT Bhumireksa Nusasejati, but only potential HCV 1 with a total area of 1,047.80 Ha and potential HCV 3 with a total area of 1,038.37 Ha. However, the presence of potential HCV 1 has overlapped with potential HCV 3 so that it cannot be accumulated. The total Actual HCV based on this study is 0.55 Ha which is a public cemetery area. However, the Mandah Factory Certification Unit is part of PT Bhumireksa Nusasejati which consists of 1 POM (Mandah Factory) and 2 Estates (MDE: Mandah Estate and RSE: Rotan Semelur Estate). So that there is no actual HCV area that is included in the scope of certification.

Regarding the potential HCV area with an area of 1,138.63 Ha, not all of it can be managed by the company even though its location is in the Land Use Title of Company, this is because almost the entire area has been controlled by the community in the form of occupations and enclaves since ± 1980. This is also the consideration of the HCV assessment team to determine the area to be a potential HCV. Based on the results of interviews with the company and the National Land Agency, it is stated that the company is in the stage of releasing the Land Use Title of Company area in which it is occupied. In this regard, the company initiated to re-identify the HCV area as proven based on the HCV Re-Assessment Report document, which was carried out by the company's internal Sustainability & Quality Management (SQM) team on 11 – 14 December 2020. The assessment team consisted of Nur Aidah Ab. Ghani (Lead Assessor), Alegendran Maniam (HCV Assessor) and Mohd Zahlan Mohd Zaki (GIS & HCS practitioner), and Lee Swee Yin as Peer Review. Based on the results of the reassessment, the actual HCV area is 99.71 Ha, which consists of:

HCV Type	Information	Definitive HCV (Ha)	Location	Scope of Certification
HCV 3	Forest Conservation Area	9.43	NPE Block 26 - 13	TBF
	Kateman River Riparian	3.79	Mandah Factory	TBF
HCV 4	Dendan River Riparian	27.01	NPE	TBF
	Dendan River Riparian	59.38	RSE	MDF
<b>Grand Total HCV area at PT BNS</b>		<b>99.71</b>		

\*TBF: Mandah Factory; MDF: Mandah Factory

Based on the comparison of the results of the 2009 and 2020 HCV assessments, it can be seen that there are differences in area as shown in the following table:

Information	HCV 2009		HCV 2020	Justification of HCV areas 2020
	Potential HCV (Ha)	Definitive HCV (Ha)	Definitive HCV (Ha)	
Conservation Area Reserve	9.43	-	9.43	The area is well maintained and conserved. To be reclassified as HCV 3.
<b>Sub-Total</b>	-	-	<b>9.43</b>	
Peat Ecosystem	716.92	-	-	This area is outside estate boundary and area occupied by local communities. This area was occupied by the local communities in years 1980s. The only two source of income is fishing and coconuts farming. Most of the area are planted with coconuts. To be removed from the list of HCVA.
Peat Ecosystem Expansion	321.45	-	-	
<b>Sub-Total</b>	<b>1,047.80</b>	-	-	
Dendan River Riparian	86.49	-	86.39	This area is playing a vital role as erosion control. The estate management is advised to maintain this area as HCV 4.
Kateman River Riparian	3.79	-	3.79	
<b>Sub-Total</b>	<b>90.28</b>	-	<b>90.28</b>	

Cemetery Area	-	0.03	-	This is not cemeteries that contained any historical value or specific indigenous people. The cemeteries are an active cemetery and used by estate workers. The estate management is advised to remove the canals from the list of potential HCVA.
Cemetery Area	-	0,52	-	
<b>Sub-Total</b>		<b>0.55</b>		
<b>Grand Total</b>	<b>1,138.63</b>	<b>0.55</b>	<b>99.71</b>	

However, based on the actual condition of the 2021 HCV management carried out by the company, it still refers to the results of the 2009 HCV identification for the Definitive and Potential areas, but only in some HCV areas that are within the company's operational scope, namely Cemetery Area and Reverse Conservation Area with a total of 9, 98 Ha, all of which are within the scope of Teluk Bakau Factory. Meanwhile, other HCV areas cannot be managed because they are occupied areas and are already in the initiation stage of releasing the Land Use Title of Company as described in indicator 3.4.2. The company can also show the HCV Management Plan 2022 document which will refer to the results of the 2020 HCV re-assessment, but only in locations within the company's management area, namely the Kateman River Riparian and Conservation Area Reserve with a total area of 13.22 Ha located within the scope of certification. Teluk Bakau Factory, because for Dendan River Riparian is also in the occupation area and will be removed from the Land Use Title of Company. **Based on this, for the scope of certification, Mandah Factory does not have an HCV area that must be managed**, although HCV management and reporting are still carried out for the entire scope of PT BNS (Certification Unit of Teluk Bakau Factory and Mandah Factory).

Companies are encouraged to harmonize HCV data (management maps, area statements and geolocations) so as to obtain consistency of area in operational area statements, matrix templates, GHG calculators, HCV management reports, and other related documents. (OFI).

### 7.12.3

Indicator 7.12.3. currently irrelevant to Indonesia, until further decisions from the RSPO.

### 7.12.4

Based on the results of HCV identification, it is known that there are HCV areas within the scope of the certification unit and several types of RTE species consisting of mammals, aves and herpetofauna. The company has compiled and determined the HCV management plan in the 2021-2026 HCV Management Plan document with the management scope and targets every year. An integrated management plan was developed in consultation with relevant stakeholders and covers areas that are managed directly and takes into account the relevant wider landscape level carried out in conjunction with an HCV re-assessment in December 2020. The company manages the HCV area by providing boundary markers, signboards and HCV area boundary markers. In addition to the 5-year management plan, the company also has a management plan that is prepared annually which aims to update management and monitoring needs, the annual program for the 2022 period includes:

- Socialization of HCV Area Management and Management of Critically Endangered, Threatened, and/or Protected Species
- Maintenance of HCV attributes by creating, installing and maintaining boundary signs, boundary markers and carrying out monitoring and maintenance of information boards.
- Monitoring of HCVs by conducting surveys for flora and fauna inventory

The implementation of HCV management and monitoring for 2021 is carried out in accordance with the 2021 HCV Management Plan where the timing and intensity of the implementation are also appropriate, which can be shown based on the official report, including:

- Socialization of the HCV area to Mandah Estate employees on October 15, 2021, which was attended by 27 people.
- 2021 HCV Patrol Report, for example the patrol carried out on 14 December 2021 Nusa Perkasa Estate to ensure Signboard and condition of the HCV area.
- Monitoring of HCV attributes every 3 months Update December 2021.
- PT BNS flora and fauna monitoring report conducted every 6 months, Update in December 2021.

The company also has a map of the HCV area and topography with a scale of 1:110,000, the map is also equipped with information on: map title, cardinal directions, map legend, map update date, and map source. The company also conducts a review related to management and monitoring activities in 2021 as evidenced in the 2021 HCV Management Plan Review Report which contains evaluation and management and monitoring recommendations as an effort to improve HCV management activities in 2022.

**7.12.5**

The company has identified the needs of the community as well as the areas needed by the affected community to meet their basic needs, taking into account the potential positive and negative changes in their livelihoods as a result of the company's operational activities. This can be proven by the presence of an HCV 6 area in the form of a public graveyard. The company has identified and carried out activities to minimize risks and impacts both for the community and for the environment, for example by providing regular socialization to the community not to apply chemicals in the canal area to avoid pollution, not to clear land by burning, and so on.

The unit of certification has also considered various land tenure and management options to protect the HCV area in a way that also protects the rights and livelihoods of local communities. Since the area managed by the company is entirely already planted with oil palm which is not directly adjacent to the settlement, the level of potential conflict between the HCV area and the community is quite low.

The Mandah Factory Certification Unit does not have an HCV area, but the company scope, namely PT BNS, shows that the results of field observations in the Nusa Perkasa Estate Block E26 HCV area, which is a reserve forest area, have been well preserved and are still natural without any indication of forest damage. The company's environmental conditions both within the scope and in the community, area is almost entirely planted areas of plantation plants. Currently, the company also has an agreement with the community who are members of the Fire Alert Community, for example for monitoring and patrol activities, the company has also made an agreement with the community who are active in the company's area not to hunt and trade wildlife. The company has also approached relevant stakeholders, including:

- Submit a list of protected species found in the BKSDA area.
- Provide executive summary to relevant parties such as local government and local communities.
- Socialization regarding HCV is carried out periodically to find out the extent of community understanding of the existence of HCVs in the PT BNS area.
- Make an agreement with the surrounding village to maintain the HCV area in the plantation area.

**7.12.6**

The company has a disciplinary policy in the form of a memorandum of the Chairperson of SOU 20 to the Manager of Rotan Semelur Estate, Manager of Mandah Factory and all senior Assistants, assistants, head of SOU 20 Number 3-/SOU20/XII/2015 dated December 20, 2015 regarding the prohibition of hunting, stun fish, kill, harming and maintaining or collecting protected flora and fauna by referring to Law No. 32/1999 on environmental protection and management, as well as Law No. 42/1999 on forestry. The sanctions that will be given are:

- A letter of warning (given after a verbal warning is not heeded).
- Warning letter (consisting of SP I, II and III, each of which is valid for a maximum of 6 years after the date of issue).
- Termination of employment (increased sanctions for violations of SP III with the same type/severity of violations and/or more severe violations).

In addition, the company also has policies that are contained in procedures related to the protection of endangered species, namely the SOP for Animal Protection dated May 1, 2009 as well as the Environmental and Biodiversity Policy document owned by the Minamas Group. The document contains procedures consisting of preventive and repressive measures in an effort to protect protected wildlife and plants such as sustainability principles, all employees are advised not to hunt, capture, kill and sell protected animals and plants that are endangered and report any such activities. Maintain and not disturb the area designated as HCV area and report any illegal acts. Employees who do not comply will be subject to sanctions in accordance with the applicable laws and regulations. The company also put up no hunting boards with photos of the species and sanctions for violating government regulations in all HCV areas.

Information related to the application of sanctions for employees in the form of disciplinary action in accordance with the provisions of national law is also listed on the HCV signboard. The sanction is imposed by the company by giving the first warning letter to employees who violate work rules. Based on the results of interviews with company employees regarding animal protection, the company has committed to protecting animals that are within the scope of the company's management area, such as implementing a ban on hunting, killing and keeping wild animals within the company's environment. The procedure for animal protection also regulates the existence of sanctions or fines for those who violate these provisions.

In addition, the company has also conducted socialization about the existence of endangered plants and animals to employees and

the surrounding community as indicated in the official report of the socialization as evidenced by the official report, accompanied by a photo and attendance list as described in indicator 7.12.4. Indirect socialization is also carried out by installing information boards and brochures warning signs related to conservation areas and the presence of protected rare plants and animals in places that are easily visible, such as area entrances, regional roads that are often crossed by the community, and other places other strategic areas such as offices, and other public facilities. The results of field observations in several conservation areas indicate that the company has managed protected areas such as replanting local plant species, not logging, using no chemicals, and installing HCV signboards as well as prohibiting hunting and burning to avoid and prevent poaching and/or encroachment. HCV area. Routine monitoring of HCV areas is carried out by several personnel appointed by the company.

Based on interviews with management units and company employees regarding animal protection, the company has committed to protecting animals that are within the scope of corporate governance, such as implementing a ban on hunting, killing and keeping wild animals within the company's environment. Field observations also commonly found protected species that live freely in the company area, such as the river Kingfisher (*Todirhamphus chloris*), Oriental darter (*Anhinga melanogaster*) and Water Monitor (*Varanus salvator*). Observations in employee housing areas also show that no one keeps protected animals, the common pets owned by employees are chickens, cats and dogs that have been domesticated.

#### 7.12.7

Monitoring of protected areas in the period of 2021 is carried out regularly every week to ensure the security of the area. Monitoring activities are carried out in several river border locations and all areas of the company's management. This monitoring is carried out to see the progress of the results of HCV management from the initial stage to the current condition. The company also monitors the diversity of flora and fauna which is routinely carried out every year by showing the results of HCV monitoring carried out in 2021. The results of observations of fauna in the plantation area still found several types of protected animals that are included in the protection status according to the IUCN, CITES and PermenLHK Number 106 of 2018 includes the Root Tiger (*Prionailurus bengalensis*) and several types of Eagles, Parrot (*Psittacula longicauda*), Kipasan Striped (*Rhipidura javanica*) and Wild Boar (*Sus barbatus*). The results of interviews with employees also stated that there were still common types of Roots Tiger (*Prionailurus bengalensis*) and monitor lizard (*Varanus salvator*) around the plantation area.

The Mandah Factory Certification Unit does not have an HCV area, but in terms of company scope, namely PT BNS, it shows that the company also conducts annual monitoring and evaluation for the management of HCV areas where this activity aims to identify risks and impacts on conservation areas and improve protection efforts. The company also follows up on the improvement of the HCV area management plan which is made every 5 years by involving all relevant stakeholders in the company's operational areas such as the surrounding community, especially the surrounding community and law enforcement. The company also conducts a review related to management and monitoring activities in 2021 as evidenced in the 2021 HCV Management Plan Review Report which contains evaluation and management and monitoring recommendations as an effort to improve HCV management activities in 2022. Based on the results of the review, several management recommendations were obtained, including:

- Increase socialization activities to staff, plantation employees and the community around the plantation to increase the level of understanding of HCVs, especially for employees and staff in the factory environment.
- Carry out various action plans for corrective actions based on management and monitoring recommendations that have been carried out.
- Improved the writing on the faded HCV 6 (Grave) markers and put-up signboards for animal monitoring paths in areas that have been designated as monitoring paths in each Estate.
- Improve the Management Plan document form in accordance with the SOP for Management and Monitoring of HCVs.

All evaluation results will be reviewed and will be adjusted to the HCV management program in 2022. The evaluation results also indicate an increase in species encounters. In addition, management and monitoring of HCVs has been carried out in a participatory manner by involving communities around the plantations, one of which is an agreement with the community to jointly protect the HCV area.

7.12.8	Status: Non-Conformity No.2022.01 with major category	
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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>
<b>ASA-1.2 &amp; ASA-1.3</b>	The company didn't use logo and trademark of RSPO.	√
	<b>Status: Comply</b>	
<b>2.</b>	<b>Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use</b>	<b>X or √</b>
<b>ASA-1.2 &amp; ASA-1.3</b>	The company didn't use logo and trademark of RSPO.	√
	<b>Status: Comply</b>	
<b>3.</b>	<b>Implementation of Certificate and Trademark is not used on product</b>	<b>X or √</b>
<b>ASA-1.2 &amp; ASA-1.3</b>	The company didn't use logo and trademark of RSPO.	√
	<b>Status: Comply</b>	
<b>4.</b>	<b>Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.</b>	<b>X or √</b>
<b>ASA-1.2 &amp; ASA-1.3</b>	The company didn't use logo and trademark of RSPO.	√
	<b>Status: Comply</b>	



### 3.3 Summary of RSPO Partial Certification.

Compliance of the uncertified management units of Sime Darby Plantation Berhad against the rules for partial certification was determined through Self-Assessment in accordance with RSPO Certification System clause 4.2.4. A summary of findings is as stated below.

Sime Darby Plantation Berhad Time Bound Plan is explained in table section 1.10. Sime Darby has achieved 34 management units in Malaysia and 24 Management Units in Indonesia that RSPO certified. Total management unit in Sime Darby Plantation Berhad are 34 in Malaysia, 25 in Indonesia and 1 in Liberia. Sime Darby Plantation Berhad has informed the Time Bound Plan progress through representative's office in Indonesia. MUTU has considered that Sime Darby Plantation Berhad is comply with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by the Sime Darby Plantation Berhad Indonesian representative on January 2022 by the Head of Sustainability & Quality Management.

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

MUTU Auditor has verified company partial certification and concludes that:

- PT Budidaya Agro Lestari waiting for land title process to some of its operational area.
- PT Guthrie Pecconina Indonesia – Sungai Jernih Estate currently is in HGU process
- The company has followed RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There is no labor 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.
- There's extension scope of land use title on PT Bersama Sejahtera Sakti (previously uncertified unit) as amount as 240.12 ha.
- Based on social media verification related to uncertified unit, the issues are related to the issuance of land ownership which is still in process by the local agency.

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 Group/Holding Statement:</b> The sustainability unit has conducted the internal audit for 9 units and updated in the compliance status of uncertified management unit. There is no replacement of primary forest or HCV area and no new planting after January 1st 2010. Other than that, land conflicts and land disputes also being audited and approved by Head of Sustainability-Indonesia.</p> <p><b>Auditor Verification:</b> Internal Audit report available for uncertified management unit.</p>
2.1.2	No replacement after dates defined in NIs Criterion 7.3 of: <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area identified as containing High Conservation Values (HCVs).</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.</li> </ul>	<p><b>Company Group/Holding Statement:</b> No replacement of primary forest or HCV or no new planting after Jan 1st 2010 for all uncertified units except for PT Sime Indo Agro, Bukit Ajong Mill East* Estate /Sei Mawang Estate which is currently under RaCP. LUCA submitted and currently under review process by appointed reviewer by RSPO.</p> <p><b>Auditor Verification:</b></p>

		<p>Sime Darby Plantation Berhad sent disclosure of liability including LUCA analysis to RSPO Secretariat on 2 December 2014 and 2<sup>nd</sup> revision on 24 June 2016. Current status of LUCA report of SDP Bhd is having been sent the 19 report of LUCA to RSPO on Aug 2018, responded by RSPO with need clarification. The companies ensuring reporting of disclosure of liability progress to RSPO and according to the CB's correspondence with RSPO Remediation and Compensation.</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 Group/Holding Statement:</b> No new plantings. As at 16 Jan 2020, Sime Darby Plantation under its unit Sime Darby Plantation Investment (Liberia) Pte Ltd has completed its disposal of its entire interest in Sime Darby Plantation (Liberia) Inc (SDP Liberia) to Mano Palm Oil Industries Ltd (MPOI).</p> <p><b>Auditor Verification:</b> Karya Palma Estate (PT Sandika Natapalma) and Beturus Estate (PT Budidaya Agro Lestari) any new planting after January 1<sup>st</sup> 2010 and due to not conduct NPP it will be object of sanction.</p>
2.1.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p><b>Company Group/Holding Statement:</b> The group has land conflict procedure in place. No Land conflict registered with RSPO Complaints System. No outstanding complaints with the RSPO.</p> <p><b>Auditor Verification:</b> Auditor has verified the supporting evidence of above the company statement and there is no conflict in uncertified area.</p>
2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p><b>Company Group/Holding Statement:</b> No stakeholder comments or complaints received.</p> <p><b>Auditor Verification:</b> Auditor has verified the supporting evidence of above the company statement. There are no labour dispute in company unit.</p>
2.1.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p><b>Company Group/Holding Statement:</b> None noted. No stakeholder comments or complaints received.</p> <p><b>Auditor Verification:</b> Auditor has verified the supporting evidence of above the company statement. There is any legal non-compliance for company under SDP waiting for land title process, i.e.:</p> <ul style="list-style-type: none"> <li>• PT Sime Indo Agro 5,815 Ha</li> <li>• PT Bina Sains Cemerlang 308.25 Ha</li> <li>• PT Bahari Gembira Ria 1,639 Ha</li> <li>• PT Guthrie Pecconina Indonesia 890 Ha</li> </ul>

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

#### 3.4.1. Identification of Findings, Corrective Actions and Observations at ASA-1.1 Assessment

<b>NCR No.</b>	<b>: 2020.01</b>	<b>Issued by</b>	<b>: Brigitta Prita</b>
<b>Date Issued</b>	<b>: 26 March 2020</b>	<b>Time Limit</b>	<b>: Next Surveillance</b>
<b>NC Grade</b>	<b>: Non-Critical</b>	<b>Date of Closing</b>	<b>: 09 April 2021</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 2.2.2</b> <b>All contracts have separate clauses regarding the fulfillment of applicable legal obligations, and are indicated by the third party concerned.</b>		
<b>Evidence observed</b> <i>(filled by auditor):</i>  The company shows the CLA between the company (first party) and the Contractor (CV Heheng / second party) with number 007 / Barak / BNS-MDF / IV / 2018 dated April 23, 2018. In article 6 regarding the stages and manner of payment each copy of payment transfer is explained will be submitted to the second party and then the second party must immediately issue a receipt to be submitted to the first party. Transfer and receipt of evidence that would be an attachment which is an integral part of this agreement.  In addition, to ensure compliance with regulations by the contractor, the company has a SOP for Contractor Work Regulations with document number 037 / BNS-KON / 18 No. revision 00 dated January 1, 2018. At point (h) the management unit will monitor the number of contractors, a list of workers names contractor, validity period of CLA and license (SIM / SIO) for work that requires these requirements. <ul style="list-style-type: none"><li>Interviews with representatives of the management, payment receipts cannot be shown due to PIC is responsible for not being in the Central Office. So, the data cannot be shown yet.</li><li>Results of the RSPO internal audit conducted on January 13-24, 2020, it is known that evidence of payment has not been shown.</li></ul>			
<b>Non-Conformance Description:</b> Based on the explanation above, the management unit has not been able to showing that the system regarding the fulfillment of applicable legal obligations including evidence of payment of contractors and contractor workers is in accordance with applicable regulations.			
<b>Root Cause Analysis</b> <i>(filled by organization audited):</i> <ul style="list-style-type: none"><li>There is no monitoring list made to monitor the number of contractors and evidence of compliance with the regulations</li><li>Establish a PIC to monitor contractors and evaluate compliance with applicable legal obligations</li></ul>			
<b>Correction</b> <i>(filled by organization audited):</i> <ul style="list-style-type: none"><li>Show proof of contractor payment</li><li>Make monitoring list of contractors</li><li>Assign PT BNS EMS Staff as PIC to update contractor monitoring and evaluate compliance with applicable legal obligations</li></ul>			
<b>Corrective Action</b> <i>(filled by organization audited):</i>  Conduct periodic evaluation and monitoring			
<b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i>  <b>09 April 2021</b> The company shows proof of delivery of repairs in the form of: <ul style="list-style-type: none"><li>Inter office mail No.071/PC-EMS/BNS-MDF/III/2020 dated March 5, 2020 regarding the claim progress of 2 units of Barracks G4 and 1 unit of Barracks G6 in MDF with no. contract 007/Barracks/BNS-MDF/IV/2018 and the work was inspected on 20 February 2019 and is in good condition.</li></ul>			

- Receipt for payment of work invoices according to the above contract which has been received from PT BNS and received by the Director of CV Heng Heng with a stamp and stamp duty of 6000.
- Monitoring the list of contractors for March 2020 which contains information on the names of contractors, names of contractor workers, types of work, BPJS Employment numbers, operator licenses, worker wages.
- Explanation of root problems, corrections and corrective actions.

Based on the evidence of improvement and root cause analysis, corrections and corrective actions shown, the non-conformance in this indicator is declared Fulfilled.

**Verified by** : **Dwi Haryati**

NCR No.	: 2020.02	Issued by	: Briyogi Shadiwa
Date Issued	: 26 March 2020	Time Limit	: 25 June 2020
NC Grade	: Critical	Date of Closing	: 08 June 2020
Standard Ref. & Requirement	: 7.7.3. (C) Subsidence of peat is monitored, documented and minimized.		
<b>Evidence observed:</b> The company has procedures or work instructions for planting on peatlands in the technical SOP for planting on peatlands contained in Section 4, Section 5, Section 8 and Section 10 of the Agronomy Reference Manual No. Policy: 110 / EST-ARM / 13. However, in the procedure there are no guidelines for the installation / placement of subsidence pole as a measure of peatland subsidence that refers to the guidelines "RSPO Peatland Working Group meeting on 13-14 September 2018 to clarify potential audit guidance for Criteria 7.7 (as adopted by GA)" Which, companies must have 1 subsidence stake in every 240 ha of peat area. For peat areas with more than 5000 ha, the number of stakes can be reduced from these requirements if the company has justification.  From the results of field observations and document reviews, only 2 subsidence stakes were found at Mandah Estate and 2 subsidence stakes at Rotan Semelur Estate. The management also explained, that currently the company does not have procedures related to the peat subsidence stake.			
<b>Non-Conformance Description:</b> monitoring procedures for peat subsidence have not yet fully complied with RSPO guidelines.			
<b>Root Cause Analysis</b> <i>(filled by organization audited):</i> This is a new indicator that requires further understanding for company. The reference used for the determination of the previous pole installation is based on the attachment to the revised of environment document (RKL-RPL No. 11 / IH-RKL-RPL / V / 2006), which mentions the location of several sampling points at different locations of the planting year			
<b>Correction</b> <i>(filled by organization audited):</i> <ul style="list-style-type: none"><li>• Conducted socialization and coordination with the Minamas Research Center (MRC) related to the new RSPO P&amp;C and attended the Indonesia National Interpretation (INA NI) Webinar on the RSPO Principles and Criteria (P&amp;C) 2018 on May 20, 2020</li><li>• Coordinate with the MRC to establish procedures for installing subsidence pole in accordance with RSPO guidelines.</li><li>• The Minamas Research Center (MRC) establishes procedures and subsidence observation points at PT BNS, adding 14 new points from existing 10 points so that there will be a total of 24 subsidence observation points at PT BNS. Determination of the point is based on peat thickness, peat maturity and drainage zoning system.</li></ul>			
<b>Corrective Action</b> <i>(filled by organization audited):</i> Monitor the subsidence pole based on procedure and evaluate every month.			

**Assessor Evaluation and Conclusion (filled by auditor):**
**Verification May 17<sup>th</sup>, 2020**

The company explained that the improvement activities were carried out after the Large-Scale Social Restrictions program after there was stopped by the Government. However, the company still has to explain further related to the root cause analysis related to the latest RSPO indicators along with a written program (documentation) related to plans to improve subsidized pole determination.

**Verification June 8<sup>th</sup>, 2020**

The company shows evidence of improvements in the form of:

- Document for determining the location of the installation of peat subsidence observations by the Minamas Research Center.
- SOP Observation of peat surface subsidence (June 1, 2020) by the Minamas Research Center.

In the document, the company plans to add 14 new subsidence points (a total of 24 points) with reference to the latest RSPO guidelines ("*RSPO Peatland Working Group meeting on 13-14 September 2018 to clarify potential audit guidance for Criteria 7.7 (as adopted by GA)*") by the Minamas Research Center. The company has also established a procedure for observing peat subsidence every 6 months (for each monitoring point), where measurement results will be recorded, reported and corrected for evaluation. Currently the management is in the process of installing stakes while awaiting the relaxation of the Government's Large-Scale Social Restrictions program.

Based on this explanation, the non-conformities have been fulfilled and will be further verified related to the consistency of its application in the next assessment.

**Verified by** : **Briyogi Shadiwa**

NCR No.	: 2020.03	Issued by	: Briyogi Shadiwa
Date Issued	: 26 March 2020	Time Limit	: 25 June 2020
NC Grade	: Critical	Date of Closing	: 08 June 2020
Standard Ref. & Requirement	: 7.7.5 (C) For plantations planted on peat, drainability assessments are conducted following the RSPO Drainability Assessment Procedure, or other RSPO recognised methods, at least five years prior to replanting. The assessment result is used to set the timeframe for future replanting, as well as for phasing out of oil palm cultivation at least 40 years, or two cycles, whichever is greater, before reaching the natural gravity drainability limit for peat. When oil palm is phased out, it is replaced with crops suitable for a higher water table (paludiculture) or rehabilitated with natural vegetation.		
<b>Evidence observed:</b> The company conducted a drainability study on PT Bhumireksa Nusasejati's peatlands in November 2017. However, the peatland drainage study did not fully refer to the RSPO guidelines in the Drainability Assessment Procedure for Replanting of Existing Palm Oil on Peatlands November 2019. Where the guidelines instruct, among others: <ul style="list-style-type: none"><li>• Determine the number of years before the land will subside to the drainage base (assuming constant subsidence rate).</li><li>• If the time before the site subsides to the drainage base is <math>\geq 40</math> years, the area may be replanted whereas if it is <math>&lt;40</math> years replanting is not allowed.</li></ul> From the results of the document review, the company still has replanting activities for the next 5 years.			
<b>Non-Conformance Description:</b> Based on those objective evidences, the peat Drainability study has not fully referred to the RSPO guidelines.			

<b>Root Cause Analysis</b> <i>(filled by organization audited):</i>  Drainability assessment report is on progress during the surveillance assessment.	
<b>Correction</b> <i>(filled by organization audited):</i>  Shows report of drainability assessment that are in accordance with RSPO guidelines.	
<b>Corrective Action</b> <i>(filled by organization audited):</i>  Follow and ensure all the recommendation results from drainability assessment report accordance with RSPO guidelines.	
<b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i>  <b>Verification May 17<sup>th</sup>, 2020</b> The company explained that the improvement activities were carried out after the Large-Scale Social Restrictions program after there was stopped by the Government. However, the company still has to explain further related to the root cause analysis related to the latest RSPO indicators along with a written program (documentation) related to drainability assessment report.  <b>Verification June 8<sup>th</sup>, 2020</b> The company shows evidence of improvement in the form of PT Bhumireksa Nusasejati's 2020 Peatland Drainability Study Document by the Minamas Research Center. The document explains information that refer to guidelines set by the RSPO, such as: <ul style="list-style-type: none"> <li>Based on the calculation of the 2x planting cycle threshold, the assessment location has not yet reached the threshold, so that replanting activities can be carried out with due regard to water management.</li> <li>From the study data, the fastest drainage base is in the fields B035 (93 years), C034 (101 years) and C035 (101 years).</li> </ul> Based on this explanation, the non-conformities have been fulfilled and will be further verified related to the consistency of its application in the next assessment.	
<b>Verified by</b>	: <b>Briyogi Shadiwa</b>

<b>NCR No.</b>	: 2020.04	<b>Issued by</b>	: Trismadi N
<b>Date Issued</b>	: 26 March 2020	<b>Time Limit</b>	: 25 June 2020
<b>NC Grade</b>	: Critical	<b>Date of Closing</b>	: 14 May 2020
<b>Standard Ref. &amp; Requirement</b>	: 7.12.8 <b>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.</b>		
<b>Evidence observed</b> <i>(filled by auditor):</i> <ul style="list-style-type: none"> <li>The Chronology of LUCA submission by SDP update is available until January 2019 where the company has sent LUCA reports to the RSPO (19 reports) along with shapefiles in August 2018, in October 2018 the RSPO has responded with a note requiring clarification. Based on PT MAL's communication with the RSPO on February 13, 2019, the RSPO stated that currently the LUCA status for PT LMI is still awaiting finalization and clarification from SDP Berhad.</li> <li>Land use / cover change analysis (LUCC) reporting checklist from the RSPO dated 9 August 2019 is known that there are still data that need to be clarified, including:</li> <li>Provide missing satellite imageries, land cover and vegetation coefficient shapefiles for all 4 estates that cover all 2005, 2007 and 2009 years.</li> <li>Provide substitute satellite imageries for the no-data gaps and artifacts that are observed to be present for all the imageries.</li> </ul>			



<ul style="list-style-type: none"> <li>Provide the RSPO Remediation and Compensation Liabilities Report PT BSS V1 report for reviewers to reference the calculation and validity of the satellite imageries used.</li> </ul> <p><b>Non-Conformance Description</b> <i>(filled by auditor):</i> Based on the description above, the Company has not been able to show evidence of data clarification above and the approval of the Land Use Change Analysis (LUCA).</p>	
<p><b>Root Cause Analysis</b> <i>(filled by organization audited):</i> PT BNS has not received information from Management Sime Darby after August 9, 2019.</p>	
<p><b>Correction</b> <i>(filled by organization audited):</i> GSQM coordinated with Sime Darby for the reporting process and LUCA status of PT BNS and obtained progress status until April 16, 2020.</p>	
<p><b>Corrective Action</b> <i>(filled by organization audited):</i> GSQM will continue to coordinate with Sime Darby to update the LUCA report to the RSPO</p>	
<p><b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i> <b>Verification, May 11, 2020.</b></p> <p>The Certification Unit shows the LUCA report status table for PT BNS dated May 11, 2020, which informed the external audit date of March 16-21, 2020, reviewer by ERE Consulting Group. However, evidence of clarification to the RSPO has not yet been explained in relation to the data below:</p> <ul style="list-style-type: none"> <li>Provide missing satellite imageries, land cover and vegetation coefficient shapefiles for all 4 estates that covers all 2005, 2007 and 2009 years.</li> <li>Provide substitute satellite imageries for the no-data gaps and artefacts that are observed to be present for all the imageries.</li> <li>Provide the <b>RSPO Remediation and Compensation Liabilities Report PT BSS V1</b> report for reviewers to reference the calculation and validity of the satellite imageries used.</li> </ul> <p><b>Verification, May 14, 2020.</b></p> <p>The Certification Unit shows some evidence of improvement as follows:</p> <ul style="list-style-type: none"> <li>RaCP progress update matrix, note that the value of Final Conservation Liability: 0.</li> <li>The results of Sime Darby Plantation's communication with the RSPO Secretariat on May 14, 2020, are as follows: <ul style="list-style-type: none"> <li>NC raised to the units with FCL = 0 can be closed and hence proceed with certification.</li> <li>NC raised to the units with FCL value, the NC can be left open until the next ASA in which the compensation plan needs to be approved by then.</li> </ul> </li> </ul> <p><b>Auditor Conclusions:</b> Based on above explanations, this nonconformity has been closed.</p>	
<b>Verified by</b>	<b>: Trismadi N</b>

**3.4.2. Identification of Findings, Corrective Actions and Observations at ASA 1.2 (Remote) Assessment**

<b>NCR No.</b> :		<b>Issued by</b> :	
<b>Date Issued</b> :		<b>Time Limit</b> :	
<b>NC Grade</b> :		<b>Date of Closing</b> :	
<b>Standard Ref. &amp; Requirement</b> :			
<b>Evidence observed</b> (filled by auditor):  <p style="text-align: center;"><i>There is no NC during remote surveillance audit 1.2</i></p>			
<b>Non-Conformance Description</b> (filled by auditor):  			
<b>Root Cause Analysis</b> (filled by organization audited):  			
<b>Correction</b> (filled by organization audited):  			
<b>Corrective Action</b> (filled by organization audited):  			
<b>Assessor Evaluation and Conclusion</b> (filled by auditor):  			
<b>Verified by</b> :			

**3.4.3. Identification of Findings, Corrective Actions and Observations at ASA-1.2 and ASA-1.3 (Onsite) Assessment**

<b>NCR No.</b>	<b>:</b>	<b>2020.01</b>	<b>Issued by</b>	<b>:</b>	<b>Arief Tajalli</b>
<b>Date Issued</b>	<b>:</b>	<b>15 April 2022</b>	<b>Time Limit</b>	<b>:</b>	<b>18 August 2022</b>
<b>NC Grade</b>	<b>:</b>	<b>Major</b>	<b>Date of Closing</b>	<b>:</b>	
<b>Standard Ref. &amp; Requirement</b>	<b>:</b>	<b>7.12.8 (P&amp;C 2018)</b> <b>If there is land clearing that was not preceded by an HCV assessment before November 2005, or which has not been preceded by an HCV-HCSA assessment since 15 November 2018, the Remediation and Compensation Procedure (RaCP) applies.</b>			
<b>Evidence observed (filled by auditor):</b>  <p>The company clears the land without prior HCV assessment so that remediation and compensation procedures apply. The company has conducted an HCV assessment for the PT BNS area with an extensive study scope of 25,662 Ha. In this regard, the company has conducted a LUCA study and carried out the RaCP management process which is part of the scope of PT BNS Teluk Bakau Mill. The LUCA management process is as follows:</p> <ul style="list-style-type: none"> <li>• 27 August 2018 the company submitted a Disclosure of Liability and LUCA to the RSPO Compensation Plan.</li> <li>• 13 February 2019 RSPO responded by concluding that there are some clarifications that need to be completed by the company.</li> <li>• 18 Feb 2021 Company submits LUCA Report 2nd Review to RSPO.</li> <li>• 6 April 2021 RSPO issued an Advisory Note regarding the ongoing LUCA process with LUCA status still requiring clarification from the company.</li> <li>• 19 Nov 2021 Company submits LUCA Report 3rd Review to RSPO.</li> <li>• 10 February 2022 The company again confirmed the response of the results of the 3rd LUCA clarification.</li> <li>• 18 February 2022 RSPO provides a Conditional Approval which refers to the previous Advisory Note. The conditional approval is valid for 6 months from the date it was sent.</li> </ul> <p>The Conditional Approval explains that the LUCA status owned by PT Bhumireksa Nusasejati, Teluk Bakau Mill unit is still in the "On-Going" stage and for companies whose LUCA status has not been completed, the RSPO provides a policy that states <b>"Proceed with continuation of audits however, the NC will remain open until the next ASA and management unit must provide the update to the pending action / clarification to RSPO Secretariat within the next 3 months"</b></p>					
<b>Non-Conformance Description (filled by auditor):</b>  <p>Based on this evidence, and the analysis of several documents including email communications between PT BNS and RSPO, it can be concluded that the company has communicated to the RSPO, but has not been able to show sufficient evidence that the RAC-Plan has been approved by the RSPO.</p>					
<b>Root Cause Analysis (filled by organization audited):</b>					
<b>Correction (filled by organization audited):</b>					
<b>Corrective Action (filled by organization audited):</b>					
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>					
<b>Verified by</b>	<b>:</b>				

**3.4.4. Opportunity for Improvement**

No	Ref. Std.	Description
1	1.1.2	<p><b>Information is presented in an appropriate language and accessible to relevant stakeholders.</b></p> <p>The Hazardous Waste and OHS Management Reports submitted to the relevant Offices are not carried out according to the obligations listed in the permit, which is once every 3 months, for example for the first to fourth quarter 2021 reports, they will only be reported on March 17, 2022. In addition, the Hazardous Waste Management Report document also includes did not attach the latest logbook, balance sheet and manifest data but still uses 2020 data. Regarding the delay in sending reports, the management explained that the delay in sending reports was due to restrictions on mobilization and limited document delivery services due to the Covid-19 pandemic in 2021. As for errors the attachment in the report is caused by a document printing error, in this regard, the company can show the logbook, balance sheet and manifest documents in accordance with the period the report was made. Based on this, the company has the opportunity to make improvements in fulfilling obligations related to reporting, as well as ensuring that the documents made are in accordance with the period.</p>
2	3.4.3	<p><b>The social and environmental management and monitoring plan is implemented, monitored and updated periodically in a participatory manner.</b></p> <p>Based on the results of the document review and interviews with management and stakeholders (internal and external), it is known that the company has managed issues that could have a social impact which were carried out partially by the relevant departments but were not explained in detail in the SIA review report. In addition, the SIA document also does not explain the deeper involvement of key stakeholders such as representatives of women, migrants, local residents, youth leaders, contractors and others. Based on the explanation above, companies are encouraged to develop a comprehensive social management and monitoring plan by integrating between sections/departments covering all impacts and representative samples of affected parties.</p>
3	6.2.4	<p><b>The unit of certification provides adequate housing, sanitation facilities, water supplies, medical needs, education and public facilities in accordance with national standards or higher standards, if public facilities are not available or cannot be accessed. In the case of acquisition of non-certified units, a plan is developed that explains in detail the infrastructure improvement. Given a reasonable time (5 years) to upgrade the infrastructure.</b></p> <p>The company already has a list of employee facilities and infrastructure for 2022 in each of the indicated units, as shown below:</p> <ul style="list-style-type: none"> <li>• Rotan Semelur Estate which consists of 40 permanent housing units at Pondok Semelur, 3 permanent housing units and 30 non-permanent housing units at Pondok Seroja, and 2 permanent housing units and 1 non-permanent housing unit at Pondok Seruni.</li> <li>• Mandah Estate which consists of 38 permanent housing units in Pondok Mahoni, 32 permanent housing units and 10 non-permanent housing units in Pondok Baru.</li> </ul> <p>Based on the results of field visits and worker interviews, there are wooden and semi-permanent housing units in a damaged condition. The company has demonstrated a home renovation program including the types of wooden and semi-permanent houses that are in each unit for 2022. Thus, the company is encouraged to realize a home renovation program in 2022.</p>
4	6.2.7	<p><b>Permanent workers are employed for all major work performed by the unit of certification. Temporary workers and casual daily workers are limited to work of a temporary or seasonal nature.</b></p>

No	Ref. Std.	Description
		<p>The company has shown a list of PKWT employees for 2022 in each unit as shown below:</p> <ul style="list-style-type: none"> <li>• Rotan Semelur Estate with a total of 7 PKWT for harvest work. The appointment of the PKWT was carried out in April 2022.</li> <li>• Mandah Estate with a total of 2 PKWT for harvest work. Appointment of PKWT will be carried out in June 2022.</li> </ul> <p>Based on the explanation above, companies are encouraged to carry out the appointment of PKWT on the main work contained in the company's operational activities.</p>
5	6.7.1	<p><b>The person in charge of Occupational Safety and Health (K3) is identified. Records of regular meetings between the person in charge and the workers are available. The interests of all parties related to safety, health and welfare were discussed at the meeting. Any issues that arise are noted down</b></p> <p>The certification unit has a P2K3 organizational structure in MDF, MDE and RSE. This already refers to the regulation of the Minister of Manpower of the Republic of Indonesia Number: Per. 04/MEN/1987 concerning P2K3 and Procedures for Appointing Occupational Safety Experts. However, the P2K3 structure at RSE was not updated because the P2K3 Chair was no longer working at PT. BNS since March 1, 2022.</p> <p>The certification unit has the opportunity to update the P2K3 organizational structure in accordance with existing personnel to the Provincial Manpower Office.</p>
6	7.7.5	<p><b>Drainability assessments are carried out on plantations planted on peatlands following the RSPO Drainability Assessment Procedure, or other RSPO approved method, (at least five years or in accordance with the provisions of the RSPO Drainability Assessment Procedure) prior to replanting. The results of the assessment are used to determine the time period for replanting to be carried out, as well as to gradually replace oil palm cultivation at least 40 years or two cycles, (whichever is longer), before reaching the natural gravity Drainability limit for peat. If oil palm is replaced gradually, it is replaced by other commodity crops more suitable for higher groundwater levels (paludiculture) or rehabilitated with natural vegetation</b></p> <p>The Certification Unit has conducted a Peatland Drainage Study Report of PT. Bhumireksa Nusasejati on 28 May 2020 and sent the Report to the RSPO Secretariat on 12 November 2020 this is in accordance with the RSPO Drainability Assessment Procedure version 1.1, 30 November 2019.</p> <p>In 2022 PT. BNS has replanted an area of 698.23 Ha. Referring to the RSPO Drainability Assessment Procedure version 2.0, 26 October 2021, if the unit of certification will carry out replanting, the Peat Drainage Report must have received approval from the RSPO Secretariat.</p> <p>The unit of certification has the opportunity to ensure the progress of submission and approval of the Peat Drainage Report that has been submitted to the RSPO Secretariat.</p>
7	7.12.2	<p><b>HCV and HCS forest, and other conservation areas identified</b></p> <p>Companies are encouraged to harmonize HCV data (management maps, area statements and geolocations) to obtain consistency in the area of operational statements, matrix templates, GHG calculator, HCV management reports, and other related documents.</p>

**3.4.5. Noteworthy Positive Components**

No	Description
1	Commitment to implementing a sustainable management system.
2	Good teamwork
3	Commitment in controlling the Covid-19 pandemic.



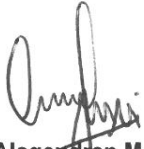

**3.5 Summary of Arising Issues from Public and Auditor Verification**

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>National Land Agency of Indragiri Hilir Regency</b> 11 April 2022</p> <ul style="list-style-type: none"> <li>There are no additions related to land use permits and location permits. The total land use permits for PT BNS are 25,662 ha.</li> <li>Until now the company's HGU areas that have not been controlled are in the process of being released from the scope of land use rights (takes a long time).</li> <li>The company has a good relationship with BPN.</li> <li>There are no problems related to land conflicts.</li> </ul>	<p>Related to occupation area, the company has submitted a request for recommendation to the Regent of Indragiri Hilir regarding the request for the release of the occupation area. The company has shown evidence of a recommendation from the Regent of Indragiri Hilir (No. 100/TAPEM/1779.119) on November 30, 2021, which informed that Regent of Indragiri Hilir, Riau Province, recommended PT Bhumireksa Nusasejati to relinquish part of the <i>Hak Guna Usaha</i>. Currently the release is still in the process with the BPN.</p>
<p><b>Environmental Services of Indragiri Hilir Regency</b> Head of Environmental Services 11 April 2022</p> <p>Based on the results of interviews with the Environment Agency, information was obtained that the company has completed and completed all the required licensing requirements and routinely reports the required environmental management results according to its schedule. The company also routinely conducts training in handling forest and land fires involving the community and local agencies.</p> <p>The agency also added that the results of the field visit carried out on December, 2021 were carried out to ensure field conditions were as requested in the reporting. The results of the visit showed that there were no problems that needed to be corrected by the company. The results of the interview with the Indragiri Hilir Regency Environmental Service also stated that company need to consider about using a watertight embankment for WWTP at Mandah Factory. The informant also stated that there was never any information related to fire incidents and environmental pollution that were reported to the Service from NGOs or the surrounding community.</p>	<p>There are no issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators.</p>
<p><b>Labour and Transmigration of Indragiri Hilir Regency</b> 11 April 2022 Head of Industrial Relation Division</p> <ul style="list-style-type: none"> <li>The company has reported WLTk report.</li> <li>There are no issues related to industrial relations during last year.</li> <li>The applicable minimum wage is the Provincial Minimum Wage in 2022.</li> <li>All the workers have been included in BPJS of employment dan health.</li> </ul>	<p>There are no negative issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>There is no work accident information that is severe or fatal in the past 1 year.</li> <li>Contract worker has been registered in the Manpower Agency of Indragiri Hilir District.</li> </ul>	
<b>Representative of Rotan Semelur, Belaras Barat, Bente, and Teluk Bunian Village</b> 11 April 2022 <ul style="list-style-type: none"> <li>The company has realized aids such as firefighting assistance, holiday assistance, etc.</li> <li>There are no issues related to conflicts or land disputes between the company and the surrounding community.</li> <li>There is no overlap with mining areas or forest areas.</li> <li>There are no issues related to the company's operational activities such as environmental pollution and fires.</li> <li>The company has good relations and communication with community representatives.</li> <li>The majority of people's livelihoods are coconut cultivation and are not interested in planting oil palm.</li> <li>Rotan Semelur community, who were the previous land owners, had no problems with land compensation. Many people work in the company as a compensation on communities' land.</li> </ul>	<p>There are no issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators.</p>
<b>Gender Committee</b> 11 April 2022 <ul style="list-style-type: none"> <li>Gender Committee already has an activity program for the period of 2021, such as socialization of the need of mate pregnant mother, <i>posyandu</i> activity, checking of kindergarten &amp; daycare.</li> <li>During the period 2021-2022 there has been no complaints related to sexual harassment. Reporting mechanisms reported through board of gender committee will then be submitted to estate or mill manager.</li> <li>Woman employees has been given menstrual and maternity leave by reporting to the clinic and being given a rest for menstrual leave. While, maternity leave is given before and after childbirth.</li> <li>Company has demonstrated an effort to facilitate access in obtaining adequate food ingredients, for example by the establishment of employee cooperatives that sell daily basic necessities.</li> </ul>	<p>There are no negative issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators.</p>
<b>Worker Union Estate and Factory (MDF, MDE, and RSE)</b> 11 April 2022 <ul style="list-style-type: none"> <li>Company gives workers the freedom to become union members.</li> </ul>	<p>There are no negative issues that need to be verified further, all information obtained from the results of the interviews has been</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>Company has implemented regulations related to minimum wage in accordance with provincial sector minimum wage.</li> <li>Company has provided all workers, including contract workers, with BPJS of employment and health.</li> <li>Permanent worker appointment remains carried out according to needs and through the assessment process. Including assessment for contract workers has been carried out in accordance with procedures. Appointment will be made if it meets the requirements and there is a need from the company.</li> <li>Company has provided PPE for workers who are used while working and the PPE procedure will be damaged will be replaced with a record of damage due to work factors. Monitoring the use of PPE that still needs to be improved.</li> <li>Currently Corrective Labour Agreement is still valid until end of 2022.</li> <li>Company has given workers the freedom in association, for example by becoming a member of SPSI.</li> <li>Company has program of permanent housing construction in 2021-2022.</li> <li>Every worker has been equipped with a work agreement that explains the rights of workers and OSH.</li> <li>There are no complaints related to employee discrimination, immorality, use of child labor.</li> </ul>	<p>submitted to the relevant indicators. Progress of permanent housing for employees has been documented for each unit.</p>
<p><b>Worker Cooperative (MDE and RSE)</b> <b>12 April 2022</b></p> <ul style="list-style-type: none"> <li>Company has a policy to support the formation of worker cooperatives to help welfare of its employees.</li> <li>Company's support to worker cooperatives is to provide buildings for worker cooperatives in each unit.</li> <li>Cooperative operates in the business of Convenience Stores and lending money to its members.</li> <li>Annual Member Meeting for 2021 fiscal year was held in March 2022.</li> </ul>	<p>There are no negative issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators.</p>
<p><b>Plantation Agency</b> <b>12<sup>th</sup> April 2022</b> <b>Interviewee: Sub Dept. Head of Plantation, Indragiri Hilir District</b></p> <ul style="list-style-type: none"> <li>There have been no land fires in the last year</li> <li>There are no indigenous peoples in the company's operational areas</li> <li>The company carries out CSR programs on a regular basis</li> <li>No overlapping operational areas with mining</li> </ul>	<p>There were no negative issues that need further verification. Described in detail in criteria 7.11; 7.1; 7.3</p>
<p><b>Local Contractor for Preparation Land/Replanting (PT Mitra Karya Jaya Perdana)</b></p>	

Public Issues (Institution/ NGO/Community)	Auditor Verification
<b>12<sup>th</sup> April 2022</b> <ul style="list-style-type: none"> <li>Contractor engages in replanting land preparation.</li> <li>Contractors are required by companies to comply with OHS and PPE procurement by contractor.</li> <li>Payments to contractors are made on time in accordance with the contract.</li> <li>There is no complaint from contractor.</li> <li>Communication between the contractor and the company is well established.</li> </ul>	<p>There are no negative issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators</p>
<b>Local Contractor for Infrastructure (PT Sumber Teknik Berdikari)</b> <b>12<sup>th</sup> April 2022</b> <ul style="list-style-type: none"> <li>Contractor engages in build housing, schools and infrastructure.</li> <li>Contractors are required by companies to comply with OHS and PPE procurement by contractor.</li> <li>Payments to contractors are made on time in accordance with the contract.</li> <li>There is no complaint from contractor.</li> <li>Communication between the contractor and the company is well established.</li> </ul>	<p>There are no negative issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators</p>

<b>4.0</b>	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>
<b>4.1</b>	<b>Formal Sign-off of Assessment Findings</b>
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Bhumireksa Nusasejati Head of Sustainability &amp; Quality Management</p>  <p><b><u>Alagendran Maniam</u></b> Tuesday, 19 April 2022</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Briyogi Shadiwa</u></b> Tuesday, 19 April 2022</p> </div> </div>

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

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Environmental Agency	Indragiri Hilir District	-	Interview by phone	11 April 2022	√	
2	National Land Agency	Indragiri Hilir District	-	Interview by phone	11 April 2022	√	
3	Labour and Transmigration of Indragiri Hilir District	Indragiri Hilir District	-	Interview by phone	11 April 2022	√	
4	Representative of Rotan Semelur, Belaras Barat, Bente, and Teluk Bunian Village.	Indragiri Hilir District	-	Interview by phone	11 April 2022	√	
5	Gender Committee	Indragiri Hilir District	-	Interview by phone	11 April 2022	√	
6	Worker Union	Indragiri Hilir District	-	Interview by phone	11 April 2022	√	
7	Worker Cooperative	Indragiri Hilir District	-	Interview by phone	12 April 2022	√	
8	MDF Workers: • 1 Warehouse Operator	Indragiri Hilir District	-	Direct Interview	13 April 2022	√	
9	RSE Workers: • 2 Manual Upkeep Workers • 1 Harvester • 4 Boat Operator	Indragiri Hilir District	-	Direct Interview	13 April 2022	√	
12	Plantation Agency	Indragiri Hilir District	-	Interview by phone	12 April 2022	√	
13	Local Contractor • PT. Mitra Karya Jaya Perdana	Indragiri Hilir District	-	Interview by phone	12 April 2022	√	
14	WWF	Indonesia	<a href="mailto:wwf-indonesia@wwf.or.id">wwf-indonesia@wwf.or.id</a>	Questionnaire by email	5 April 2022		√
15	Sawit Watch	Indonesia	<a href="mailto:info@sawitwatch.or.id">info@sawitwatch.or.id</a>	Questionnaire by email	5 April 2022		√
16	WALHI	Indonesia	<a href="mailto:informasi@walhi.or.id">informasi@walhi.or.id</a>	Questionnaire by email	5 April 2022		√
17	AMAN	Indonesia	<a href="mailto:rumahaman@aman.or.id">rumahaman@aman.or.id</a>	Questionnaire by email	5 April 2022		√



**Appendix 2. Assessment Program**
**REMOTE ASA 1.2**

DATE	6 – 9 April 2021	
PROGRAM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Tuesday, 6 April 2021</b>		
08.00 – 09.00	<b>Opening meeting by zoom application</b> <ul style="list-style-type: none"> <li>Auditee Speech (introduction of PIC, Profile of Certified Management Unit).</li> <li>Auditor Team Speech (introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li> </ul>	<b>All Auditor</b>
09.00 – 12.00	• <b>Document verification</b>	<b>All Auditor</b>
12.00 – 14.00	<b>Break</b>	<b>All Auditor</b>
14.00 – 16.00	• <b>Document verification</b>	<b>All Auditor</b>
16.00 – 17.00	Daily Progres	<b>All Auditor</b>
<b>Wednesday, 7 April 2021</b>		
08.00 – 12.00	<b>Document verification</b>	<b>All Auditor</b>
12.00 – 14.00	<b>Break</b>	<b>All Auditor</b>
14.00 – 16.00	Internal discussion by auditor team preparing for Closing Meeting	<b>All Auditor</b>
16.00 – 17.00	<b>Closing Meeting</b> <ul style="list-style-type: none"> <li>Presentation of audit findings (Noteworthy Positive Component, Non Conformity, OFI, Timeline of CAR's, Conclusion)</li> <li>Comments, Responses and Questins</li> </ul>	<b>All Auditor</b>

**ONSITE ASA 1.2 + 1.3**

DATE		10 – 16 April 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED		AUDITOR
Sunday, 10 April 2022			
10.40 – 12.25	JAKARTA (CGK) → BATAM (BTH) : QG-942		All Auditor
12.25 – 13.00	SWAB ANTIGEN Test in Batam		
13.00 – 18.00	BATAM → PT BHUMIREKSA NUSASEJATI		
Monday, 11 April 2022			
08.00 – 09.00	Opening meeting (Video Conference) <ul style="list-style-type: none"><li>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li><li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li></ul>		All Auditor
09.00 – 12.00	<ul style="list-style-type: none"><li>public consultation with stakeholder to relevant agency in Indragiri Hilir District by Phone</li><li>Stakeholder consultation to affected communities surrounding the plantations and previous land owner by phone</li></ul>		
12.00 – 14.00	Break		All Auditor
14.00 – 17.00	<ul style="list-style-type: none"><li>Document review and completing audit checklist.</li><li>Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier by phone</li><li>Presentation of Daily Progress.</li></ul>		All Auditor
Tuesday, 12 April 2022			
08.00 – 12.00	<ul style="list-style-type: none"><li>Document review and completing audit checklist.</li><li>Continue interview with Related Agencies, Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier by phone</li></ul>		All Auditor
12.00 – 14.00	Break		All Auditor
14.00 – 17.00	<ul style="list-style-type: none"><li>Document review and completing audit checklist.</li><li>Continue interview with Related Agencies, Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier by phone.</li><li>Presentation of Daily Progress.</li></ul>		All Auditor
Wednesday, 13 April 2022			
08.00 – 12.00	Field Observation to Mandah Estate <i>Aspect to be verified:</i> <ul style="list-style-type: none"><li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li><li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li><li>Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li><li>Implementation of Occupational Health &amp; Safety Aspect</li><li>Implementation of Employment Procedure and Mechanism Aspect</li><li>Observation of Workers Facilities (Housing, School, Worship Place).</li><li>Interview with related personel during field observation (teleconference/by phone)</li></ul>		2 Auditors

DATE	10 – 16 April 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
08.00 – 12.00	<b>Field Observation to Rotan Semelur Estate</b> Aspect to be verified: <ul style="list-style-type: none"> <li>• Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> <li>• Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>• Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>• Implementation of Occupational Health &amp; Safety Aspect</li> <li>• Implementation of Employment Procedure and Mechanism Aspect</li> <li>• Observation of Workers Facilities (Housing, School, Worship Place).</li> <li>• Interview with related personel during field observation (teleconference/by phone)</li> </ul>	
12.00 – 14.00	<b>Break</b>	
14.00 – 17.00	<b>Field observation to Mandah 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> <li>• Presentation of Daily Progress</li> </ul>	<b>All Auditor</b>
<b>Thursday, 14 April 2022</b>		
08.00 – 12.00	Document review and completing audit checklist.	<b>All Auditor</b>
<b>Friday, 15 April 2022</b>		
08.00 – 12.00	Document review and completing audit checklist.	<b>All Auditor</b>
<b>Saturday, 16 April 2022</b>		
08.00 – 10.00	<b>Closing Meeting:</b> <ul style="list-style-type: none"> <li>• Presentation of audit findings (Noteworthy Positive Component, Nonconformities, OFI, Timeline of CAR's, Conclusion)</li> <li>• Comments, Responses and Questions</li> </ul>	<b>All Auditor</b>
10.00 – 15.00	<b>PT BHUMIREKSA NUSASEJATI → BATAM</b>	<b>All Auditor</b>
17.35 - ....	<b>BATAM → JAKARTA (GA-157)</b>	<b>All Auditor</b>