

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

### **[✓] Surveillance 1.1 & 1.2**

Name of Management Organisation : Lembiru Palm Oil Mill, PT Sandika Natapalma subsidiary of Sime Darby Plantation Bhd  
 Plantation Name : PT Sandika Natapalma : Lembiru Estates and Awatan Estate  
 PT Budidaya Agro Lestari : Pelanjau Estate  
 Location : Village of Sukakarya, Sub District of Marau, District of Ketapang Province of Kalimantan Barat, Indonesia  
 Certificate Code : **MUTU-RSPO/044**  
 Date of Certificate Issue : 03 July 2019      Date of License Issue : 15 September 2022  
 Date of Certificate Expiry : 02 July 2024      Date of License Expiry : 02 July 2023

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA 1.1	22 – 24 July 2020	Moh Arif Yusni (Lead Auditor), Haikal Ramadhan K, Radytio Puspanjana, Johannes Pandiangan	Moh Arif Yusni	Leonada
ASA 1.1, ASA 1.2, ASA 1.3	21 – 25 March 2022	Haikal Ramadhan K (Lead Auditor), Septian Maulana, Bayu Yogatama, Helma Namira		

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA 1.1, ASA 1.2, ASA 1.3	15 September 2022

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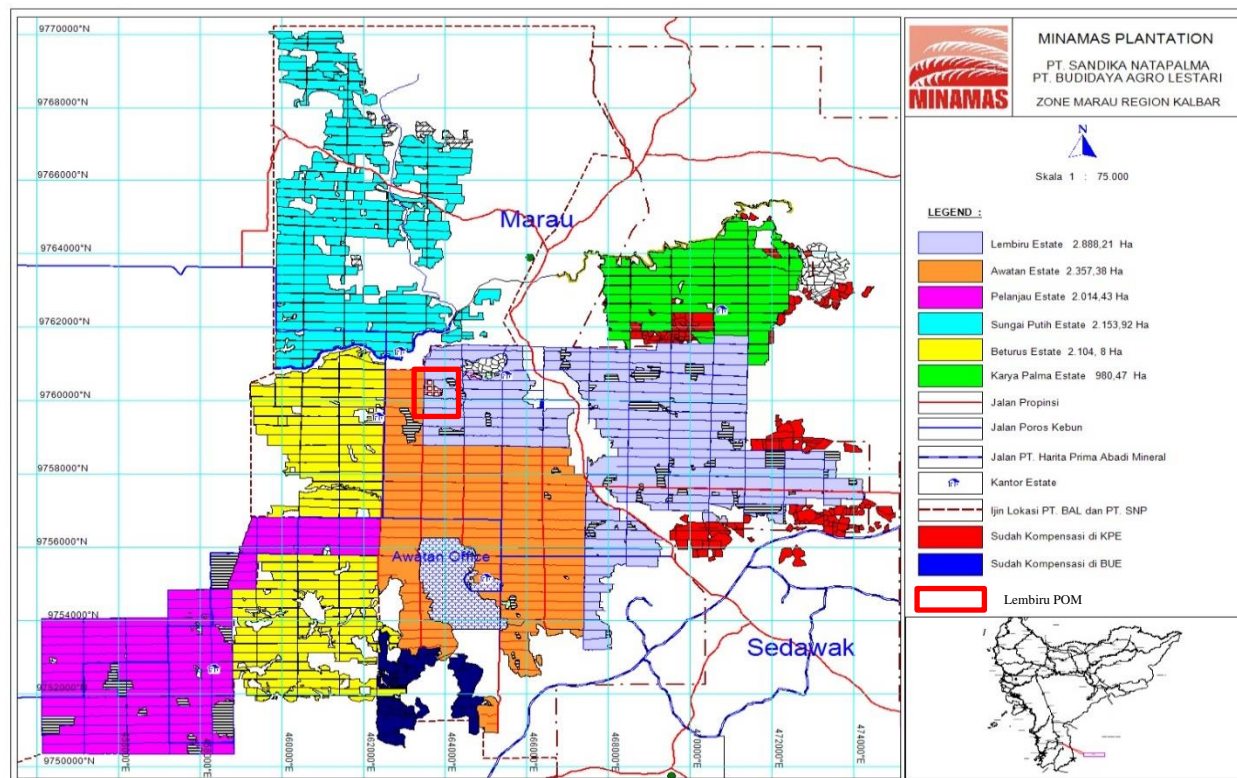
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Figure 1. Location Map of PT Sandika Natapalma



Figure 2. Operational Map of PT Sandika Natapalma



### Abbreviations Used

AMDAL	:	Analisis Mengenai Dampak Lingkungan ( <i>Social and Environmental Impact Assessment</i> )
ASA	:	Annual Surveillance Assessment
APD	:	Alat Pelindung Diri ( <i>Personal Protective Equipment</i> )
AWE	:	Awatan Estate
BAL	:	Budidaya Agro Lestari
BOD	:	Biological Oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> (Social Insurance Agency)
BPN	:	Badan Pertanahan Nasional ( <i>National Land Agency</i> )
BSS	:	Block Spraying System
CB	:	Certification Body
CSR	:	Corporate Social Responsibility
CD	:	Community Development
CH	:	Certificate Holder
COD	:	Chemical Oxygen Demand
CPO	:	Crude Palm Oil
DPLH	:	Environment Management Document
EFB	:	Empty Fruit Bunch
EHS	:	Environment Health and Safety
EIA	:	Environmental Impact Assessment
EWS	:	Early warning system
FFB	:	Fresh Fruit Bunches
FPIC	:	Free Prior and Informed Consent
GHG	:	Green House Gases
GM	:	General Manager
HCV	:	High Conservation Value
HGU	:	Hak Guna Usaha. ( <i>Land Use Permit</i> )
HIRAC	:	Hazard Identification Risk Assessment and Risk Control
IPM	:	Integrated Pest Management
KER	:	Kernel Extraction Rate
KUD	:	<i>Koperasi Unit Desa</i> (Village Unit Cooperatives)
LBE	:	Lembiru Estate
LBF	:	Lembiru Factory
LD50	:	<i>Lethal Dose 50</i>
LUCA	:	Land Use Change Analysis
MA	:	Mill Advisory
MRC	:	Minamas Research Centre
MSDS	:	Material Safety Data Sheet
MRA	:	Manual Referensi Agronomi
NGO	:	Non-Government Organizations
OER	:	Oil Extraction Rate
OFI	:	Opportunity For Improvement
OHS	:	Occupational Health and safety
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> (Occupational Safety and Health Committee)
PA	:	Plantation Advisory



PIC	:	Person in Charge
PJE	:	Pelanjau Estate
PK	:	Palm Kernel
PKB	:	<i>Perjanjian Kerja Bersama</i> (Collective Labour Agreement)
PKWT	:	<i>Perjanjian Kerja Waktu Tertentu</i> (Specified Time Worker Agreement)
POM	:	Palm Oil Mill
POME	:	Palm oil mill effluent
PPE	:	Personal Protection Equipment
PSD	:	Plantation Services Department
PSQM	:	Plantation Sustainability and Quality Management
PT	:	<i>Perseroan Terbatas</i>
RACP	:	Remediation and Compensation Plan
RKL	:	<i>Rencana kelola lingkungan</i> (Environment Management Plan)
RPL	:	<i>Rencana pemantauan lingkungan</i> (Environment Monitoring Plan)
RSPO	:	<i>Roundtable on Sustainable Palm Oil</i>
RTE	:	Rare, Threatened or Endangered
SCCS	:	Supply Chain Certification Standard
SGM	:	Senior General Manager
SKU-H/SKU-B	:	<i>Syarat Kerja Umum Harian/ Syarat Kerja Umum Bulanan</i> (Monthly and Daily Permanent Worker)
SIA	:	Social Impact Assessment
SEIA	:	Social Environment Impact Analysis
SNP	:	Sandika Natapalma
SOP	:	Standard Operational and Procedure
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant

<b>1.0</b>	<b>SCOPE of the CERTIFICATION ASSESSMENT</b>		
<b>1.1</b>	<b>Assessment Standard Used</b>	<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 the RSPO Board of Governors on 12 November 2020</li> </ul>	
<b>1.2</b>	<b>Organisation Information</b>		
1.2.1	Organisation name listed in the certificate	PT SANDIKA NATAPALMA subsidiary of SIME DARBY PLANTATION Bhd	
1.2.2	Contact person	Alagendran Maniam	
1.2.3	Organisation address and site address	<b>RSPO registered company:</b> No 2, Plantation Tower, PJU 1A/7Street, Petaling Jaya, Malaysia 47301.  <b>Liaison Office:</b> The Plaza Lt. 36, 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	Alagendran.maniam@simedarbyplantation.com	
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	1-0008-04-000-00, 7 September 2004	
<b>1.3</b>	<b>Type of Assessment</b>		
1.3.1	Scope of Assessment and Number of Management Unit	Lembiru POM, Lembiru Estate, Awatan Estate and Pelanjau Estate	
1.3.2	Type of certificate	Single	
<b>1.4</b>	<b>Locations of Mill and Plantation</b>		
1.4.1	Location of Mill		
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Lembiru	Village of Suka Karya, Sub District of Marau, District of Ketapang, Province of Kalimantan Barat, Indonesia	S 02° 10' 08"      E 110° 40' 26"
1.4.2	Location of Certification Scope of Supply Base		
	<b>Name of Supply Base</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>

Lembiru Estate	Village of Suka Karya, Sub District Marau, District Ketapang, Province Kalimantan Barat. Indonesia	S 02° 09' 53"	E 110° 41' 16"
Awatan Estate	Village of Suka Karya, Sub District Marau, District Ketapang, Province Kalimantan Barat. Indonesia	S 02° 12' 55"	E 110° 40' 55"
Pelanjau Estate	Village of Pelanjau, Sub District Marau, District of Ketapang, Province of Kalimantan Barat. Indonesia	S 02° 13' 40"	E 110° 37' 19"

**1.5 Description of Area Statement**

1.5.1	Tenure	
	• State	9,409.07 Ha
	• Community	- Ha

**1.5.2 Area Statement**

Description	PT SNP	PT BAL	Total
• Total area	8,406.28	1,002.79	9,409.07 Ha
• Mature area	3,042.93	692.48	3,735.41 Ha
• Immature area	2,182.35	266.80	2,449.15 Ha
• Mill & Infrastructure	241.31	41.49	282.80 Ha
• Conservation Area	615.87	2.02	617.89 Ha
• Occupation	2,323.82	-	2,323.82 Ha

**1.6 Planting Year and Cycles**

1.6.1	Age profile of planting year				
	Planting Year	Hectarage (Ha)			
		Awatan	Lembiru	Pelanjau	Total
	1997	90.45	8.25	-	98.70
	1998	700.19	367.03	146.71	1,213.93
	1999	-	-	121.01	121.01
	2000	-	-	79.51	79.51
	2001	-	1,157.61	-	1,157.61
	2016	76.00	-	-	76.00
	2017	174.37	-	167.91	342.28
	2018	153.14	315.89	177.34	646.37
	Sub Total	1,194.15	1,848.78	692.48	3,735.41
	2019	418.98	434.06	192.38	1,045.42
	2020	94.48	274.02	52.02	420.52
2021	554.94	246.09	22.40	823.43	



	2022	92.38	67.40	-	159.78		
	Sub Total	1,160.78	1,021.57	266.80	2,449.15		
	TOTAL	2,354.93	2,870.35	959.28	6,184.56		
1.6.2	New Planting area after January 2010		- Ha				
1.6.3	Planting Cycle		2 <sup>nd</sup> Cycle				
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Lembiru	45	424,167.27	96,506.90	22.74	22,768.02	5.36
	<i>*Production data source from 32 months before assessment (July 2019 –Feb 2022)</i>						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/ye ar)	Yield (tonnes/ha/y ear)	Supplied to Mill	
						FFB (tonnes/year)	%
	Lembiru Estate	4,929.49	1,848.78	83,144.32	16.86	83,144.32	100
	Awatan Estate	3,476.79	1,194.15	62,116.92	19.50	62,116.92	100
	Pelanjau Estate	1,002.79	692.48	21,618.67	11.70	21,618.67	100
	TOTAL	9,409.07	3,735.41	166,879.93	16.75	166,879.93	100
	<i>*Production data source from 32 months before assessment (July 2019 – Feb 2022)</i>						
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO non-certified)	Type of Organisation	number of smallholders	Production Area (Ha)	Supplied to Mill FFB (tonnes/year)		
	Pelanjau Estate	PT Budidaya Agro Lestari	-	802.78	43,347.52		
	Beturus Estate		-	2,383.05	80,417.40		
	Karya Palma Estate		-	738.81	27,629.98		
	Sungai Putih Estate		-	2,345.90	91,193.97		
	Karya Palma Plasma/SUP2		-	413.00	14,698.48		
	TOTAL					257,287.34	
	<i>*all FFB from other source are non certified</i>						
	<i>*Production data source from 32 months before assessment (July 2019 – Feb 2022)</i>						
1.7.4	Product categories			FFB, CPO, PK			
1.8	Tonnage of Product						

1.8.1	Past Annual Claim Certified Product			Estimation of Certified Product for of 3 July 2019 – 2 April 2022 (Ton)	Actual Production July 2019 – February 2022 (Ton)			
	FFB Processed			233,467	166,879.93			
	CPO Production			57,159	40,481.96			
	Palm Kernel (PK) Production			16,209.30	13,327.27			
1.8.2	Product selling							
	Type of selling product			Actual selling product for last year July 2019 – February 2022 (MT)				
	CSPO sold as RSPO certified product			-				
	CSPK sold as RSPO certified product			13,109.37				
	CSPO sold under other scheme			-				
	CSPK sold under other scheme			-				
	CSPO sold as conventional			40,481.81				
	CSPK sold as conventional			-				
1.8.3	Estimate of Certified FFB Claim							
	Name of Estates	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Lembiru Estate	4,929.49	1,848.78	16,100	13.48			
	Awatan Estate	3,476.79	1,194.15	25,000	13.52			
	Pelanjau Estate	1,002.79	692.48	7,500	10.83			
	TOTAL	9,409.07	3,735.41	48,600	13.01			
	*Projected FFB production for 12 months of certificate							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO Out put (tonnes)	Extraction (%)	Palm Kernel Out put (tonnes)	Extraction (%)	Supply Chain Module
	Lembiru	45	48,600	10,692	22.00	2,430	5.00	Mass Balance
	*Projected CSPO and CSPK production for 12 months of certificate							
1.9	Other Certifications							
	ISO 9001:2008			-				
	ISO 14001: 2004			-				
	OHSAS 18001:2007			-				
	ISCC			-				
	Others			ISPO Certificate Valid until 2026				
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	Sekunzir. PT. Indotruba Tengah	2010	Sekunzir	2010	Seruyan and Kotawaringin Barat District, Kalimantan Tengah Province	Certified
			Seruyan	2010		Certified
2	Manggala. PT. Tunggal Mitra Plantations	2010	Manggala 1	2010	Rokan Hilir District, Riau Province	Certified
			Manggala 2	2010		Certified
			Manggala 3	2010		Certified
3	Bukit Ajong PT. Sime Indo Agro	2010	West	2010	Sanggau District, Kalimantan Barat Province	Certified
			West (HGU on process)	2023		-
			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 Province	Certified
			Pinang Sebatang	2011		Certified
			Aneka Persada	2011		Certified
5	Sungai Pinang. PT. Bina Sains Cemerlang	2012	Sungai Pinang	2012	Musi Rawas District, Sumatera Selatan Province	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 Kotawaringin Timur District, Kalimantan Tengah Province	Certified
			Kawan Batu	2011		Certified
			Hatan Tiring	2011		Certified
			Batang Garing	2011		Certified
7	Alur Dumai. PT Lahan Tani Sakti	2011	Alur Dumai	2011	Rokan Hilir District, Riau Province	Certified
8	Teluk Bakau. PT. Bhumireksa Nusa Sejati	2011	Teluk Bakau	2011	Indragiri Hilir District, Riau Province	Certified
			Nusa Perkasa	2011		Certified

			Nusa Lestari	2011		Certified
9	Mandah PT. Bhumireksa Nusa Sejati	2014	Mandah	2011	Indragiri Hilir District, Riau Province	Certified
			Rotan Semelur	2011		Certified
10	Angsana. PT Ladangrumpun Suburabadi	2011	Angsana	2011	Tanah Bumbu District, Kalimantan Selatan Province	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, Kalimantan Selatan Province	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, Kalimantan Selatan Province	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, Kalimantan Selatan Province	Certified
			Bakau	2011		Certified
			Sungai Cengal	2011		Certified
14	Sukamandang PT Kridatama Lancar	2011	Sukamandang	2011	Seruyan and Kotawaringin Timur District, Kalimantan Tengah Province	Certified
			Sapiri	2011		Certified
			Barasdanum	2011		Certified
			Kuala Kuayan	2011		Certified
15	Pondok Labu. PT Paripurna Swakarsa	2012	Binturung	2012	Kotabaru District, Kalimantan Selatan Province	Certified
			Pondok Labu	2012		Certified
			Rampa	2012		Certified
			Sesulung	2012		Certified
16	Rantau. PT Laguna Mandiri	2012	Rantau	2012	Kotabaru District, Kalimantan Selatan Province	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, , Kalimantan Selatan Province	Certified
			Sekayu	2012		Certified
18	Ungkaya. PT Tamaco Graha Krida	2012	Ungkaya	2012	Morowali District, Sulawesi Tengah Province	Certified
19	Ladang Panjang. PT Bahari Gembira Ria	2012	Ladang Panjang	2012	Muaro Jambi District, Jambi Province	Certified
			Ladang Panjang (HGU on process)	2023		-
20	Rantau Panjang. PT Guthrie Pecconina Indonesia	2012	Rantau Panjang	2012	Musi Banyuasin District, Sumatera Selatan Province	Certified
			Rantau Panjang (HGU on process)	2023		-
			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 Aceh Timur District, Province 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, Kalimantan Barat Province	Certified
			Awatan	2014		Certified
			Karya Palma	2023		-
			KKPA SNP	2023		-
			Pelanjau (PT BAL)	2019		Certified
			Sungai Putih (PT BAL)	2023		-
			Beturus (PT BAL)	2023		-
			KKPA BAL	2023		-
	MALAYSIA					

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
			Bkt Talang	2011		Certified
8	Bkt Kerayong SOU 7	2011	Bkt Kerayong	2011	Kapar, Selangor	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
	P & G (New Britain Palm Oil)					
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

2	Tetere	2011	South (Smallholders)	2012	Gudaicanal, Slomon Island	Certified
			West (Smallholders)	2012		Certified
			Tetere	2011		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

6	Mosa Kumbango Kapiura Namumdo Waraston	2008	Padipadi	2013	West New Britain	Certified
			Mariawatte	2013		Certified
			East Gurney	2013		Certified
			West Gurney	2013		Certified
			East Sagarai	2013		Certified
			West Sagarai	2013		Certified
			Bebere	2008		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
			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)Kaulo ng / Akamie / Pusiki / Repamira /	2008		Certified

		Sakapei / KDC ME (21 large smallholders)		
		LSS Kapiura (847 Smallholders)	2008	Certified
		VOP Kapiura (551 Smallholders)	2008	Certified
	<p>TBP on January 2022.</p> <p>Sime Darby has achieved 34 management units in Malaysia, 25 management units in Indonesia, 10 management units in P&amp;G that RSPO certified. Total management unit in Sime Darby Plantation Bhd are 34 in Malaysia, 25 in Indonesia and 10 in P&amp;G. There is change of time bound plan, with detail:</p> <ol style="list-style-type: none"> <li>1. Uncertified area in PT Sime Indo Agro: postpone become 2023 due to HGU process</li> <li>2. Uncertified area in PT Bina Sains Cemerlang: postpone become 2023 due to HGU process</li> <li>3. Uncertified area in PT Bahari Gembira Ria: postpone become 2023 due to HGU process</li> <li>4. Uncertified area in PT Budidaya Agro Lestari: postpone become 2023 due to HGU process</li> <li>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).</li> </ol> <p><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></p>			
1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>			
	<p>The smallholder scheme under PT SNP and PT BAL planned to be certified on 2023, which is full managed under the company, so that the certification program for the smallholder scheme is following time bound plan.</p>			



<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>Remote ASA 1.1</b>	<ol style="list-style-type: none"> <li><b>Moh Arif Yusni (Lead Auditor).</b> Indonesian citizen. Bachelor of Agriculture, majoring in Plant Protection. Has experience as an operational staff at a private oil palm plantation company in Indonesia on 2010 to 2012. Has attended several trainings, i.e.: ISO 19011, ISO 9001; ISO 14001, SA 8000, RSPo lead auditor, ISPO lead auditor, OHS expert, OHS auditor based on National Government No. 50/2012, SCCS, etc. Has conducting ISPO, RSPo and MSPo audit as an auditor and lead auditor with expertise on best management practices for estate and mill, legality, worker welfare, safety, social, environment, conservation, transparency, long term economic management plan and supply chain for palm oil mill aspects. During the audit, he verified Legality, Social and SCCS</li> <li><b>Radytio Puspanjana (Auditor).</b> Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training which was held by National GMT, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospatial Information System, IHT High Conservation Value, IHT Environmental Impact Assessment, IHT Green House Gas and RSPo Lead Auditor Course by Checkmark Training. Since 2015 has been following many audit as auditor base on Best Management Practice and Environment. Aspect audit: Long term management plan, Environment, HCV, GHG.</li> <li><b>Haikal Ramadhan Kharismansyah (Auditor).</b> Indonesian citizen, Bachelor of Agriculture department of plant and pest disease (Agrotechnology). He has 3 years experiences as an Agronomy Staff in private oil palm plantation in Indonesia. Training which had attended including Basic Management Development Program Agronomy, Integrated Urban Pest Management, Integrated Pest Management, ISO 9001: 2015, Lead Auditor ISPO, Lead Auditor RSPo, ISO 22000, SA 8000, ISO 14000 and SCCS. Has conducting ISPO and RSPo audit with expertise on best management practices, OHS, Worker Welfare, and SCCS. During this audit he verify Best Management Practices, OHS and Worker Welfare</li> <li><b>Johannes Kapri Pandiangan (Trainee Auditor).</b> Bachelor of Agriculture, Department of Agricultural Social-Economics, Faculty of Agriculture. Has 7 years of experience working as operational staff in one of the leading private oil palm plantation companies in Indonesia. The training that has been attended includes: Forest and land fire emergency response training by BKSDA Riau Province, IHT ISPO P&amp;C Certification System, IHT Awareness ISO 17021 and 17065, IHT Awareness RSPo, ISO 14001: 2015 Lead Auditor Training, and ISO 9001:2015 Lead Auditor Training. During this audit he verify aspect of best management practices under supervised by Lead Auditor</li> </ol>
<b>ASA 1.1, ASA 1.2, &amp; ASA 1.3</b>	<ol style="list-style-type: none"> <li><b>Haikal Ramadhan Kharismansyah ( Lead Auditor).</b> Indonesian citizen, Bachelor of Agriculture department of plant and pest disease (Agrotechnology). He has 3 years experiences as an Agronomy Staff in private oil palm plantation in Indonesia. Training which had attended including Basic Management Development Program Agronomy, Integrated Urban Pest Management, Integrated Pest Management, ISO 9001: 2015, Lead Auditor ISPO, Lead Auditor RSPo, ISO 22000, SA 8000, ISO 14000, Social Auditing by WIRE and SCCS. Has conducting ISPO and RSPo audit with expertise on best management practices, OHS, Worker Welfare, Legal, Social and SCCS. During this audit he verify Best Legal, Social, and SCCS.</li> <li><b>Septian Maulana (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; and ISO 45001:2018; ISO 9001:2015 Lead Auditor, ISPO Lead Auditor, and RSPo Lead Auditor. In this audit activity was verified Worker Welfare and Transparency.</li> <li><b>Bayu Yogatama (Auditor).</b> Bachelor of Forestry, Department of Forest Resources Conservation and Ecotourism, Bogor Agricultural University. Has attended the ISO 9001: 2015 Quality Auditor / Lead Auditor Course Quality Management System (QMS) course and ISO 19011: 2011 Guidelines for Auditing Management System, ISPO</li> </ol>

Lead Training, RSPO Lead Training, Green Industry Lead Training, SA 8000, IHT RSPO NPP, IHT RSPO RaCP, IHT ISO 17021, and IHT ISO 17065. Having experience working in plywood field as Inspector in foreign private company. Currently working for an independent certification body. During this audit, will verify for Environment, GHG, and HCV aspects.

4. **Helma Namira (Trainee).** Indonesian citizen, Bachelor of Science, majoring in Biology, University of Indonesia. Has 2 years experiences working in Health Safety Security Environment (HSSE) Refinery in one of Oil & Gas Company in Indonesia. Attended trainings are Awareness ISO 19011: 2018; Awareness ISO 9001:2015, Awareness ISO 17021:2015, IHT Awareness ISO 17065:2012, IHT Awareness ISO 14001:2015, IHT Awareness IHT ISO 45001:2018, IHT Awareness ISPO P&C Certification System, and IHT Awareness RSPO. During this assessment she verified Best Management Practice and OHS aspect under supervision of Lead Auditor.

Curriculum vitae (CV) of the members and the assessment team is available at the PT Mutuagung Lestari office.

<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>Remote ASA 1.1</b>	Number of auditors: 3 auditor and 1 trainee auditor Number of days for Remote audit: 3 days Number of working days for Remote audit document review : 9 Working days
<b>ASA 1.1, ASA 1.2, &amp; ASA 1.3</b>	Number of auditors: 3 auditor, 1 trainee Number of days for audit: 5 days Number of working days for Remote audit document review : 15 Working days
<b>2.2.2</b>	<b>Assessment Process</b>
<b>Remote ASA 1.1</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the <b>PT Sandika Nata Palma -&amp; PT Budidaya Agro Lestari subsidiary of Sime Darby Plantation Bhd)</b> to the requirements of <b>Principles and Criteria for the Production of Sustainable Palm Oil 2018, endorsed by the RSPO Board of Governors and adopted at the 15<sup>th</sup> Annual General Assembly by RSPO Member on 15 November 2018 and RSPO Certification System for Principles and Criteria, 14 June 2017.</b></p> <p>For this section (ASA 1.1) The assessment was conducted in One method: document review, aiming to observe the sufficiency of types or substances from required documents. Improvement of findings from recertification findings were observed by auditors at this assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA 1.1. Remote Audit report.</p> <p>The opening meeting was held on 22 July 2020 at 08.30 am through a teleconference (zoom). As for the participants who attended the opening meeting included the Estate Manager, Mill Manager, Support Team from sustainability department and other relevant staff. while the closing meeting will take place on 24 July 2020 at 15 pm. attended by the same participants as the opening meeting. Commonly, the audit activities went smoothly with good support from the unit management. The presentation of documents is presented quite well using email or one drive</p> <p>The assessment program please find Appendix 2 assessment program please find Appendix 2</p>
<b>ASA 1.1, ASA 1.2, &amp;</b>	The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the <b>PT Sandika Nata Palma &amp; PT Budidaya Agro Lestari subsidiary of Sime Darby Plantation Bhd)</b> to the requirements of <b>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</b>

<b>ASA 1.3</b>	<p><b>RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020</b></p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) 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.</p> <p>Some opportunities for improvement of the results ASA 1.1, ASA 1.2 &amp; ASA 1.3 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-1.4).</p> <p>The opening meeting was held on 21 March 2020 at 08.30 am through a teleconference (zoom). As for the participants who attended the opening meeting included the Estate Manager, Mill Manager, Support Team from sustainability department and other relevant staff. while the closing meeting will take place on 25 March 2022 at 16.00 pm. attended by the same participants as the opening meeting. Commonly, the audit activities went smoothly with good support from the unit management. The presentation of documents is presented quite well using email or one drive</p> <p>The assessment program please find Appendix 2 assessment program please find Appendix 2</p>
<b>2.2.3</b>	<b>Locations of Assessment</b>
<b>ASA 1.1, ASA 1.2, &amp; ASA 1.3</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>Lembiru Estate</b></p> <ul style="list-style-type: none"> <li>• <b>BPN Pole No.12.</b> Observation related to position and condition of legal boundaries.</li> <li>• <b>BPN Pole No.13.</b> Observation related to position and condition of legal boundaries.</li> <li>• <b>BPN Pole No 14.</b> Observation related to position and condition of legal boundaries.</li> <li>• <b>Field N102.</b> Observation related to HCV area.</li> <li>• <b>Chemical Storage.</b> Field observations related to condition in the chemical warehouse and management of hazardous and toxic materials.</li> <li>• <b>Housing of Block Spraying System.</b> Field observations related storage of PPE and handling hazardous materials and toxic waste.</li> <li>• <b>Generator House.</b> Observation and interviews with operators related to work procedures, health insurance and labor protection, safe working practices and use of PPE.</li> <li>• <b>Sekakai River.</b> Field observation and interview related to HCV area.-</li> <li>• <b>Oryctes control.</b> Blok M43/M44 Division 1. Observations and interviews regarding IPM and how to apply pesticides that are safe both for themselves and for the environment.</li> <li>• <b>Manuring.</b> Field 106 and Field 107. Observations and interviews regarding technical work, safe working methods, and employment aspects.</li> <li>• <b>Circle and Path Spraying.</b> Division II. Observations and interviews regarding technical work, OHS aspects, and employment aspects.</li> <li>• <b>Replanting and Making CECT.</b> R50 block. Observations regarding the technical implementation of replanting and IPM for Oryctes.</li> <li>• <b>Pesticide Warehouse.</b> Observations and interviews regarding pesticide management.</li> <li>• <b>Fertilizer warehouse.</b> Observations and interviews regarding.</li> <li>• <b>General warehouse.</b> Observations and interviews regarding the management of goods including the stock of PPE and extra fooding conditions for employees.</li> <li>• <b>BSS house.</b> Observations and interviews regarding the use and condition of the BSS house.</li> </ul>

- **Landfill.** Observations on the company's domestic waste management.
- **Daycare.** Observations and interviews regarding conditions and facilities including clean water sources.
- **Housing divisions 1 and 2.** Observation of employee housing conditions including public facilities such as houses of worship and sports facilities.

#### **Awatan Estate**

- **Block K31-32.** Field observations related HCV area and Awatan Riparian's river.
- **Block J26-27.** Field observations related HCV area.
- **Housing of Block Spraying System.** Field observations related storage of PPE and handling hazardous materials and toxic waste.
- **Landfill area.** Observation related domestic waste and scheduled waste management.
- **Block K42.** Observation related to land application.
- **Block M13/14.** Observation and interview related BMP, OHS, Environment and Worker Welfare aspect.
- **Block N23.** Observation and interview related BMP, OHS, Environment and Worker Welfare aspect.
- **Genset House.** Observation and interview related BMP, OHS, Environment and Worker Welfare aspect.
- **Daycare.** Observation and interview related OHS and Worker Welfare aspect.
- **Kindergarten.** Observation and interview related OHS and Worker Welfare aspect.
- **Final Garbage Dump Block K30.** Observation OHS and Environment aspect.
- **Harvesting Block J44/43.** Observation and interview related BMP, OHS, Environment and Worker Welfare aspect.
- **Warehouses.** Observation and interview related BMP, OHS, Environment and Worker Welfare aspect.
- **Emplacement.** Observation about infrastructure of housing and management of waste.

#### **Pelanjau Estate**

- **Block C09.** Observation related to the HCV 1.3 area
- **Division I, Block 21D407.** Observation and interview related to manuring.
- **Division I, Block 98A404.** Observation and interview related to harvesting.
- **Division I, Block 98A404.** Observation and interview related to pick up fruit loose.
- **Division I, Block 99 A402.** Observation and interview related to manual racking.
- **Division II, Block E407.** Observation and interview related to integrated pest control.
- **Division III, Block E403.** Observation and interview related to manuring.
- **Division I, Block A 12-13.** Observation and interview related harvesting and worker welfare.
- **Division I, Block E12.** Observation and interview related to OSH aspect for fertilizing activities.
- **Division III, Block E 18.** Observation and interview related to manuring and worker welfare.
- **Division III, Block D21.** Observation and interview related to manuring and worker welfare.
- **Block D17.** Observation related to domestic waste management
- **Block A06.** Observation related to HGU boundary mark No. 40
- **Block E06.** Observation related to HGU boundary mark No. 39
- **Block I31.** Observation related to HGU boundary mark No. 1
- **Block H31.** Observation related to HGU boundary mark No. 6
- **Block E08.** Observation related to enclave area that cannot be compensated
- **Herbicide and pesticide store.** Observation and interview regarding to the OSH aspect, employment aspect and waste management
- **Fertilizer store.** Observation and interview regarding to the OSH aspect, employment aspect and waste management
- **Scheduled waste satellite store.** Observation and interview regarding to the OSH aspect, employment aspect and waste management

- **Generator room.** Observation and interview regarding to the OSH aspect, employment aspect and waste management
- **Washing and PPE store.** Observation and interview regarding to the OSH aspect, employment aspect and waste management
- **Crèche.** Observation and interview regarding to the OSH aspect, employment aspect and worker's facility
- **Workshop.** Observation and interview regarding to the OSH aspect, employment aspect and waste management
- **Workers line-site.** Observation and interview regarding to the OSH aspect, employment aspect and worker's facility
- **Harvesting Block A13/12.** Observation and interview related BMP, OHS, Environment and Worker Welfare aspect.
- **Spraying Insecticide Block E21.** Observation and interview related BMP, OHS, Environment and Worker Welfare aspect.
- **Spraying Herbicide Block D21.** Observation and interview related BMP, OHS, Environment and Worker Welfare aspect.
- **Transportation of FFB, block 98C406 Division II.** Observation and interview with truck drivers carrying FFB contractors, foreman harvest, harvest and loaders related to harvesting/ harvesting work procedures, wage systems, use of PPE as well as complaints mechanism. The number of employees and foremen interviewed 5 people.
- **Barn Owls Box, block C401 Division II.** Observations related to the existence of owl nests that are monitored routinely. Based on observations, owl nests are in good condition and active.
- **Chemical weed control, block D08-09 Division II.** Observation and interviews with employees and foremen regarding safe work procedures, use of PPE, wage mechanisms, employee rights and obligations as well as complaints mechanism. The number of employees and foremen interviewed 9 people.
- **Application of empty fruit bunches in the immature plant area, block G410 Division III.** Observation of the utilization of mill organic waste as an additional nutrient for plants.
- **2019 planting year area, block H402.** Observation of making terraces on the slope area.
- **Replanting, block E403.** Observation of mechanical replanting activities.

#### Lembiru POM

- **Water Waste Treatment plant.** Observation for water usage monitoring and interview with operator related workers welfare and OHS.
- **Empty Bunch Area.** Observation for solid waste management and OHS aspect.
- **Water source.** Observation of the condition of water source management and monitoring
- **Hazardous waste temporary storage.** Field observations and interview related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse. (1 person)
- **Water Treatment Plant.** Observation and interview related to OHS implementation, worker welfare, water management and monitoring of water use. (1 person)
- **Workshop.** Observation and interview related to OHS implementation, worker welfare, training and machine maintenance. (1 person)
- **Hazardous Material Storage.** Observation and interview related to hazardous material store (1 person)
- **Weigh Bridge Station.** Observations related to the acceptance and separation of FFB entering the factory. (1 person)
- **Security post.** Observations related to receipt of FFB. (2 person)
- **Grading.** Observation of activities and interviews with 6 grading workers. Interviews related to safe work practices, standard sorting and complaint complaints mechanisms.
- **Sterilization station.** Observation related to work procedures, OSH aspects, employment status, wage systems and employee complaint mechanisms.



	<ul style="list-style-type: none"> <li>• <b>Press station.</b> Observation and interviews with 1 operator and foreman related to work procedures, OSH aspects, employment status, wage systems and employee complaint mechanisms.</li> <li>• <b>Engine room station.</b> Observation and interviews with 1 operator related to work procedures, OSH aspects, employment status, wage systems and employee complaint mechanisms.</li> <li>• <b>Boiler station.</b> Observation and interviews with 2 operators related to work procedures, OSH aspects, employment status, wage systems and employee complaint mechanisms.</li> <li>• <b>Hydrant simulation.</b> Observation of preparedness of fire emergency response teams and preparedness of emergency response devices. The number of employees who simulated 2 people.</li> </ul>
<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA 1.1, ASA 1.2, &amp; ASA 1.3</b>	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT SNP was held by:</p> <ul style="list-style-type: none"> <li>• Public Announcement at Mutuagung website <a href="http://www.mutucertification.com">www.mutucertification.com</a> on 04 March 2022</li> <li>• Consultation with Government Agency on 21 March – 22 March 2022</li> <li>• Consultation with local stakeholders (community surround/village) on 21 March - 22 March 2022</li> <li>• Consultation with Internal Stakeholders on 21 – 22 March 2022</li> <li>• Consultation with Local Contractor on 21 – 22 March 2022</li> <li>• Consultation with NGO (World Wild Fund and Borneo Orangutan Survival (BOS) Foundation) on 04 March 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 ASA-1.4 will be determined 8 – 12 months after date of original license.



### 3.0 ASSESSMENT FINDINGS

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

MUTUAGUNG LESTARI has conducted an assessment of Lembiru POM –PT Sandika Natapalma subsidiary of Sime Darby Plantation Bhd operation consisting of one (1) mill and three (3) oil palm estates.

During the assessment, there are three (3) Non conformities were assigned against Major Compliance Indicators and two (2) nonconformities were assigned against Minor Compliance Indicators. Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5.

MUTUAGUNG LESTARI found that Lembiru POM – PT Sandika Natapalma subsidiary of Sime Darby Plantation Bhd complied with the requirements of Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.

Therefore MUTUAGUNG LESTARI Recommends that the RSPO certificates of PT SNP and PT BAL be 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>Company shown list of information for stakeholders listed on Document Control procedures SOP 301/SNP-DOC/04/15 approved by each estate manager (Lembiru, Awatan, Pelanjau, Sungai Putih, and POM). The list of accessible information covers relevant legal, social and environmental aspects related to sustainability. The documents include land use title, plantation business permit, HCVA, SIA, land application/hazardous waste permit, EIA, environmental management plan/environmental monitoring plan, OHS, employee data, data production (FFB, CPO, PK), hazardous waste data, specification engine plant, vehicle specifications, detail and complaints, sustainable plantation management guidelines, public summary of the certification assessment report, a human rights policy, and negotiation procedures. The document is saved in the Office Estate/Mill. A list of documents available to the public set by PT SNP and PT BAL compliance with RSPO Principles &amp; Criteria. Based on interview with local communities, it is known that they are quite easy to access information. Information can be accessed by submitting requests verbally, e-mail, fax, telephone, and direct visits.</p>	
<b>1.1.2</b>	<p>A list of information that can be accessed by stakeholders is explained in the SOP Communication and Consultation No.Policy 301/SNP-KOM-08/11. This procedures explained that the submitted suggestions will be presented by the Head Unit to the relevant departments. The response for external incoming mail not later than two weeks after the letter was received. The Personal in Charge of providing information is PSD (Plantation Service Department).</p> <p>Based on document review and management interviews, recording information requests can be seen in incoming and outgoing mail documents. All incoming letters including information requests are recorded in the communication form / logbook which records the list of requests and responses from stakeholders is the administration section in accordance with procedure, as well as internal and external complaints.</p>	

Based on interview with local communities, it is known that they are quite easy to access information. Information can be accessed by submitting requests verbally, e-mail, fax, telephone and direct visits. Based on document review of Logbook Document period 2020/2021, there's no information request from stakeholders.

The company also indicates the submission of mandatory reports to stakeholders as follows:

### **Environmental Aspect :**

- Receipt of Report on Implementation of RKL-RPL semester 1 of 2021 to Department of Agriculture, Livestock and Plantation of Ketapang Regency and to Department of Public Housing for Settlement Areas and the Environment of Ketapang Regency on 12 July 2021
- Receipt of Report on Implementation of RKL-RPL semester 2 of 2021 to Department of Public Housing for Settlement Areas and the Environment of Ketapang Regency on 20 January 2022
- Receipt of Report on The Hazardous Waste Report for quarter 1 and II to Department of Public Housing for Settlement Areas and the Environment of Ketapang Regency on 24 August 2021
- Receipt of Report on The Hazardous Waste Report for quarter 3 to Department of Public Housing for Settlement Areas and the Environment of Ketapang Regency on 20 November 2021
- Receipt of Report on The Hazardous Waste Report for quarter 4 to Department of Public Housing for Settlement Areas and the Environment of Ketapang Regency on 7 January 2022
- Electronic Receipt of The Hazardous Waste Report for quarter 1 of 2021 through SIMPEL to Ministry of Environmental and forestry with ID 1625464034-2254, printed date 5 July 2021
- Electronic Receipt of The Hazardous Waste Report for quarter 2 of 2021 through SIMPEL to Ministry of Environmental and forestry with ID 1647937166-1136, printed date 22 March 2021
- Electronic Receipt of The Hazardous Waste Report for quarter 3 of 2021 through SIMPEL to Ministry of Environmental and forestry with ID 1647936472-1136, printed date 22 March 2021
- Receipt of Report of HCV Areal Monitoring Report for Semester I to Nature Conservation Agency on 27 August 2021
- Receipt of Report of HCV Areal Monitoring Report for Semester II to Nature Conservation Agency on 15 January 2022

### **BMP & OHS aspect**

- The PT SNP OHS Committee report for Quarter 3 of 2021 was sent to the Manpower and Transmigration Office of Ketapang Regency on December 22, 2021.
- The PT BAL OHS Committee report for Quarter 3 of 2021 is sent to the Manpower and Transmigration Office of Ketapang Regency on December 22, 2021.
- The PT BAL OHS Committee report for Quarter 4 of 2021 was sent to the Manpower and Transmigration Office of Ketapang Regency on January 17, 2021.
- The PT SNP OHS Committee report for Quarter 4 of 2021 was sent to the Manpower and Transmigration Office of Ketapang Regency on January 17, 2021.
- The Report on Investment Activities of PT BAL Quarter 4 2021 will be submitted online on January 10, 2022.
- Reports on the Plantation Business Activities of PT SNP and PT BAL were sent to the Ketapang District Plantation Office in February 2022.

### **Legal Aspect**

- Report on the utilization of PT BAL HGU for the 2021 period to the Ketapang Regency Land Office dated January 14, 2022 as stated in letter Number: P-HGU/001/BAL/II/2022
- Report on the utilization of PT SNP HGU for the 2021 period to the Ketapang Regency Land Office on January 14, 2022 as stated in letter Number: P-HGU/001/BAL/II/2022

### **1.1.3**

The recording of requests for information and responses has been carried out by the AWE, LBE, PJE and LBF units, the list of incoming mail and their responses can be shown, informing the letter number, date, sender, subject, and company

response. Based on the document review, it can be seen that the incoming letters registered in the company list are in the form of requests for assistance and letters of invitation. The company has responded by providing assistance and attending the invitation, for example:

- Head of Sukakarya Village On February 9, 2021 regarding the request for road watering assistance. The company then showed its response to the letter through document 002/LBE-Ext/II/2021 which was submitted to the stakeholder Head of Dea Sukakarya on February 09, 2021.

### 1.1.4

The company has provided procedure of *Komunikasi dan Konsultasi* (Doc 301/SNP-KOM-08/11, April 8<sup>th</sup>, 2011) which is a guide for communication and consultation with the community. In the procedure described on the mechanism of communication with community begins with providing a letter through the village head, analyzing the response letter from the public, if necessary, held a meeting with the public to communicate directly, if a response within the limits of authority manager unit will be immediately given a decision and, if so without the authority manager then the unit will be delivered to the head of department and unit managers will send a letter of response to the public.

The socialization aims to ensure that all stakeholders can find out the mechanisms for submitting or requesting information, knowing company documents that can be accessed by the public and knowing the human rights policies and the Company's vision and mission. This socialization was attended by representatives of each stakeholder.

### 1.1.5

The company has shown a document that list the names of the stakeholders of PT Sandika Natapalma and PT Budidaya Agrolestari. The document explains the name, position, address and telephone number. From these documents it is known that the stakeholders of PT. SNP and PT BAL are as follows:

1. Government (Province, district, sub-district) as many as 37 stakeholders
2. To the village and community leaders as many as 20 stakeholders
3. Workers Union as many as 1 stakeholder
4. Contractors / suppliers / consultants as many as 14 stakeholders

All those contacts listed on the list can be contacted by phone number.

	<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.**

### 1.2.1

The company has commitment related to integrity and ethical conduct in all operational activities. The commitment is listed in documented the Business Ethics Policy which approved by Head Plantation Operation on 24 May 2007. In the policy submitted that the management units to develop business ethics with regard to the company and its stakeholders' expectations how to enforce the ethics including monitoring, reporting and sanctions for violations of the code of conduct. The commitment in interacting with stakeholders is a major concern of companies and be part of the company's business ethics, as well as the creation of added value. In addition, within the policy also explained about the work ethic that governs the basic attitude individual's and behavior of individuals inside and outside the company, including appreciate a personal nature fellow employee, such as religion, status, ethnic or racial and family, not committed an unlawful act such as gambling, stealing or embezzling company assets. This policy is available in *Indonesian*.

The company also shows evidence of socialization of the code of business ethics policy, for example a recording of socialization to 8 contractor workers at LBF on August 21, 2021.

### 1.2.2

To ensure that the code of ethics is complied with by all parties, the company conducts internal audit activities covering all business aspects, including plantation and mill operations as well as finances.

The company has shown documents related to the RSPO internal audit which was carried out on 29 October – 13 November 2021 where there were 43 findings of non-conformities. The company has shown management review document related to the RSPO internal audit results of PT SNP dan PT BAL. Based on this document, it is known that 41 out of 43 of the non-conformities have been closed. Based on RSPO Internal Audit, it is known that there was no finding related to code of ethics violation.

As one of the compliance monitoring on the financial aspect, the company shows financial audit reports from the Public Accounting Firm for PT SNP and PT BAL, for example as follows:

- Public Accountant Financial Audit Report number 00375/2.1025/AU.1/01/0235-7/1/III/2021 dated March 25, 2021 on the financial statements as of December 31, 2020 with a fair opinion.
- Public Accountant Financial Audit Report number 00378/2.1025/AU.1/01/0235-7/1/III/2021 dated March 25, 2021 on the financial statements as of December 31, 2020 with a fair opinion.

**Status: Comply**

### PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS

#### 2.1

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

##### 2.1.1.

##### Environment

The company has shown compliance with **environmental regulations**, such as:

- The company has demonstrated compliance related to environmental management by having environmental documents in accordance with the provisions of PP 27 of 2012
- The company has conducted management and monitoring of environmental impact every semester and reporting to Environmental Agency
- The company has demonstrated compliance with regard to hazardous waste management by having a hazardous waste storage area and periodic reporting of Hazardous waste management in accordance with PP NUMBER P.12/MENLHK/SETJEN/PLB.3/5/2020 for the storage of hazardous and hazardous waste.
- The company Store hazardous waste in the licensed hazardous warehouse
- The company has demonstrated compliance with liquid waste management by conducting land applications to plantation lands and periodic reporting of liquid waste management to agencies in accordance with Ministry of Environment Decree No. 29/2003.
- The Company has conducted replanting by a mechanical method not using fire.
- The company carries out Corporate Social Responsible activities every year for the community around the company.
- The company carries out Social Impact Assessment activities every year for the community around the company.

##### Best Management Practice:

- The company has carried out hazardous material management including pesticides in accordance with regulations
- The company has carried out land management without burning
- No use of invasive species for biological pest control

##### OHS:

- The company already has an OHS Committee organization which is equipped with a secretary who has received General OHS Expert training.
- The company has provided PPE to all workers.
- The company has provided BPJS Health and Employment facilities to all workers.

### Legal

- Already has Land Use Rights with a total area of 9,409.07 Ha as described in indicator 4.4.1
- Already have a Plantation Business Permit or its equivalent as follows:
  - **PT SNP** : Plantation Business Permit Letter No.: 196/Mentanhut/VII/2000, an area of 8,406.21 Ha with a capacity of 60 Tons FFB/hour dated 03 November 2000 and Decree No. 523/DISBUN – D/2014 dated October 14, 2014 concerning Changes in Land Area of PT. Sandika Natapalma; Approved the expansion of the area of the Oil Palm Plantation Business Permit (IUP) from 8,406.21 Ha to 13,936.21 Ha with a capacity of 45 Tons of FFB/Hour
  - **PT BAL** : Plantation Business Registration Letter (SPUP), Number: 195/Mentanhut/VII/2000, dated November 3, 2000, Land Area of 1,002.79 Ha and permit capacity of 60 Tons of FFB/Hour; Plantation Business Permit based on the Decree of the Regent of Ketapang Number: 522/DISBUN-D/2014, dated October 14, 2014, land area of 7,972.79 Ha (an addition from the original 1,002.79 Ha) with a capacity of 45 Tons of FFB/Hour; Ketapang Regent Decree No. 603/DPMPTSP-D/2019 changes in area to  $\pm$  9,060 Ha.
- Plantation Assessment :
  - PT SNP : Decree of the Regent of Ketapang No. P/275/DPMPTSP-D.525/IX/2021 dated 6 September 2021 designated as class II (Good)
  - PT BAL : Decree of the Regent of Ketapang Number: P/276/DPMPTSP-D.525/IX/2021, dated September 6, 2021 with the results Class 2 (Good).

### 2.1.2

The unit of certification has in place a documented system to ensure legal compliance as stated in the Legal Requirements Procedure. The procedure explains that regulations can be obtained and updated by contacting government and non-government agencies. - government, be it international, national, or local to ensure that the latest regulations are enforced. In addition, the company also actively visits related websites to obtain the latest information regarding applicable laws and regulations.

The unit of certification has a list of legal regulations contained in the Summary and Review of Conformity with Regulations and Legislations and Other Requirements which identified by PSQM Department. The regulations cover aspects of agribusiness, employment, environment, and other regulations related to the company operational activities i.e:

- PP No. 35 of 2021 concerning Specific Time Work Agreements, outsourcing, working hours, rest periods, and layoffs
- PP No 36 of 2021 concerning Wages
- PP No 37 of 2021 concerning Job Loss Guarantee
- PermenLHK Number P.12 of 2020 concerning Storage of Hazardous and Toxic Waste

Evaluation of law registers for contractors has become Nonconformity in indicator 2.2.2

### 2.1.3

PT SNP and PT BAL can show the SOP for maintaining the Boundary pole with the PDKK document number dated June 1, 2019, in the SOP it is explained that monitoring is carried out by recording the position of the BPN stake, ensuring the location and point of the pole, cleaning the pole every month, replacing the pole if it is damaged and painting repeat when the pole has faded.

Based on the monitoring of boundary pole which was last carried out in March 2021, information is known that the frequency of monitoring is every 6 months with the person in charge of it being the Safety Officer and Divisional Assistant. The number of stakes based on the monitoring results are as follows:

- LBE : 30 Pcs
- AWE : 18 Pcs
- PJE : 13 Pcs



Based on the monitoring results, it is known that the overall condition of the pole is in good condition. From the results of field visits to boundary pole number 1B block K29 and block 1F K20 AWE as well as boundary pole number 24a and 25 LBE it is known that the condition of the stakes is in good condition according to the results of monitoring.

**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 & 2.2.2

Based on the results of document review, it is known that there are several jobs in the management unit that are handed over to third parties / contractors. For example replanting work, transporting CPO and PK. There are several third parties registered in each unit as follows:

No.	LBF	LBE	AWE	PJE
1	CV. Transpilar Tiga	CV. Enggang Borneo	PT. Meta Estetika Graha	PT. Meta Estetika Graha
2	CV. Anugrah Putra Sejati	CV. Disha Rafa Mandiri	CV. Tangga Batu Permai	PT. Roswell Karya Abadi
3		CV. Rifa	PT. Roswell Karya Abadi	PT. Karya Murni Prima
4		CV. Ridzki Putra Bungsu	CV. Tunas Inti Pratama	
5		CV. Anaroga	PT. Karya Murni Prima	
6		CV. Tangga batu Permai		

For example, SPK No. 009/Replanting/SNP-AWE-LBE/VI/2018 dated 29 June 2018 between PT Sandika Nata Palma and PT Roswell for replanting activities in the AWE, PJE, and LBE areas with a validity period of up to 31 December 2021. Those who received revisions and contract extensions through LOA No. O/Ref: 005/MMTC-AWD/VII/2020/Plant until December 2023. In the contract it has included several obligations related to compliance with regulations starting from BPJS participation, use of PPE, SIO ownership, SIM and so on according to applicable law in Indonesia. Indonesia.

Management unit shows PT RKA's Replanting Work Evaluation & Report Card document period of July 2021. Contents of the evaluation of activities carried out are more focused on technical replanting work carried out by PT RKA but have not included evaluation or monitoring related to compliance with regulations (laws) carried out by contractors such as BPJS Payments to RKA Workers, Monthly Wage payments, provision of PPE, ownership of SIO (work permit) for each Operator.

Thus, it can be concluded that the unit of certification has not been able to show sufficient evidence that the fulfillment of the clause as written in contract has been proven to be fulfilled by the concerned third party. **Based on that's explanation this indicator raised Non-Conformity no 2022.01 with minor category.**

### 2.2.3

In the Cooperative Agreement Letter (SPK) document with the contractor, it has been explained regarding the fulfillment of the applicable labor laws. For example:

- The second party (contractor) will be responsible for providing PPE to maintain the safety of the workers, to avoid the dangers that may occur when carrying out the work.
- The second party (contractor) must provide health insurance (BPJS) for its workers.
- The second party (contractor) does not employ children under 18 years old.

Based on interviews with contractors, it is known that contractors can explain some of the prohibitions by the labor law.

From the explanation above, it can be concluded that all contracts have clauses that prohibit practices involving child labor, forced labor, and workers from human trafficking.

**2.2.2 Status: Nonconformity No.2022.01 with Minor Category**

## 2.3

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



**2.3.1 & 2.3.2**

Based on document review and field visits to LBF, it was found that no FFB was received from direct or indirect suppliers. The source of the FFB that is processed comes from the main plantations and associated smallholder which are managed in a fully managed manner as can be seen in basic info 1.7.2 and 1.7.3.

**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 company shows the Long Term Plan document for the period 2022 – 2026 which is signed by the Head of Sustainability & Quality Management. The Long Term Plan informs the projection of FFB Production, OER, KER, CPO & PK Production, and Financial Indicators.

**3.1.2**

Based on the results of the field visit, it is known that there are areas that have been replanted in 2021. Related to this, the company can also show documents for replanting plans for the next 5 years (2022 – 2026) as follows:

Estate	Replanting (Ha)				
	2022	2023	2024	2025	2026
LBE	270.57	311.21	390.05	259.92	370.62
AWE	137.48	243.35	244.53	257.66	-
PJE	123.12	244.68	249.43	310.89	206.90

The company can show an evaluation of replanting activities, for example the realization of the replanting work in 2021 which includes works including chopping, digging weeds, covering holes, building roads (main road and collection road), making trenches (main drain and collection drain), making leveling of harvesting path, making terraces, making silt pits, making planting holes, planting LCC, planting oil palm, CECT and chambering, as follows: PJE (99.22%), AWE (93.73%), LBE (99.43%).

**3.1.3**

The company has conducted regular management reviews, for example through the Performance Monitoring Unit Visit, which is conducted twice a year. For example, the PMU summary for PJE on the results of the visit on 16-19 October 2021 which explains, among others, the assessment of Areas of Coverage, Areas of Responsibility, OP Immature Assessment, Manuring Assessment, Building and Facility Management Assessment, Mature Upkeep Rating, Field Categorization and Verification Action the previous plans.

The company also held a management review meeting on December 23, 2021, which was attended by 7 participants. The management review meeting discussed operational activities and discussed ISPO/RSPO internal audit findings. The company has documented the results of the management review in the form of a Kick Off Meeting Minutes document.

**Status: Comply**

**3.2**

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

**3.2.1**

The company has shown documents related to the RSPO internal audit which was carried out on 29 October – 13 November 2021 where there were 43 findings of non-conformities. The company has shown management review document

related to the RSPO internal audit results of PT SNP dan PT BAL. Based on this document, it is known that 41 out of 43 of the non-conformities have been closed. Two of this non-conformities are still open until this audit was being held in 20 – 26 March 2022.

List of corrective action for some of closed status of non-conformities as listed down below:

- The company has updated the use of fuel (Fibre, Shells, Diesel) per FFB Process– Monitoring Kwh turbin (Needs Annual Data Update)
- The company has updated the realization of HCV monitoring in all certification estates
- The company has instructed each unit to compile a list of stakeholders (external parties with an interest in the unit). With a minimum format containing the name/business entity, and the address of the stakeholder.
- Etc

List of Open Non-conformity and its description as follows:

- The company has not carried out special annual health checks for pesticide operators (2020 – 2021) due to the covid-19 pandemic. (Indicator 7.2.10)
- The license for Surface Water Use Permit validity period has expired. (Indicator 7.81). However, The company explained that the process of extending the permit was quite hampered due to the condition of the river that flows through the company, are under different district government.

Certification Unit also has developed and implemented action plans for continuous improvement and it is based on the consideration of the main social and environmental impacts and opportunities of the Certification Unit, as follows:

- The company no longer uses pesticides with the active ingredient paraquat dichloride
- The company has implemented IPM
- The company has implemented land management practices without burning
- The use of renewable fuels and the use of fertilizers and pesticides are in accordance with the recommendations to reduce the use of fossil fuels.
- Management of water tub as a means of providing clean water for residents who need it for social activities. This adds to the positive output for the company from the villagers.
- Partnership program for local communities and local contractors around the plantation. This provides an output in the form of increasing the welfare of the community around the Estate
- Actively involving local communities around company's area to prevent and protect HCV area from any disruption through socialization about HCV area.

Based on the description above, Lembiru POM is known to have implemented continuous improvement actions, taking into account the main social and environmental impacts and opportunities faced by the certification unit properly without any complaints or negative outputs from the surrounding community.

### 3.2.2

Companies can submit annual reports using the RSPO Metrics Template format which is submitted to the RSPO Secretariat via the CB. The company also has shown the auditor regarding the RSPO metric template 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, the area of HCV, the amount of freshwater usage for FFB processing and etc. All data that informed in the RSPO Metrics Template was in sync accordance to the raw existing Data in the company's real record documents.

Based on the explanation above, it is known that certification unit already implemented monitoring and continuous improvement process, through annual reports that are submitted to the RSPO Secretariat using the RSPO Metrics Template.

**Status: Comply**

**3.3**
**Operating procedures are appropriately documented, consistently implemented and monitored.**
**3.3.1**

The company has a documented procedure for the mill and estate that available in Indonesian. The estate procedure starts from the procedure of plant material, then the technique of nursery, fertilization, weed control, integrated pest management to harvesting and transporting it contained in the document of Standard Operating Procedure (SOP) of Agronomy Reference of Oil Palm Plantation, document number 110 / EST- ARM / 13, signed by Head Plantation Upstream Indonesia Minamas. The certificate holder also has a procedure for the process of receiving fresh fruit bunches to dispatch the CPO and kernels listed in the technical guidelines of the palm oil mills Part I and II, Minamas Plantation dated April 30, 2007.

Based on the results of interviews with workers, it is known that workers understand and can briefly explain the technical aspects of work in their work area.

**3.3.2**

To ensure that procedures are carried out consistently, it is known that the company conducts an internal audit which includes plantation and mill operations as well as finances. In addition, to ensure that the work carried out by the contractor is in accordance with the procedures, the company ensures its suitability at the time of submitting the Minutes of Work Completion.

**3.3.3**

The company can show records of monitoring and follow-up that has been carried out, for example:

- PT SNP – BAL Structured Crop Recovery Assessment (SCRA) document on visit 13-17 December 2021 with issues of concern including the presence of wild palm trees and bamboo plants in the harvesting path area, along with information on recommendations and responses from management.
- LBF Structured Oil Recovery Assessment (SORA) document on visit 13-17 December 2021 which informs the assessment related to process control, spillages/leakages, housekeeping, quality of production, etc.
- Records of discrepancies in the results of the RSPO internal audit conducted on 29 October - 13 November 2021, based on the document, it is known that there are 41 non-conformities that have been met out of a total of 43 non-conformities.

	<b>Status: Comply</b>	
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**3.4**
**A comprehensive Social and Environmental Impact Assessment (SEIA) is undertaken prior to new plantings or operations, and a social and environmental management and monitoring plan is implemented and regularly updated in ongoing operations.**
**3.4.1**
**Environmental Document.**

PT SNP listed on Environmental Impact Analysis (EIA) conducted in 2004 with study area of 24,000 Ha and Environmental Management Documents (DPLH) with study area of 2,517 Ha for PT SNP.

For Pelanjau Estate which are included in PT Budidaya Agro Lestari, the company already have an environmental impact analysis, including:

- Environmental Impact Analysis (AMDAL) conducted in 2003 with an area of 20,598 Ha and Mill capacity of 60 tons FFB/hour. This document has been approved by Governor of West Kalimantan with Decision Letter Number 660.1 / 557 / Bappedalda-An on September 26, 2003.
- Environmental Management Document for Oil Palm Plantation (DPLH) covering ± 2,886 Ha. This document has received a recommendation from the Environment Agency of Ketapang on 10 March 2014 with decision letter number 660.1 / 103 / KLH-B.

Following are some activities related to Environmental Impact Analysis:

1. Erosion Rate Management
2. Management of Environmental Impacts Due to Replanting Activities
3. Management of Surface Water Quality and Liquid Waste
4. Fire Potential Management
5. Flora dan Fauna Management
6. Community Anxiety Management
7. Public Health Quality Management

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

The Social Impact Assessment for PT BAL and PT SNP was conducted by Aksenta in March 2010, which identified positive impacts and negative impacts on internal (workers) and external (surrounding village) stakeholders.

Based on interviews with representatives of the Suka Karya Village and Pelanjau Jaya It is known that there are several issues, including the ownership status of the Village Treasury Estates, the position of bailout funds for plasma plantations, and community involvement in the preparation of CSR programs. The community feels less involved in the formation of CSR programs. The program is considered less representative of the needs of the village community.

Based on the results of interviews with company representatives, it is known that the company already has an SOP for preparing CSR programs contained in Sime Darby Plantation's Corporate Social Responsibility Procedure Document with document number 361/TJSL-CSR/COM which states that the CSR implementer recapitulates CSR proposals and Non CSR originating from around the Business Unit into the Application Stakeholder in Application Form for the Estate Crops. In this procedure, it is explained that the preparation of CSR is carried out routinely at least once every 2 months with stakeholders in the business unit for discussions, deliberation to get input and improve social relations. In addition, Certificate has conducted a survey related to the level of community welfare through a socio-economic and environmental questionnaire in December 2021. Based on this survey, it is known that the existence of the company has had a positive impact on the surrounding community both in terms of income/economic, social, and environmental aspects.

The company representative stated that the preparation of the SIA program and review of the implementation of the SIA program was carried out regularly once a year by involving all stakeholders, both internal and external stakeholders. This can be proven through the SIA Program Evaluation document as well as explained in the next indicator (indicator 3.4.2).

However, Company gave clarification about local people's involvement in the preparation of CSR Programs. Certificate Unit also shown evidence of Meeting with all Stakeholder/local people to review previous CSR Program and also to Planning new Program based on the local community needs. This activity was being held on 11 January 2021. Preparation discussion related to CSR program was being held specifically for local community at Suka Karya Village on 12 January 2022. The implementation of the event is proven by photo evidence.

The company's CSR programs and SIA Programs for the period 2021 with its realization are as follows:

- Covid related assistance for local communities on 24 December 2021, proven with Minutes of Assistance Submissions to District Government completed with photo documentation
- Road repair assistance for Suka Karya Village and Riam Batu Gading Village on 18 January 2022, proven with Minutes of Assistance Submissions to Villagers completed with photo documentation
- Assistance for Road Quality Improvement for Kedondong Village on 27 Desember 2021, proven with Minutes of Assistance Submissions to Head of Kedondong Village completed with photo documentation
- Road repair assistance for Sedawak Main Road on 11 December 2021, proven with photo documentation
- Assistance for Sacrificial Animals for Idul Adha on 17 July 2021 to Masjid AL-Azhar/AI Azhar Mosque at Marau Sub District proven by payment Invoice and payment receipts on 16 July 2021

- Assistance for Road Quality Improvement for Suka Karya Village on 14 March 2022, proven with Minutes of Assistance Submissions to Head of Kedondong Village completed with photo documentation
- Independent Village Prevent Fire (*Desa Mandiri Cegah Api/DMCA*) Program, initiated with Universitas Tanjung Pura for whole year in 2021, started from September 2021 to January 2022, Proven by Implementation Independent Village Prevent Fire (*Desa Mandiri Cegah Api/DMCA*) Program completed with photo documentation
- Assistance for Kindergarten Teacher Honorarium at Marau District on 8 October 2021, proven by payment receipt
- Assistance for Kindergarten Teacher Honorarium at Marau District on 15 March 2021, proven by payment receipt
- etc

Based on interviews with local communities, it is known that the Certification Unit has carried out a comprehensive Social and Impact Assessment (SIA) by involving local communities in decision-making for the preparation of the SIA program. All the aspirations and suggestion from local communities was collected and taken to consideration into decision making. Based on interviews with the Environmental Agency, local communities, and management representatives, it was informed that Certification Unit already has Environmental management and monitoring plan and was implemented well, and monitored regularly by the Certification and was reported to the relevant agencies. From that interview, also known that there was no any negative issue about environmental and social matters to the surroundings.

### 3.4.2

The Implementation of environmental monitoring and management plan are documented on periodical report of environmental monitoring and management implementation report (RKL-RPL) report for PT SNP and PT BAL. The company are consistently done the environmental management and monitoring as outlined in the Report of the Environmental Management and Monitoring per semester regularly.

The significant impacts that are managed and monitored based on environmental documents are as follows:

- Air Quality
- Noise
- Soil (Soil Fertility and Erosion)
- Water discharge
- Water quality
- Potential for Land Fires
- Flora and fauna
- Aquatic Biota
- Opening of Employment and Business Opportunities
- People's Attitudes and Perceptions
- Disease Prevalence

Meanwhile, the plan of social monitoring and management included The Social impact assessment conducted in 2010 by Aksenta. The assessment has included access and the use of rights, economic aspects, community livelihoods, cultural and religious values, education and health. Program preparation and review of the implementation of the SIA program is routinely carried out once a year by involving all stakeholders, both internal and external, such as local communities around the company's area.

The SIA program preparation and review meeting for the period 2021/2022 was held on January 11, 2021, at the Marau Sub-district Office, and was held for all stakeholders of PT SNP and PT BAL which was attended by 60 participants. The topics that were discussed at the meeting were as follows:

- The review of the preparation of the Social Impact Assessment Program from 2021 to 2022 with All Stakeholders in the Marau District, refers to the Social Impact Assessment (SIA) and Social Environmental Impact Assessment (SEIA) documents published by the Aksenta institution.

- Yearly Evaluation of the Implementation of the Company's Social Impact and Responsibility Management Program in the previous period
- Discussion

The results of the meeting are known as follows:

- The implementation of social management in the previous period of 2019-2020 has been carried out well according to the company's presentation.
- The aspirations of the community to develop the Desa Mandiri Prevent Fire program are planned for September 2021 to January 2022
- Involvement of community leaders and traditional leaders as the Panel Committee for the preparation of the SIA program for the period 2021-2022
- Requests from local people representatives to companies to continue to carry out the best mitigation in carrying out company operations in order to avoid the threat of pests and diseases as well as environmental pollution
- Requests from community leaders for the company to commit to implementing the new Social Impact Management program for the period 2021-2022 as mutually agreed upon through deliberation
- Requests by village officials to the company to continue to inform them regarding available job vacancies or other information such as scholarships for children from the surrounding community
- The Request that the company be able to supervise the use of clean water facilities in the company's environment so that it is not used as business land by certain groups
- The company is expected to open up more opportunities in partnerships cooperation to fulfill goods and services
- Social management for employees through support for human resource development and equitable distribution of supporting infrastructure for all employees
- The company is expected to continue to facilitate or assist community development through adjustments to local Village and District Government programs
- The company is expected to help provide trained personnel, such as education staff, firefighters, and its equipment and supplies that are on standby during the dry season
- The company is willing to continue to be flexible in collaborating in accepting work programs from agencies around Marau District, for example:
  - Health : Socialization from Public Health Center and Integrated Healthcare Center
  - Education : Intern student placement
  - Religion : Cooperation with traditional cultural institutions or local institutions to fulfill the needs of implementing traditional traditions and religious ceremonies of the local community

Based on discussion's results above, the social management and monitoring plans for the 2020-2022 period are as follows:

- Health Services for the Community
- Community & Religious Aid
- Empowerment & Upgrading Economy
- Community Fruit Receipts through Cooperatives
- Development / Improvement of Village Infrastructure
- Monitoring of environmental quality due to plantation and mill operations
- Mitigation of dry season
- The existence of potential/issues of land claims
- Company employee satisfaction
- Gender Committee
- Evaluation of social impact management
- Assistance for maintenance of public roads in all main road sections in affected villages
- Treatment and opening of clean water sources in Seleming Hill and Awatan Hill
- Financial Assistance for Educational Institutions, and implementation of scholarships for the surrounding community



- Assistance for routine electric lighting needs for Karya Baru Village and Kedondong Village
- And Other programs

As explained on the last paragraph of indicator 3.4.1, it is known that Certification Unit has carried out comprehensive Social Impact Assessment (SIA) involving all the aspirations and suggestions from local communities in decision-making for the preparation of the SIA program. So that, we can conclude all the social impact was identified into drafting process of SIA Program.

### 3.4.3

Environmental impact management and monitoring plans are listed in Environmental Impact Analysis (EIA) conducted in 2004 and Environmental Management Documents (DPLH) for PT SNP & PT BAL. This review has been conducted every once a semester and was done internally by the Company's management representatives, and externally done by Environmental Agency. Based on monitoring and evaluation of environmental management plans in 2021, it is known that the results of noise testing are above the quality standard and the company has made continuous improvements by providing PPE and health checks to employees. Meanwhile, based on recent testing results, it is known that there was a slight increase of BOD and COD level on Awatan River, more than acceptable standards as explained in RKL/RPL report and company already give justification related to that result.

The company can show evidence of the implementation of management and monitoring and evaluation of environmental impacts documented in the report RKL/RPL period semester I and II on 2021. In the report, it is known that all management activities are in accordance with the RKL / RPL matrix.

The Evaluation for environmental monitoring/management plans has been developed in December 2021 and as the feedback of review, company has included land fires monitoring and Noise level monitoring parameters since the 2nd semester 2019 monitoring report until present.

Based on document verification known the management plan and monitor the social impact that has been implemented by the company. During ASA-1.1 audit, a remote audit of the Company showed a document of the planned Social Impact management (SIA) activities for the period 2019-2021 which included internal and external social impacts.

All issues and impacts that arise from the results of the SIA assessment, has been studied and reviewed for example reduction of community land, scarcity of clean water, waning the system, and the value of mutual cooperation and changes in rural lifestyles. The program has included an issues management schedule and PIC.

Evaluation/review and carried out in a participatory manner, the company showed improvement in the form of evidence (minutes) of the company's meeting with stakeholders held on 11 January 2021 at the Marau sub-district office, which discussed the concept of social impact programs, program evaluations, and discussions, with 60 participants in attendance. While, evaluation/review result i.e management of requests for job information, information on partnerships to maintenance of clean water sources in the Seleming Hill, Independent Village Prevent Fire (*Desa Mandiri Cegah Api/DMCA*) Program from September 2021 to January 2022.

	<b>Status: Comply</b>	
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### 3.5

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

#### 3.5.1.

The Human Resource System shown by the unit of certification includes the following:

#### **Employee Recruitment**

The procedure for recruiting employees is described in the Recruitment SOP No. Policy 431 / HRM-RCT / 07. It was explained that recruited employees must pass a selection process, qualification tests, initial interviews, interviews with



related departments / users. There is a Memorandum No. 0056 / PRS-12 / X / 12 from General Manager HRM Regarding Procedures and Procedures for Adding SKU Employees.

In addition, it is also regulated in the PT SNP Collective Labor Agreement with the plantation level labor union for the period 2018 - 2020 Chapter III concerning employment relations (recruitment of workers). For contract employees, the admission procedure is stipulated in the SOP for Contract Employee Admission which has been in effect since April 25, 2015. The procedure regulates the administrative requirements of prospective applicants and policies regarding the procedures for hiring contract employees.

#### **Career Path and Performance Appraisal System**

Regulated in the PKB, especially in Chapter III Article 11 concerning the recruitment, assessment, appointment, placement and transfer of employees. The following is an example of an increase in class records shown by the company, including the following:

- Employees with a NIK 31814 increased to Group 7C (previously group 8C).
- Employees with a NIK 31886 increase to Group 2C (previously group 3C).

The document is accompanied by a record of the evaluation results as evidence of an objective and open assessment by the company.

#### **Collective labor agreement/PKB**

The employment system is also regulated in the 2018-2020 Collective Labor Agreement between the company and the Marau District Labor Union Federation (F.SBKM). PKB has been approved by the Kadisnakertrans Kab. Ketapang in accordance with recording No. 27 of 2019 dated 22 January 2019. This PKB is valid for 2 years from the time it was signed by both parties. The PKB explains organizational recognition, worker acceptance, working time, wages, work group, sick days assistance, absenteeism, payment for food and mandatory pay, overtime work and overtime pay, provisions regarding premiums, THR, social security and social assistance, work equipment and OHS, JHT, special provisions for motorized vehicle workers, workers imported from outside the region, types of work, layoffs, separation pay, company and worker obligations, ways of resolving labor disputes and strikes.

The above documents explain all aspects of regulation related to employment, for example, worker recruitment, employee appraisal, promotion, transfer/rotation, demotion, retirement, and termination of employment.

#### **3.5.2**

The company always documents all labor procedures that have been carried out properly such as recruitment, promotion, performance appraisal, and others. The following are some examples of labor procedures that have been well implemented and documented by the company, for example:

- Specified Time Work Agreement Number 16 / SNP / AWE / I / 2020-DIV2 between the company and the harvest employees (initials HSN) with the agreement period 01 January 2020 to 31 December 2020.
- Specified Time Work Agreement Number: 001 / SNP / LBF-PKWT / I / 2020 dated January 1, 2020 between the company and the clarification operator (initials RH) with the agreement period 01 January 2020 to 31 December 2020.

<b>Status: Comply</b>
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### **3.6**

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

#### **3.6.1.**

The company shows the results of the identification of operational activity risks contained in the Estate and Mill Hazard Identification Risk Assessment and Control (HIRAC) document compiled by OHS Committee on December 21, 2021. The document explains, among others: stages of work for each type of activity, hazard, effect, risk, risk control, risk remaining after control and responsible PIC. All the activities was mentioned in HIRAC document.

The company shows a recording of HIRAC socialization, for example to all assistants and supervision of PJE on April 5, 2021. Based on interviews with workers in the Plantation and Mill, it is known that workers are aware of the potential hazards that exist and control risks in their work areas.

### 3.6.2

In the H&S procedures and guidelines owned by the company, containing this follow information:

- TQEM Field Assistant Work Guidelines Number 721/TQEM-PKA/08 dated 12 June 2008 include this following information:
  - H&S implementation checks are carried out once a month
  - Checking the condition of H&S equipment (fit/not suitable for use) and the use of H&S equipment (used/not used)
  - Availability checking of active fire protection equipment (Alarm, APAR, Hydrant, Sprinkler) and first aid kit
- PT Sandika Natapalma's company occupational health and safety development committee program in 2022, explains:
  - Minimize the occurrence of work accidents
  - Minimize the occurrence of spills
  - Reduce the potential for snake attacks and land fires; and
  - Preparation of the program the 2023

From the results of field visits and interviews with workers, the following facts were found:

- Incomplete/expired first aid kits and unprepared emergency response facilities
  - Hazardous Temporary Storage at LBF → Found the contents of the first aid kit that had expired (Povion Iodine, alcohol, aquades, etc.)
  - Daycare at LBE → found the contents of the first aid box that had expired (alcohol).
  - Fertilizer warehouse at LBE → Fire Extinguisher with the condition that the pressure needle is in red; The monitoring card shows the last inspection was in October 2021
  - Pesticide warehouse at LBE → Body Shower and Eye Wash are not ready to use with low water pressure (takes a while for the water to come out and the water pressure remains low)
- Incomplete Operator License:
  - From the list of employees and interview results, it is known that the Engine Room station consists of 3 shifts and is guarded by 1 operator per shift. A license has been shown for 1 operator while the other 2 operators are still in the training plan (recorded communication via whatsapp application with PJK3 regarding the training implementation on March 24, 2022 and price quote from PJK3 number 296/IFI-K3/2022/PNK on 25 March 2022 as approved by Area Controller)
  - Based on the results of the field visit, it was found that the Engine Room Station operator did not come to work and his duties were replaced by the foreman, but the foreman did not yet have an SIO/Genset Operator License, so the equipment was operated by an unlicensed operator.

Thus, it can be concluded that the unit of certification has not been able to show sufficient evidence that it has fully implemented the established OHS/H&S plan and has consistently monitored and evaluated the effectiveness of the plan.

**Based on that's explanation this indicator raised as a Non-Conformity no 2022.02 with major category.**

3.6.2	Status : Non-Conformity no 2022.02 with minor category Major	
3.7		
All staff, workers, Scheme Smallholders, outgrowers, and contract workers are appropriately trained.		
3.7.1 & 3.7.2		

**Lembiru POM Training and Human Resource Development Program for the period 2021:**

Training Program	Participant	Facilitator	Activity Plan
SCCS	Worker and Contractor	PSQM – ESH	July
Process	Operator, Clerk, and Foreman	Assistant LBF	March
Maintenance	Mechanic, Foreman	Assistant LBF	April
Analysis	Foreman, Laborant	Assistant LBF	January
HIRAC	Worker and Staff	PSQM – ESH	February
First Aid	Worker and Staff	Doctor/Paramedic	May
Emergency Response	Worker and Staff	PSQM – ESH	April
OHS Awareness	Worker and Staff	PSQ< - ESH	May

**Estate Training Program:**

Training Program	Participant	Activity Plan
Emergency Response	Worker and Staff	June
BMS	Worker	January
BHS	Worker	February
BSS	Worker	January
Sime card	Worker	February; March
Safety townhall	Worker	May
Management of Hazardous waste	Worker	June
OHS Contractor	Contractor	June
IPM	Supervisors	June
HCV	Community and HCV Foreman	April
SOP	Worker and Staff	April
RSPO/ISPO	Worker and Staff	May
SCCS	Worker and Staff	June
OHS Expert	Staff	February
Security	Security	June
Land fire suppression	Fire Fighter Team	February

Based on interview results, with worker in LBE, AWE and PJE, it is known that worker and contractor worker has been aware about the trainings/socialization, such as pesticide handling, HCV area, sexual harrashment, and etc.

**3.7.3**

The company showed the attendance list for the introduction of the RSPO and ISPO and SCCS which was held on 17 March 2022 and was attended by a total of 4 participants such as FFB clerks, weighing operators, grading foreman, and security guards. In accordance with the minutes of the meeting discussed, including the SCCS MB module and which FFB source classified as certified or non certified

Based on the field observation to the LBF, it is known that the personnel who handle the product have good knowledge of the supply chain process flow. For example, the weighing officer has been able to show the administration of the separation of certified and uncertified FFB.

**Status: Comply**

**3.8**
**Supply Chain Requirements for Mills**
**3.8.1 & 3.8.2**

Lembiru Factory applied SCCS Module MB. Certified FFB is from AWE, LBE, and PJE HGU while FFB non certified is from PJE Non-HGU, Beturus Estate, Karya Palma Estate, Sungai Putih Estate, and Karya Palma Plasma

**3.8.3**

Estimated certified product recorded in the last Assessment Report and Certificate, and updated in the RSPO Palm Trace. Actual certified produced has been verified during this assessment. The estimates of certified production for the next license period also have been set, in reasonable amount taking into account the last year production. The data are shown in the following table:

Product	Estimate Production period (license period 03 July 2019 to 02 April 2022)	Actual Production (MT) of previous audit (July 2019 to February 2022)	Estimate Production of 12 month (MT)
FFB	233,467	177,871.50	48,600
CSPO	57,159	40,481.81	10,692
CSPK	16,209.30	9,554.68	2,430

During the period of license there was additional volume of RSPO products i.e :

- Extension Volume 1 dated 6 October 2020 : FFB Estate 31,875 MT, CSPO 7,650 MT, CSPK 1,765 MT
- Extension volume 2 dated 01 February 2021 : CSPK 155.3 MT
- Extension volume 3 dated 24 September 2021 : FFB 18,192 MT; CSPK 4,866; CSPO 21,209 MT
- Extension volume 3 dated 12 January 2022 : FFB 60,500 MT; CSPK 3,023 MT

**3.8.4**

ASA-1.1; ASA-1.2; ASA-1.3

Lembiru Factory has registered in RSPO IT platform for license period (03/10/2019 – 02/04/2022) with information i.e :

License ID	CB91147
Member Name	Lembiru – PT SNP
Member ID	RSPO_PO1000001867
RSPO Membership Number	1-0008-04-000-00 (Sime Darby Plantation Berhad)
Issued On	26/09/2019
Issued By	PT Mutuagung Lestari
Start Date	03/10/2019
End Date	02/04/2022

**3.8.5**

The company has been shown RSPO SCCS Manual – RSPO Supply Chain Certification Standard SCCS-std/RSPO/PSQM/03 rev 03 dated 14 August 2020, including:

- Using the latest standards (Indonesian National Interpretation 2020)
- Registration of Transactions, which regulates Shipping Announcements with a maximum time limit of not more than three months from dispatch.
- Letter of appointment of officers / personnel responsible for handling SCCS namely PSQM Assistant and Head of LBF in accordance with letter No SCCS.u/041/SPO/IX/20 regarding the appointment of PT SNP SCCS PIC dated 27 August 2020

Letter from Area Controller dated September 29, 2020 to PSQM Marau, Pelanjau Estate Manager, and Lembiru Factory manager regarding RSPO Certified FFB Product Registration and Marking at Pelanjau Estate explaining that in order to facilitate the traceability of FFB Certified and Non Certified, the fields to be crossed/ bordering the *HGU* line is issued or deemed uncertified.

Based on the field visits to certified and non-certified areas of the RSPO Pelanjau Estate, it is known that in the physical field there is no separation between certified and non-certified blocks. Administratively, the separation is carried out on LBF where the weight bridge clerk will give the RSPO certified stamp to *SPB* whose FFB comes from certified blocks and RSPO Non-certified to *SPB* whose FFB comes from non-certified blocks. The certified and non-certified block data are listed in the SOP and posted at the location of the weighbridge.

### 3.8.6

The last SCCS internal audit was conducted on 29 October – 13 November 2021 in conjunction with the RSPO internal audit. Based on this assessment, it is known that all SCCS indicators are used as non-conformities and have been declared fulfilled by updating the recording data. Implementing the internal audit is the PSQM team.

The company also held a management review meeting on December 23, 2021, which was attended by 7 participants. The management review meeting discussed operational activities and discussed ISPO/RSPO internal audit findings. The company has documented the results of the management review in the form of a Kick Off Meeting Minutes document.

### 3.8.7

The Mill has maintain the record of goods in such as in FFB Delivery Note and Mass Balance data, that identify amount and sources of FFB certified and uncertified received, as well as the certified products (CSPO and CSPK), shown as follows :

Product	Estimate Production Period (license period 03 July 2019 – 02 April 2022)	Actual production until the audit is carried out (July 2019 – February 2022)
	MT	MT
FFB	233,467	177,871.50
CSPO	57,159	40,481.96
CSPK	16,209.30	9,554.83

Based on the table above, know that there is no FFB overproduction of against credit given during license period. Related for handling non-conforming oil palm products and to ensure the origin of FFB has been set in SOP of Product Traceability (ID : SCCS-Std/RSPO/PSQM/03 Rev : 02 dated 27 August 2020)

### 3.8.8

Based on document verification it is known that there CSPK transaction on licenses period. The company shows documentation of certified products i.e :

- Transaction ID : TR-b4a78c4bd-58fe
- Production Name : CSPK
- Supply Chain Model : Mass Balance
- Volume : 1,003.41 MT
- Mill : Lembiru – PT SNP
- Member ID : RSPO\_PO1000001867
- Seller reference number : 00110/SNP/KTR-IKS/LOK/XI/2020
- Shipping/BL Date : 09/09/2021
- Confirmation date : 13/10/2021
- RSPO certificate number has been inform in delivery note

the unit certification can present if the Sold of CSPK has been reporting through RSPO It Platform, that described in the table below:

Transaction ID	Transaction Date	Buyer Reference Number	Product	Supply Chain Model	Volume	License ID	Transaction Type	Status
TR-5f663cf2-e90d	07-02-2022	P00316/TS A/KTR-KERNEL/LOK/XI/2021	CSPK	Mass Balance	699,92	CB91147 (Active)	Shipping	Confirmed
TR-14df662d-a0e7	07-02-2022	P00301/TS A/KTR-KERNEL/LOK/XI/2021	CSPK	Mass Balance	990,33	CB91147 (Active)	Shipping	Confirmed
TR-ecf3fc35-b820	13-10-2021		CSPK	Mass Balance	991,96	CB91147 (Active)	Shipping	Confirmed
TR-c7b69c1d-c3ec	13-10-2021		CSPK	Mass Balance	182,86	CB91147 (Active)	Shipping	Confirmed
TR-1f6c0f79-44fd	13-10-2021		CSPK	Mass Balance	1.010,98	CB91147 (Active)	Shipping	Confirmed
TR-32dcde1a-fe49	13-10-2021		CSPK	Mass Balance	984,9	CB91147 (Active)	Shipping	Confirmed
TR-1d0376c0-47ec	13-10-2021		CSPK	Mass Balance	186,77	CB91147 (Active)	Shipping	Confirmed
TR-0854f072-2455	13-10-2021		CSPK	Mass Balance	1.006,78	CB91147 (Active)	Shipping	Confirmed
TR-b4a78c4b-58fe	13-10-2021		CSPK	Mass Balance	1.003,41	CB91147 (Active)	Shipping	Confirmed
TR-75f6af94-81be	09-12-2020	P00645/LMI /KTR- IKS/LOK/X/ 2020	CSPK	Mass Balance	1.014,99	CB91147 (Active)	Shipping	Confirmed
TR-099fa5bd-a479	08-10-2020		CSPK	Mass Balance	343,02	CB91147 (Active)	Shipping	Confirmed
TR-c5d984e0-1081	17-07-2020		CSPK	Mass Balance	656,98	CB91147 (Active)	Shipping	Confirmed

TR-409d0ae6-b459	17-07-2020	P00251/TS A/KTR- IKS/LOK/V/ 2020	CSPK	Mass Balance	844,13	CB91147 (Active)	Shipping	Confirmed
TR-3f7e8c1f-b62a	11-05-2020		CSPK	Mass Balance	199,98	CB91147 (Active)	Shipping	Confirmed
TR-8c33dd61-c162	11-05-2020		CSPK	Mass Balance	800,02	CB91147 (Active)	Shipping	Confirmed
TR-899ff274-f44a	02-05-2020		CSPK	Mass Balance	992,23	CB91147 (Active)	Shipping	Confirmed
TR-1bd80bbb-5a47	30-12-2019		CSPK	Mass Balance	1.200,11	CB91147 (Active)	Shipping	Confirmed

### 3.8.9

Based on the list of LBF contractors, it is known that there is a cooperation agreement to transport CPO and PK to bulking with CV Trans Pilar Tiga and CV Anugrah Putra Sejati. It has been shown that SPK No.001/Transportation Services/SNP-LBF/I/2022 dated 03 January 2022 with CV Trans Pillar Tiga and SPK No.002/Jasa Transport/SNP-LBF/I/2022 valid until 2022. However, The SPK has not provided information regarding CB's access to contractors or operators conducting outsourcing in the event that an audit is required. The company has not been able to show sufficient evidence that the work agreement with contractor has ensured that CB has access to the contractor or operator who performs the outsourcing in the event that required in audit. **Based on that's explanation this indicator raised as a Non-Conformity No 2022.03 with major category.**

### 3.8.10

Based on the list of LBF contractors, it is known that there is a cooperation agreement to transport CPO and PK to bulking with CV Trans Pilar Tiga and CV Anugrah Putra Sejati. The information shown is related to the contractor, including CV Trans Pilar Tiga having its address at Jl Masjid Babul Khair No 8 Ketapang with person representatives.

### 3.8.11

Based on the list of contractors owned by LBF, it is known that currently the parties that are collaborating to transport CPO and PK are CV Trans Pilar Tiga and CV Anugrah Putra Sejati. Regarding the renewal of the contractor, the company gave notice to CB before the opening meeting was held.



**3.8.12**

Lembiru Factory Mass Balance data for the period July 2019 – February 2022 for CSPK obtained the following information:

Period	PK production (MT)		Total	Cert PK Dispatch (MT)			PK Dispatch (Non Cert)	Total	Stok PK	
	Cert	<u>Non Cert</u>		RSPO	Other scheme	<u>Non Cert</u>			Certified	<u>Non Cert</u>
opening stock	807.03									
Jul-19	496.35	528.09	1,024.44						1,303.38	528.09
Aug-19	472.99	527.19	1,000.18						1,776.37	1055.27
Sep-19	453.67	508.31	961.98						2,230.04	1563.58
Oct-19	472.89	490.68	963.57						2,702.93	2054.26
Nov-19	417.39	415.36	832.75				1200		3,120.32	1269.62
Dec-19	354.63	378.00	732.63	1200.11				1200.11	2,274.84	1647.62
Jan-20	305.22	356.33	661.55				1,000.01		2,580.06	1003.94
Feb-20	227.00	295.10	522.10						2,807.06	1299.04
Mar-20	214.30	333.33	547.63	992.23				992.23	2,029.13	1632.38
Apr-20	263.33	350.79	614.12	800.02				800.02	1,492.44	1983.17
May-20	224.40	343.85	568.25	1044.11				1044.11	672.73	2327.02
Jun-20	215.32	320.00	535.32						888.05	2647.02
Jul-20	146.37	216.97	363.34	656.98				656.98	377.44	2863.99
Aug-20	199.84	301.25	501.09						577.28	3165.24
Sep-20	283.59	409.49	693.08	343.02			32	343.02	517.85	3542.73
Oct-20	441.89	543.15	985.04						959.74	4085.87
Nov-20	469.87	581.80	1,051.67	1014.99				1014.99	414.62	4667.67
Dec-20	503.11	648.28	1,151.39						917.73	5315.96
Jan-21	384.86	527.83	912.69				1,000.00		1,302.59	4843.79
Feb-21	274.33	455.98	730.31				1,013.00		1,576.92	4286.77
Mar-21	349.04	629.94	978.98				929.8		1,925.96	3986.91
Apr-21	332.92	566.81	899.73						2,258.88	4553.72
May-21	287.79	470.58	758.37						2,546.67	5024.30
Jun-21	281.89	457.64	739.53				1,000.04		2,828.56	4481.90
Jul-21	239.47	336.06	575.53						3,068.03	4817.96
Aug-21	225.82	336.81	562.63				600		3,293.85	4554.77
Sep-21	198.15	244.03	442.18	5367.66			1,000.03	5367.66	-1,875.66	3798.77
Oct-21	179.37	239.31	418.68				300		-1,696.29	3738.08
Nov-21	203.13	282.53	485.66						-1,493.16	4020.61
Dec-21	167.18	321.53	488.71	1690.250				1690.250	-3,016.23	4342.14
Jan-22	141.93	406.40	548.33				1,139.17		-2,874.30	3609.37
Feb-22	126.64	389.74	516.38						-2,747.66	3999.11
Closing stock Feb 2022									<b>Stok PK</b>	
<b>Total</b>	<b>9554.68</b>	<b>13213.16</b>		<b>13109.37</b>			<b>9214.05</b>		<b>1,251.41</b>	

From the table above, it can be concluded that there has been a minus stock in PK since September 2021 and up to the next 3 months even though the negative stock has not yet become balanced (positive) CSPK sales have been carried out again in December 2021. The company has not been able to show sufficient evidence that MB sales shipments are from



positive stock. Based on that's explanation this indicator raised as a Non-Conformity no 2022.04 with major category.

### 3.8.13 & 3.8.14

The conversion rate of production of CPO (OER) and PK (KER) were based on actual daily, monthly, and yearly production. Then the Mill set the target of OER and KER, even though the actual may vary. Based on production data 12 months previous audit the average OER is 22.52 %, while KER is 5.24 %. The target of OER and KER reviewed annually based on Management Review Meeting.

### 3.8.15

The Mill only applying RSPO SCC Module of Mass Balance.

### 3.8.16

In the last 36 months before audit (Jul 2019 – Feb 22) it was known if the certified product sold under RSPO as described in the table below :

	Dispatch period (MT)
	Jul 2019 – Feb 2022
	Total
CSPO sold under RSPO Scheme	-
CSPO sold under other scheme	-
CSPO sold as conventional	40,481.81
CSPK sold under RSPO Scheme	13,109.37
CSPK sold under other scheme	-
CSPK sold as conventional	-

### Actual Production

Product	Actual production until the audit is carried out (July 2019 – February 2022) MT
FFB	177,871.50
CSPO	40,481.96
CSPK	9,554.83

Based on the data above, there is no sale of CSPO as a certified product but there is a loan of certified stock which is sold as a non-certified product. In this regard, the company has shown remove stock as follows:

#### Stock Transactions

Stock Transaction ID	Date	Product	Supply Chain Model	Transaction Type	Volume
ST-TR-a09be9c9-743a	23-07-2020	CSPO	Mass Balance	Credit Allocation	28.300
ST-TR-74e2d30e-6c6e	23-07-2020	CSPK	Mass Balance	Remove From Certified Stock	1.706,54
ST-TR-0246888f-2399	25-03-2022	CSPO	Mass Balance	Remove From Certified Stock	28.859
ST-TR-8d67ba92-e164	25-03-2022	CSPK	Mass Balance	Remove From Certified Stock	1.393,39

\*Volume in MT

As for CSPK, there has been a minus stock since September 2021 and up to the following 3 months the negative stock has not been balanced (positive) but CSPK sales have been made again in December 2021. Thus, the company has not been able to show sufficient evidence that the shipment of MB sales came from positive stock. This has become a Nonconformity in the indicator 3.8.12

**3.8.17**

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

**3.8.9**

**Status: Non conformity No 2022.03 with Major Category**

**3.8.12**

**Status: Non conformity No 2022.04 with Major Category**

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

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

**4.1.1**

The company demonstrates the Human Rights Defenders Protection Policy 2020, which is approved by the Head of Sustainability Group. In summary, the document has explained the following:

- Confidentiality and Anonymity  
The identity of individuals and information shared by HRDs, must be kept as confidential as possible, in a manner appropriate to the needs of the investigation, unless the individual agrees to disclose, if disclosure is required by applicable law.
- Equality and Non-Discrimination  
The right to defend human rights must be guaranteed without discrimination. Measures to protect human rights defenders must be adequate, appropriate and reflect the needs of defenders, and relevant to all human rights as a result of their work
- Protection Against Threats and Retaliation  
Human rights defenders and individuals who act in good faith to practice human rights, during their engagement with the SDP must be protected from violence, threats and all forms of retaliation. The same protection also applies to SDP employees in relation to Human Rights Defenders or their activities from retaliation, harm and discrimination in the workplace.

**4.1.2**

Based on the results of interviews with the Manpower Office, Trade Unions, Village Representatives and Employees, it was found that there were no issues related to acts of intimidation or acts of violence initiated by the company through security officers working at the company.

**Status: Comply**

**4.2**

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

**4.2.1**

The company has a SOP Grievance Handling Mechanisms for All Parties and the Community which has been approved on 2021. Explains that the steps for submitting complaints verbally and/or written are addressed to the management leadership. Responses to stakeholders are made within 2 weeks if no department head approval is required and 1 month if approval is required. The SOP also states that the identity of the reporter and the reporter will be kept confidential if necessary.

The procedure explains how to submit complaints or suggestions for all parties, including those who cannot read or write, namely can be submitted verbally or through a companion submitted to management. The company, through the Labor Union, holds regular meetings with workers, one of which is to address issues and complaints addressed to the company. The company also regularly holds meetings with community representatives and plasma smallholders, one of which is to address issues and complaints addressed to the company.

The company has an SOP for handling complaints for all parties, namely in the administrative SOP issued on 15 October 2015. The SOP explains the steps of handling complaints, whistle-blowing system and delivering management responses. Response by the relevant department or head of department no later than 2 weeks from the date of the complaint received by the operational unit.

### 4.2.2, 4.2.3 & 4.2.4

Based on information obtained from the external complaint log book, until the ASA-1.3 remote audit was carried out, there were no complaints cases. As explained by the management representative, a mutually agreed system for handling complaints will be established when a complaint is found. The reference for making procedures is the Complaint Handling SOP for all parties & the public of PT SNP dated 15 October 2015. This SOP describes the procedures for handling complaints and complaints as well as responses from management

These procedures include, among other things, describing the mechanism for requesting information including handling complaints. In addition, it is also explained that the period for giving responses is 14 days after the letter is received. The officer responsible for responding to stakeholders is the Manager / Assistant / Head of Administration / Public Relations

The understanding of both internal and external stakeholders regarding the complaint and grievance system will be reassured when the field audit is carried out.

<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

Contributions to the development of the surrounding community include the existence of a CSR program. In the SOP Corporate Social Responsibility Number 360/TJSL-CSR/COM by Sime Darby Plantation dated 9 November 2015 states that the company has a commitment to identify, through consultation, potential social benefits and determine how to exploit this potential so that it becomes something that is profitable for the company. as well as the local community.

It has been shown that the realization of CSR in 2021 i.e :

- Education: Teacher honors on 8 October 2021, and 15 March 2022
- Health: Food packages for the covid task force team on 24 December 2021, Assistance for Purchase of Health Masks on 9 July 2021, Providing Ambulance Car for Local Government/ Ketapang Regency on 24 December 2021
- Economy: Assistance with diesel fuel and oil for Dusun Batu Menang officers for a year
- Social: Assistance for sacrificial animals on 22 July 2021, Assistance for Traditional Celebration for Sedawak Village, DMCA Program/ Independent Villagers Prevent Land fire started from September 2021 to January 2022
- Religion: Eid, Christmas, Holy Friday, etc

Based on the interviews with representatives of Suka Karya Village, it is known that so far they feel they have never been involved in the preparation of CSR programs so that CSR programs are felt to have not accommodated the needs of the community. In addition, CSR that is implemented is more in the form of social assistance and has not empowered the community, for example productive business development.

However, Company gave clarification about local people's involvement in the preparation of CSR Programs. Certificate Unit also shown evidence of Meeting with all Stakeholder/local people to review previous CSR Program and also to Planning new Program based on the local community needs. This activity was being held on 11 January 2021. Preparation discussion related to CSR program was being held specifically for local community at Suka Karya Village on 12 January 2022. The implementation of the event is proven by photo evidence.

From the document review, it is known that every year the company has participated in the Ketapang District Development Plan Deliberation which discusses the Village development plan in the District. It is proven by the documentation of this activity, although it could not be supported with attendance list because the access to this information was being held by the authority.

**Status: Comply**

#### 4.4

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

##### 4.4.1

The scope of the company's certification is 9,409.07 as the HGU currently owned. PT SNP has a total HGU of 8,406.28 hectares while PT BAL has a HGU of 1,002.79 hectares with the following details:

- PT Sandika Natapalma (HGU Certificate Number: 4, dated February 29, 2000 valid until February 28, 2030, land area 8,406.28 Ha)
- PT Budidaya Agrolestari (HGU Certificate Number: 3 dated February 29, 2000, valid until February 28, 2030, land area 1,002.79 Ha)

In addition, the company also has an *IUP* for PT BAL covering an area of ±9,060 Ha and PT SNP for an area of 13,936.21 Ha which is described in detail in indicator 2.1.1. Outside the certified area, there is still a managed area which is included in the non-certified area with the following details:

- PT BAL  
Pelanjau Non Certified : 1,007.90 Ha  
Beturus Estate : 3,652.31 Ha  
Sungai Putih Estate : 4,004.15 Ha
- PT SNP  
Karya Palma Estate : 4,661.08 Ha

The uncertified area has been included in the TBP and is planned to start the certification process in 2023.

##### 4.4.2

The FPIC process is described in the SOP for Conflict Resolution (RSPO/2.2/PK) and Procedures for Acquisition of Occupational Land (Policy No. 344/PSD-OKUP/10) and Work Instructions for Land Acquisition (Policy No.: 301/SNP-PSD-01) .

Based on the r document review, it is known that initially the company land belonged to PT Golden Hope whose ownership transfer occurred in 2011 – 2012. Based on the results of interviews with Suka Karya Village Representatives, Pelanjau Jaya Village Representatives including the Traditional Leader, as well as previous land owners from the Pelanjau Village is known that the land compensation process was carried out in the early of the company establishment by PT Golden Hope. The land acquisition process has been in accordance with the mutual agreement and is known by the parties including the village government and other communities.

##### 4.4.3

The company already has an operational map with a scale of 1: 75,000 which includes information about:

- Area of the company Location Permit
- The area of the company's HGU area
- he company's management area
- Factory location
- Block boundaries and infrastructure area
- Planting area

- Areas that are still under the control of other parties (Enclave/Occupation)

From the map, it can be seen the legal rights owned by the company. The *GRTT* process has occurred since the company was founded by PT Golden Hope. Meanwhile, Minamas Plantation acquired in 2011 – 2012 so that one form of community participation in the approval of the company legal rights is indicated by the actual boundaries in the field. In addition, based on the results of interviews with management representatives, it was found out that maps can be accessed by the public by following the applicable procedures.

#### 4.4.4

Based on the interviews with community representatives from Suka Karya Village and Pelanjau Village including representatives of traditional leaders, it is known that the information at the beginning of land acquisition is related to the benefits that will be obtained along with the plantation development by the company, including the opening of road access, recruitment of workers, and the development of plasma plantations. . The resources person said that for now, there are some people who work in the company, can access the company road freely, and the development of plasma plantations has been realized.

#### 4.4.5

Based on the results of interviews with community representatives from Suka Karya Village and Pelanjau Village, including representatives of traditional leaders, it is known that at the beginning of land acquisition the community represented themselves. The village government is more concerned with facilitating and bridging communication between the company and the community and ensuring the process goes according to what is mutually agreed upon.

#### 4.4.6

Based on the document review, it is known that initially the company land belonged to PT Golden Hope whose ownership transfer occurred in 2011 – 2012. Based on the results of interviews with Suka Karya Village Representatives, Pelanjau Jaya Village Representatives including the Traditional Leader, as well as previous land owners from the Pelanjau Village is known that the land compensation process was carried out in the early of the company establishment by PT Golden Hope. The land acquisition process has been in accordance with the mutual agreement and is known by the parties including the village government and other communities.

For now, the annual review process is not carried out because as information from representatives of Suka Karya Village and Pelanjau Village including the Traditional Leader it is known that the negotiated agreement has been fulfilled, for example, the payment of compensation according to the agreement and the realization of plasma plantation development. In addition, the land acquisition process was carried out by PT Golden Hope which in its development in 2011 – 2012 was acquired by Minamas Plantation.

Status: Comply
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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

The company has procedure of Conflict Resolution SOP (RSPO/2.2/PK) and Occupational Land Acquisition Procedure (Policy No. 344/PSD-OKUP/10) and Land Acquisition Work Instructions (Policy No. 301/SNP-PSD-01) to identifying legal, customary or user rights, and for identifying people entitled to compensation. Based on public consultation with village representatives from Suka Karya Village and Pelanjau Village known that they know about the procedure through the socialization given and they agree with the procedure.

**4.5.2; 4.5.3; 4.5.4**

There is no new land acquisition or expansion that conducted by PT SNP and PT BAL from the previous audit. Land acquisition was carried out between the land owner and the previous company, namely PT Golden Hope, while Minamas Plantation as the parent of PT SNP and PT BAL acquired PT Golden Hope in 2011 – 2012. Based on the interviews with representatives of Suka Karya Village and Pelanjau Village, it is known that the land acquisition process has been based on mutual agreement without coercion. Communities also have the right to relinquish or not relinquish their land ownership.

### 4.5.5 & 4.5.6

Interview with representative of previous land owners and surrounding communities from Suka Karya and Pelanjau Village, known that they have access to information and advice such as from head of village of community figure regarding impact of land acquisition and also the oil palm plantation development. They also inform, head of village of community figure was take an active role during the initial development of plantation until the land title process

### 4.5.7

Document review and interview with stakeholder, known that there is no new development after 2018.

### 4.5.8

Based on interview with community sighted that there is no communities in voluntary isolation around the certification unit.

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

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

### 4.6.1 & 4.6.2

Until now, there is no expansion of the company operational area. The land acquisition is through the acquisition of PT Golden Hope so that the compensation process that occurs is between the previous land owner and PT Golden Hope. However The company has procedure of Conflict Resolution SOP (RSPO/2.2/PK) and Occupational Land Acquisition Procedure (Policy No. 344/PSD-OKUP/10) and Land Acquisition Work Instructions (Policy No. 301/SNP-PSD-01) to identifying legal, customary or user rights, and for identifying people entitled to compensation. Based on public consultation with village representatives from Suka Karya Village and Pelanjau Village known that they know about the procedure through the socialization given and they agree with the procedure

### 4.6.3

Based on interviews with representatives of Suka Karya Village and Pelanjau Village, it is known that there are no restrictions based on gender in being able to own land rights, including the freedom to relinquish or not relinquish the rights owned to the company. Another proof that there is no difference in rights is the ownership of plasma by men or women

### 4.6.4

Until now, there is no expansion of the company operational area. The land acquisition is through the acquisition of PT Golden Hope so that the compensation process that occurs is between the previous land owner and PT Golden Hope.

Based on the interviews with Suka Karya Village Representatives, Pelanjau Jaya Village Representatives including the Traditional Leader, as well as previous land owners from Pelanjau Jaya Village, it is known that the land compensation process was carried out during the early stage of the company establishment by PT Golden Hope. The land acquisition process has been in accordance with the mutual agreement and is known by the parties including the village government and other communities.

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

**Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for**



### any agreed land acquisitions and relinquishment of rights, subject to their FPIC and negotiated agreements.

#### 4.7.1 & 4.7.2

Until now, there is no expansion of the company operational area. The land acquisition is through the acquisition of PT Golden Hope so that the compensation process that occurs is between the previous land owner and PT Golden Hope. However The company has procedure of Conflict Resolution SOP (RSPO/2.2/PK) and Occupational Land Acquisition Procedure (Policy No. 344/PSD-OKUP/10) and Land Acquisition Work Instructions (Policy No. 301/SNP-PSD-01) to identifying legal, customary or user rights, and for identifying people entitled to compensation. Based on public consultation with village representatives from Suka Karya Village and Pelanjau Village known that they know about the procedure through the socialization given and they agree with the procedure

#### 4.7.3

Based on the interviews with representatives of Suka Karya Village and Pelanjau Village including the Traditional Leader of Pelanjau Village, it is known that the benefits obtained from the development of plantations are as follows:

- Open access road
- Recruitment of workers
- Realization of plasma plantation development.

**Status: Comply**

#### 4.8

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

#### 4.8.1; 4.8.2; 4.8.3; 4.8.4

Until now, there is no expansion of the company operational area. The land acquisition is through the acquisition of PT Golden Hope so that the compensation process that occurs is between the previous land owner and PT Golden Hope. Based on interviews with representatives of the Ketapang Regency Land Agency and representatives of Suka Karya Village, Pelanjau Village, and the Traditional Leader of Pelanjau Village, it is known that for now there are no land dispute

However, within the company HGU area there is still control of other parties in the form of arable land. Regarding this matter, the company has carried out an inventory and is included in the occupation/enclave category in the statement area with an area of 2,323.82 Ha. From the results of interviews with representatives of the Village community, it is known that the company has never forced the community to relinquish ownership of the land, even in 2019 a public opinion meeting was held at the Ketapang Regency DPRD office on 25 February 2019 with the agenda of resolving PT Minamas HGU problems with the community. The result of the decision is that Minamas Group must remove the area from the HGU and to convert it to SHM, the completion time given is no later than 3 months.

In connection with the results of the meeting, PSD Marau Area has sent a letter to PS-Land Development and License Jakarta regarding the reduction of the area. It can be shown the Inter Office Mail (IOM) from GM PSD-LDL to the CEO of Region KTB, Head of MRC and HPO dated May 14, 2019 no.: 053/PSD.LDL/05.19, the IOM has instructed that an inventory of land owned by the community be carried out since long time in HGU. At the time of the audit, it was discovered that at this time the company was still carrying out an inventory of parties who had rights in the HGU. Based on the management's explanation, the inventory process in 2020-2022 was constrained due to the Covid-19 pandemic, so meeting and gathering activities were still very limited, including activities to go out and enter the estate. Follow-up of the inventory and progress related to this will be confirmed again at the time of the next assessment because at the time of public consultation with representatives of Suka Karya Village and Pelanjau Village the information did not appear.

**Status: Comply**

### PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION



**5.1**
**The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.**
**5.1.1**

Based on the cooperation agreement for the development of plasma plantations made between PT SNP - PT BAL with KUD, the determination of the purchase price for FFB from plasma plantations follows the determination of the FFB price by the Provincial Government of West Kalimantan. Pricing is carried out every two weeks by the Team for Determining the Purchase Price for Palm Oil FFB, West Kalimantan Province. That is included in pricing by Ketapang Regency.

The company can show the Minutes of Meeting Results of the FFB Purchase Price Determination Team in West Kalimantan Province throughout 2021. Pricing is based on the price of CPO and kernels and is also adjusted to the age of the plant. Based on interviews with cooperatives, it was explained that prices were obtained directly from the Plantation Service and had been informed to members.

**5.1.2**

Based on the results of an interview with the representatives of the Cooperative Mitra Usaha Tani Sejahtera and Cooperative Sejahtera Palma Sejati, it was explained by the person concerned that a copy of the FFB price for each period is always informed to the Cooperative together with the monthly LPKP given by the management to the Cooperative.

Meanwhile, the price used for FFB refers to Pricing from Ketapang Regency that changes every two weeks. The price is conveyed every time there is a price updated to every party via email or *Whatsapp Group*. Based on the results of interviews with representatives, it was informed that there is some issue with bailout position for the Plasma Cooperative due to the instalment period to the bank that has been run out on this month (March 2022).

**5.1.3**

The management unit can show the document of the Cooperation Agreement between the Mitra Usaha Tani Sejahtera Unit Cooperative and PT Budidaya Agro Lestari Number 005/Kemitraan (partnership)/VI/2014 is located in Suka Karya Village, Sub District Marau, District Ketapang, West Borneo Province, Indonesia. And document of The Cooperation Agreement between Sejahtera Palma Sejati Unit Cooperative Number 001/Kemitraan khusus (Special Partnership)/SNP-SPS/VI/2014; Number 001/Kopbun-SPS-Khusus (special)/VI/2014 is in Suka Karya Village, Sub district Marau, District Ketapang, West Borneo Province, Indonesia.

Forms of work include oil palm plantation development, maintenance, FFB harvesting, FFB marketing, administrative, management and technical training for oil palm plantations. The term of the agreement until the FFB does not produce any more. From this document, it is known that the basis for determining the price of FFB refers to the price set by the Plantation Service.

From each contract shown, it contains points of applicable regulations, land legality, legality of fruit sources, rights and obligations of 1st and 2nd parties, sanctions, termination of agreement, validity period, price and weight of FFB, handover and weighing of FFB, FFB grading, payment procedures, time and location of FFB receipt, FFB delivery methods, and others. Based on the data shown, the contract made is in accordance with applicable law and has a validity period. Based on the results of interviews with the KJPCPS Cooperative and CV AJM, it was informed that the sale and purchase of FFB had used the agreed price.

**5.1.4**

Based on ASA-1.1, ASA-1.2, and ASA-1.3 results of interviews with the MUTS (Mitra Usaha Tani Sejahtera) Cooperative and SPS (Sejahtera Palma Sejati) Cooperative, information was obtained that the unit of certification does not limit and allow Plasma Cooperatives to get help from anyone to understand every content in the contract agreement they have. Representatives from each Plasma Cooperative are involved in decision-making processes and understand the contract.

Each agreement is made in draft form first to be understood by the interested parties and it is possible to negotiate and amend the contract clauses if there are things that are unclear or have not been agreed upon.

#### **5.1.5**

The company shows a contract agreement with plasma farmers which explains the object of the agreement, the validity period, provisions for plasma development, and terms of cooperation, financing, pricing, rights & obligations, sanctions to dispute resolution. The agreement is signed by representatives of the cooperative and the company and is known to the local government.

Cooperation agreement for the development and management of oil palm plantations with the partnership pattern no. 001/Kemitraan Khusus(Special Partnership)/SNP-SPS/VI/2014; No.001/Kopbun-SPS-Khusus(special)/VI/2014 between the Sejahtera Palma Sejati Plantation Cooperative and PT Sandika Natapalma. This agreement has a term of 25 years. This MoU has been recognized by the Department of Cooperatives for Small and Medium Industries of Ketapang Regency, and The Department Plantation of Ketapang Regency, and the Regent of Ketapang.

Cooperation agreement for the development and management of oil palm plantations with the partnership pattern no. 005/Kemitraan Khusus(Special Partnership)/BAL-MUTS/VI/2014; No.003/Kopbun-MUTS-Khusus(special)/VI/2014 between the Mitra Usaha Tani Sejahtera Plantation Cooperative and PT Budidaya Agro Lestari. This agreement has a term of 25 years. This MoU has been recognized by the Department of Cooperatives for Small and Medium Industries of Ketapang Regency, and The Department Plantation of Ketapang Regency, and the Regent of Ketapang.

The company shows CLA with plasma farmers which explain the object of the agreement, validity period, plasma construction provisions, and terms of cooperation, financing, pricing, rights & obligations, sanctions to settle disputes. The agreement was signed by representatives of cooperatives and companies and was known by the authority.

#### **5.1.6**

Certificate Holder can show proof of FFB payment from PT Sandika Natapalma to PT Budidaya Agro Lestari. This information was stated in Selling Contract Document and the invoice was also included as listed down below, for example:

- Selling Contract Number. 003/BAL/KTR-TBS/LOK/III/2020 with Invoice number 005/BAL/III/2020 on 31 March 2020.
- Selling Contract Number 006/BAL/KTR-TBS/LOK/VI/2020 with Invoice number 009/BAL/VI/2020 on 30 June 2020.

From this listed documents, it is known that pricing for FFB was higher than pricing from Ketapang Regency that changes every two weeks. The documents describes pricing and pricing periods, FFB amount, reduction/cost, and total paid. The payment was conducted every month.

Based on the data shown, Certificate Holder has made payments in accordance with the agreed contract, in addition, information regarding cuts, FFB weight and the amount paid has been stated in the payment invoice.

Based on the interview with representatives from The Management Unit of Mitra Usha Tani Sejahtera and The Management Unit of Sejahtera Palma Sejati, it was informed that there had never been any issue with payments. So far the payment has always been on time according to the agreed contract. Even if there was a delay in payment, the company will notify the second party in advance. Late payments that occur, never more than a week.

#### **5.1.7**

The results of document verifications, it is known that the certification unit has routinely calibrated the weighing equipment carried out by a third party. The certification unit has also shown documents on the weighbridge calibration carried out in September 2019 and November 2021 for example:

- Information on Test Results Number 117/SKHP/MET-THE/XI/2021 on November 22, 2021 for Electronic Bridge Scales

with serial number B521963079 and capacity of 40,000kg/10 kg by the Department of Cooperatives, SMEs, Trade, and Industry of Ketapang Regency and signed by the Head of the Department The SME, Trade, and Industry Cooperative. This information was represented by the Head of the UPT Legal Metrology Type A Ketapang Regency on November 23, 2021.

- Information on Test Results Number 118/SKHP/MET-THE/XI/2021 on November 22, 2021, for Electronic Bridge Scales with serial number B349055425 and capacity of 40,000kg/10 kg by the Department of Cooperatives, SMEs, Trade, and Industry of Ketapang Regency and signed by the Head of the Department The SME, Trade, and Industry Cooperative. This information was represented by the Head of the UPT Legal Metrology Type A Ketapang Regency on November 23, 2021.

#### 5.1.8

There was no independent smallholder that has been identified around the company area and having work agreement with the company. In addition, there was no Internal Control System (ICS) for smallholders to holds the certificates, and to holds and sells the certified material. Thus, made this indicator was not applicable during ASA-1.1, ASA-1.2, and ASA-1.3 audit assessment.

#### 5.1.9

The company has several SOP for handling complaints for all parties, that are conducted by Sime Darby Plantation or by internal company as listed down below :

- SOP Complaint Handling for All Parties No. 440/HRM-COC/2007 by Sime Darby Plantation
- SOP Complaint Handling issued on 15 October 2015 by Sime Darby Plantation
- SOP Complaint Handling for Worker No (SNP-BAL/6.5/PKK)

Those listed SOP explains the steps of handling complaints, whistle-blowing system and delivering management responses. Response by the relevant department or head of department no later than 2 weeks from the date of the complaint received by the operational unit.

Stated in the procedure that any public complaints must be received and recorded for later resolved and the management must provide protection against the complainant or the complainant. Based on document review during one year previous the audit, there is some complaint submitted by workers or by residents/local people around companies area as following :

- Complain by PJE worker about housing facilities, specifically in residential water facilities that was no longer flowing for two days on 27 March 2021.
- Complain by local people about request to replace the head of security on 27 May 2021.
- Complain by PJE worker about request to providing health supplement and vitamins to PJE worker on 17 February 2022.
- Complain by AWE worker about housing facilities, specifically to repair roofs, doors, and renovate fragile house foundation.
- Complain by LBE local villagers, about environmental facilities, such as request to add more water tank, uncollected garbage, and broken trench in housing area.

There was still some others complaint being recorded in every estates for whole year. The companies already provided further action to each complaint by all parties and already been resolved by Complaint Handling officer in every estates. Based on the explanation above, it is known that the company already have SOP for Complain Handling and implemented it well for each complaint.

	<b>Status: Comply</b>	
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**5.2**
**The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.**
**5.2.1**

The company did not have any FFB suppliers from outside parties. All of the FFB supply was from inside parties, such as estates and plasma plantations. So this indicator was not applicable during this ASA-1.1, ASA-1.2 and ASA 1-3 Audit assessments.

**5.2.2**

Certificate holder was not developed and implemented livelihood improvement programmed including the RSPO Standard for Independent Smallholder. This because there was no Independent Smallholder in PT Sandika Natapalma and PT Budidaya Agrolestari. Which in this case, made this indicator was not applicable for the assessment.

**5.2.3**

Certificate Holder has not been doing support related to the legality of FFB production which in this case was not needed for the FFB supplier in cooperating with PT Sandika Natapalma and PT Budidaya Agro Lestari. Thus, known that this indicator was not applicable.

**5.2.4**

Based on the information from management unit, the type of cooperation with plasma plantation known as a full managed type. This means, that the indicator was not mandatory for companies to implement. The management of Mitra Usaha Tani Sejahtera is carried out fully by the management of PT Budidaya Agro Lestari and the management of Sejahtera Palma Sejati PT Sandika Natapalma. So that, there was no special handling training carried out for Smallholders.

**5.2.5**

Reports on the Progress of the Farmer Support Program on a regular basis can be seen in the PT Sandika Natapalma and PT Budidaya Agro Lestari Annual Report, the Mitra Usaha Tani Sejahtera Cooperative Annual Member Meeting and Sejahtera Palma Sejati Cooperative Annual Member Meeting. Or the Sime Darby Group Sustainability report published on the website and updated once a year.

Based on interview with Mitra Usaha Tani Sejahtera and Sejahtera Palma Sejati representatives, it is known that cooperation between the company and the plasma plantation (MUTS and SPS) went well, without any problems with payment. Payments are always made following the pricing from Ketapang Regency which changes every two weeks. Even if there was a delay in payment, the company will notify the second party in advance. Late payments that occur, never more than a week.

However, based on people representative's explanation, there was an issue about the remaining debt that MUTS and SPS have to be paid. Considering that this month (March 2021) the installment period to the bank will be paid off.

<b>Status: Comply</b>
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**PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS**
**6.1**
**Any form of discrimination is prohibited.**
**6.1.1.**

The policy regarding equal opportunity and treatment in employment opportunities is regulated in the Guidelines for Sustainable Plantation Management, Sub-Social Policy in point 1 (No.Policy 724 / TQEM-SPMS / 09 dated 27/08/2010)

and Policy Book No. 028 / PSQM-UM / VII / 2012 which was approved by the Head of Plantation Upstream Indonesia regarding social policy.

The company also shows sample documents for the latest employee recruitment, starting from a job application letter to a work agreement, for example a worker with the initials BF (immature maintenance employee) who has been accepted as a worker through the acceptance stages determined by the procedure, for example: ability test, medical test, etc. The worker has received the PKWT SPK Number 273/AWE/SPK/ATC.MRU/XI/2021-PKWT which was signed on November 8, 2021.

Based on description above, it can be concluded that the company has implemented a policy on equal opportunities and treatment to get job opportunities.

#### **6.1.2.**

Based on the results of the verification of worker recruitment documents, it is known that the recruitment of workers is based on their skills, abilities, and recorded medical examination results. Likewise, promotions, on the results of employee assessments/evaluations.

Based on the results of interviews with representatives of the Labor Agency of Ketapang Regency, the mill and estate workers, and labor unions, it is known that there are no acts of discrimination committed by the company in which all workers get equal opportunities to access jobs and training. In addition, there are no issues related to collecting fees to get a job. PT SNP employees come from various regions, there are local and migrant workers who are given the same opportunity to get a job and the same goes for promotions.

#### **6.1.3.**

The certification unit can show an example of an increase in employee class, for example an employee with a NIK 31814 increases to Group 7C (previously group 8C) and an employee with a NIK 31886 an increase to Group 2C (previously class 3C). The document is accompanied by a record of the evaluation results as evidence of an objective and open assessment by the company.

As the information contained in the employee list for 2021 there is no recruitment for permanent employees. Recruitment carried out is for contract employees. This can be seen from the specified time work agreement, for example shown by the worker has received the PKWT SPK Number 273/AWE/SPK/ATC.MRU/XI/2021-PKWT which was signed on November 8, 2021.

It has been shown that the labor recruitment documentation starting from the job application, the results of the assessment, to the work agreement between the both parties.

#### **6.1.4**

Pregnancy tests for workers are carried out only to ensure that pregnant workers are not allowed to work with chemicals, not as a basis to discriminate against these workers. If declared pregnant, the worker will be transferred to a safer job but remain the same in terms of wages and other benefits, so there is no discriminatory action. This is made clear by the results of interviews with female spray workers and representatives of the gender committee in each PT SNP unit that female workers will be temporarily transferred to lighter jobs, for example nursing workers during pregnancy and 6-12 months postpartum.

#### **6.1.5.**

The certification unit has established a gender committee consisting of workers' representatives consist of male and female worker, with a focus on training on women's rights, and sexual harrashment prevention; Counseling for women involved in

cases of violence; Child care facilities provided by oil palm plantations and mills; Guarantee that women can breastfeed for up to 6 months before being assigned to use or application chemicals; And provide a special break time for women to be able to breastfeed effectively.

**6.1.6.**

For the same scope of work, the payment of wages is equal regardless of gender status. This can be seen from the list of employee wages for the period June 2021 as follows:

- NIK 138216 (Female Worker / Mature Upkeep)

Full Wage: Rp 2,860,323

Absence: 3

Wages paid: Rp 2,517,084

- NIK 129687 (Male Worker / Mature Upkeep)

Full Wage: Rp 2,860,323

Absence: 1

Wages paid: Rp 2,745,910

	<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.**

The wage reference used by the company is the Decree of the Governor of West Kalimantan Number 896/DISNAKERTRANS/2020 concerning the 2021 Minimum Wage for Ketapang Regency. As stated in the decree, the Ketapang UMK 2021 is Rp 2,888,000.

Furthermore, there is a wage determination by the company through IOM (Inter Office Mail) from the Head Human Resource Management on 2021 which states that since January 1, 2021 the wages paid for *SKU-H* is Rp 2,888,000 / month.

The following is an example of a salary document for December 2021 as follows:

- Harvesters with the initials DL get a salary of Rp. 3,440,430
- Treatment with the initials TW gets a salary of Rp. 3,488,180
- Boiler operator with the initials DK gets a salary of Rp. 5,685.007

The employee's salary slip informs the components of income (basic wages, fixed allowances and non-fixed allowances / premiums) and deduction components (*BPJS TK and KES, BPJS Pension*, deductions from Workers Union contributions). Based on the recorded salary slips, it is known that no employee is paid below the stipulated minimum wage

**6.2.2.**
**Collective labor agreement/PKB**

The employment system is also regulated in the 2018-2020 Collective Labor Agreement between the company and the Marau District Labor Union Federation (F.SBKM). *PKB* has been approved by the Kadisnakertrans Kab. Ketapang in accordance with recording No. 27 of 2019 dated 22 January 2019. This *PKB* is valid for 2 years from the time it was signed by both parties. The *PKB* explains organizational recognition, worker acceptance, working time, wages, work group, sick days assistance, absenteeism, payment for food and mandatory pay, overtime work and overtime pay, provisions regarding premiums, *THR*, social security and social assistance, work equipment and OHS, *JHT*, special provisions for motorized vehicle workers, workers imported from outside the region, types of work, layoffs, separation pay, company and worker obligations, ways of resolving labor disputes and strikes.



**Specified Time Work Agreement**

Employment rules for workers other than *SKU* are regulated in a work agreement agreed by the employer and the recipient of the work. There is an example of a Specific Time Employment Agreement, for example it is shown by:

- The worker has received the PKWT SPK Number 273/AWE/SPK/ATC.MRU/XI/2021-PKWT which was signed on November 8, 2021.

The work agreement accommodates information regarding the basis of the work agreement, contract time, workers' rights and obligations, working time, remuneration including bonuses, increases and adjustments to salaries, facilities, sanctions, and termination of employment.

**6.2.3.**

There is wage documentation that is in accordance with the stipulated payroll system, for example, it is indicated by the LBF employee salary slip for the period of December 2021 such as Boiler operator with the initials DK gets a salary of Rp. 5,685.007.

Details of the day's overtime per day of the worker can be shown. Based on a simulation of the calculation of paid overtime pay in accordance with the provisions of the regulations. In addition, based on the employee wage list, it is known that the structure and scale of wages have been applied, especially for employees with classes.

Meanwhile, the detailed regulations regarding employment are described in 6.2.2 (listed in *PKB* and *SPK PKWT*). The results of interviews with workers' union representatives obtained information that the company has implemented the labor regulations in accordance with those that have been set.

**6.2.4**

The company shows a document listing the updated 2022 worker welfare facilities in the Mill and Estate unit, which is as follows:

- Employee housing
- Clean water
- Electricity in the form of generators
- Child Care Center
- School bus
- Worship facilities: Mosque and Church
- Sports facilities: Soccer Fields, Volleyball Courts, Table Tennis and Billiard Tables
- Health facilities: Company clinic and Ambulance
- Landfill

Based on the results of field visits to housing locations in Estate, it is known that the company has provided employee welfare facilities including housing, child care, worship facilities, sports facilities, etc.

Based on the results of interviews with workers, it is known that the housing facilities provided by the company include the provision of clean water and electricity, in addition, the company also monitors housing conditions and repairs if there are things that are damaged.

**6.2.5**

Based on field observation result, there are some kiosk in housing complex. Personnel can get the staple food with reasonable price. The Company also provides rice support to all permanent worker.

**6.2.6.**

The standard of wage eligibility referred to by the unit of certification is the UMK. A detailed explanation of UMK is provided in indicator 6.2.1. The DLW Benchmark for Indonesia has not been determined, however, the company has simulated the Prevailing Wage calculation. The components included in the calculation of a living wage include the following:

- **Housing**  
Housing Cost : Rp 487.389,00  
Housing Maintenance : Rp 97.064,00  
Electricity supply : Rp 251.357,00  
Water Supply : Rp 55.016,00  
Community Building : Rp 30.513,00
- **Health**  
Transport : Rp 5.411,00  
Doctor visit : Rp 7.792,00  
Other Health Cost : Rp 17.316,00
- **Social**  
Sport : Rp 21.532,00  
Sport facilities : Rp 25.766,00  
School transport : Rp 34.987,00  
Bantuan perayaan hari besar : Rp 17.677,00  
Teacher : Rp 3.896,00  
Daycare : Rp 35.897,000
- **Transport**  
Worker transport : Rp 60.733,00

Total in-kind of benefit : Rp 1.152.346,00

Average monthly salary worker (Take Home Pay) : Rp 3.090.502,00

Total value of prevailing wage : Rp 4.242.848,00

### 6.2.7

Based on document review and interview with management representatives, it is known that there's still casual, temporary and day labour at AWE, PJE, and LBE. Even for harvest work, maintenance, fertilizer, spray and or other work. The program management said that the appointment of PKWT (temporary worker) to SKU/PKWTT (permanent worker) was in process and for now, it was prioritized for harvesters. The management unit (PJE, AWE, LBE) shows evidence of the process of appointing harvested PKWT to SKU which is in process and is still waiting for a response from HRM. As an example of a letter from LBE to the CEO of Upstream Indonesia on January 6, 2022 No. 001/PT.SNP-LBE/HRM/I/2022 dated January 6, 2022 application for appointment of 21 harvested PKWTs to become SKUs.

Thus, the company has the **opportunity** to ensure the progress of the appointment of all PKWT workers who carry out their main work to become PKWTT in accordance with the established timeline.

**Status: Comply**

### 6.3

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

#### 6.3.1.

The company has policies related to labor unions. Regulations related to the existence of labor unions are contained in the Sustainable Plantation Management Guidelines document (No. POLICY: 724 / TQEM-SPM / 09) issued by the

Management of Minamas Plantation dated November 8, 2010 concerning Social Policy, at Point 5 it states that the Company is Expected to Respect The rights of all employees to form and join the trade union community of their choice and negotiate collectively.

Based on the interviews with union officials, it is known that the company supports the formation of a trade union. Union officials explained that trade unions were always involved in making PKB and meeting wage fixing every year.

### 6.3.2 & 6.3.3

Based on interviews with labor union, explained that Labor Union has good communication with the company and records of meeting with labor union or workers representative are available.

Based on interview with worker union there's no intervention by Company, every worker has rights to choose representative in bipartite and there is no intervention by CH to the election of workers representative in Bipartite.

**Status: Comply**

## 6.4

**Children are not employed or exploited.**

### 6.4.1 & 6.4.2

The company has a policy regarding age requirements for workers. The policy is contained in the Sustainable Plantation Management Guidelines, namely in the Social Policy sub, point 6 (Policy No.: 724 / TQEM-SPMS / 09, dated 27 August 2010) and the Collective Labor Agreement 2018 - 2020 regarding general requirements that must be met in the recruitment of prospective workers.

Based on the list of employees of PT SNP and PT BAL, it is known that there are no workers under 18 years of age. In addition, in recruitment, one of the mandatory requirements is the employee's identity (KTP) so that the company can ensure that there are no underage workers.

In addition, the Minamas Plantation group human rights protection policy at point 10 states children's rights (for example: protection by parents, family, community, and the state, worship according to their religion, expression, special treatment for children with disabilities, protection from economic exploitation, employment, sexual harassment, child trafficking, abuse of narcotics, psychotropic substances and other addictive substances.

### 6.4.3.

Based on interview and field visit results, there was no young worker has been worked in certification unit.

### 6.4.4.

The socialization of the prohibition of employing minors to the parties has been shown, for example the Socialization of the Policy on the prohibition of employing minors and discrimination at the Lembiru Estate on June 19, 2021. In addition, there were also warnings that informed the prohibition for child labour.

The company has also shown a list of employees and documents for paying employee salaries in December 2021, there are a total of 756 workers in the plantation/factory unit. The employee list document explains the name, date of birth, gender, origin, ID card number, date of entry to work, BPJS membership, and so on. Based on the verification of these documents, it is known that there are no workers under the age of 18 years.

**Status: Comply**

## 6.5

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

**6.5.1 & 6.5.2.**

The unit of certification has SOP Management Guidelines for Sustainable Plantation Management No. Policy 724 / TQEM-SPMS / 09 which was passed on April 1, 2010 by the Chief Executive Officer. The procedures included a statement of commitment to develop and implement policies to protect female workers from sexual abuse and harassment and to protect rights related to women's reproduction. Furthermore, there is a gender policy issued by the chairman of SOU 13 on February 11, 2017 with a statement that the company strictly prohibits forms of violence which include sexual harassment against gender, racial, nation, religion, and pregnancy protection.

Furthermore, protection of reproductive rights is clearly written in the *PKB* for the 2018-2020 period which regulates maternity leave / miscarriage, menstrual leave, and freedom to breastfeed children. Based on the interviews with representatives of the gender committee, it was found that during the past year there had never been any reports or issues regarding sexual harassment and domestic violence. In addition, policies regarding the reproductive rights of women workers have also been given, marked by the enactment of menstrual and maternity leave.

**6.5.3**

The company has identified and carried out activities related to assessing the needs of young mothers through regular monthly meetings and programs with the women's commission. From the results of the identification, the company issued a Breastfeeding Hours Policy.

**6.5.4.**

Certificate holder has "Pedoman Manajemen Perkebunan Berkelanjutan" No 724/TQEM-SPMS/09. It explains that company will protect female worker from indications of sexual harassment in the workplace, other rights related to female worker reproductive. Workers can submit complaint about sexual harassment or violence related to reproductive rights in accordance with "Pedoman Penerapan Kebijakan Gender Minamas Plantation" No policy. 301/SNP-ENV-03/11. The procedure has been socialized to the workers. Based on interview with female workers in Awatan estate, they understood about the complaint mechanism. It is also known that there is no issue or complaint related to sexual harassment on the workplace. Company also form gender committee for handling the harassment issue around female workers.

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

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

**6.6.1 & 6.6.2.**

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

Employment procedures for contract workers can be seen in the SOP for Contract Employee Acceptance which has been in effect since 25 April 2015 and in the *SPK* attached to each worker. An example of *SPK* can be seen in indicator 3.5.1. A work agreement has also been recorded with the relevant agency marked by a stamp of approval on each *PKWT* agreement. As stated in the regulation, the maximum non-permanent termination period is 3 years.

<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 company shows the approval of the P2K3 organization and the appointment of General OHS Expert as the person in charge of OHS, including:

- Decree of the Regent of Ketapang number 560/142/NAKER/2021 dated September 8, 2021 regarding the ratification of PT SNP's OHS Committee structure
- The Decree on the Appointment of General OHS Expert secretary of PT SNP OHS Committee on behalf of Fa'ahakhododo Zebua number 5/3993/AS.02.04/IV/2020 is valid until April 15, 2023.
- Ketapang Regent Decree number 631/NAKER/TAHUN 2020 dated July 23, 2020 regarding the ratification of PT BAL's OHS Committee structure
- The Decree on the Appointment of General OHS Expert secretary of OHS Committee PT BAL on behalf of Rahmat Ansyarif number 5/4007/AS.02.04/IV/2020 is valid until April 15, 2023.

OHS Committee organizational meetings, both PT SNP and PT BAL, have been held regularly, which can be proven by recording meetings held once every 1 (one) month.

### 6.7.2.

The certification unit has Emergency Preparedness and Response and Recovery Procedures No Policy 301/SNP-KRD-13/11, revision 0, approved by the regional head. This procedure covers the prevention, handling and recovery of emergencies in the company's operating units. Emergencies are limited by the occurrence of: fires, explosions, hazardous material spills/leaks and earthquakes.

The company shows a list of workers assigned to be first aid workers including 10 people at PT BAL and 6 people at PT SNP. The company shows footage of first aid training for example:

- The recording of the First Aid training on January 21, 2021 at AWE which was attended by 13 participants, was carried out by the Marau Area Company Doctor.
- The recording of the First Aid training on October 12, 2021 at AWE which was attended by 186 participants, was carried out by the Marau Area Company Doctor.
- The recording of the First Aid training on January 17, 2022 at LBF which was attended by 10 participants, was carried out by the Marau Area Company Doctor.
- The recording of the First Aid training on January 13, 2022 at PJE which was attended by 9 participants, was carried out by the Marau Area Company Doctor.

Based on the results of the field visit, it is known that the foreman has been provided with a first aid bag, besides that the person concerned can also briefly explain the contents of the first aid bag and its uses.

Based on the recapitulation of work accidents in 2021, it is known that there were work accidents, for example 1 (one) accident at work being bitten by a snake at AWE in November 2021, this has been shown to be an investigation record and proof of submission to BPJS.

### 6.7.3

#### Provision of PPE

Based on the results of interviews with Mill and Estate workers, it was conveyed that the company had provided PPE to all workers free of charge, besides that the damaged PPE would be replaced with new PPE by exchanging the damaged PPE.

#### Sanitation Facilities

Based on the results of field visits, it is known that the company has provided sanitation facilities for workers to remove, wash and store PPE and work tools, as well as change clothes in each estate. This is in accordance with the results of interviews with spray and fertilizing workers, it is known that the PPE and work tools used are not brought home, but will be cleaned and stored in the rinse area and workers change clothes with clean clothes that have been stored in the storage area.

Based on the explanation above, it can be concluded that the company has provided appropriate PPE for all workers and provided sanitation facilities for workers who handle chemicals.

#### 6.7.4

Based on the results of the document review, the company can show evidence that all workers have been provided with health services and are protected by work accident insurance in the form of BPJS Employment and Health, for example the following proof of BPJS payments:

- Proof of payment for BPJS Kesehatan LBF billing period February 2022 via Bank transfer on March 2, 2022 with a total of 95 participants and 214 dependents.
- Proof of payment for BPJS Employment LBF billing period February 2022 via Bank transfer on March 2, 2022 with a total of 100 participants.

Based on the results of interviews with employees, it was stated that the employees had been registered with the BPJS Employment and BPJS Health programs and had BPJS cards. In addition, so far there have been no complaints regarding the submission of BPJS claims.

Based on the results of document review and interviews, it is known that there has been a work accident being bitten by a venomous snake to a FFB carrier worker in AWE with the initials DL on Monday, November 15, 2021. As a result of the work accident, the worker received medical treatment in the form of amputation of the ring finger and middle finger. . The company has been able to show the recording of Phase 1 and Phase 2 work accident reports to BPJS.

#### 6.7.5

The company shows a recapitulation of work accidents using LTA, for example the period January – December 2021 as follows:

Unit	Case	LTI	WH	FR	SR
LBE	3	18	715,094	4	25
AWE	5	26	523,949	10	50
PJE	3	16	583,712	5	27
LBF	0	0	221,263	0	0

**Status: Comply**

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

#### 7.1

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

##### 7.1.1

The company shows the SOP for pest observation and control listed in the Agricultural Reference Manual (ARM) No. Policy 110 / EST-ARM / 13 Section 15 regarding crop protection. These procedures include explaining:

1. Chemical control of common pests of oil palm
2. Bagworms and caterpillars.
3. Beneficial plant as a breeding ground for natural enemies of caterpillars
4. Rat control.
5. Use of owls for rat control
6. Control of root and shoot rot disease due to Ganoderma

The company shows records of its implementation, for example the following census records:

- Recapitulation of the Rat Pest Census on 18 – 26 February 2022 found 22.94% New Attacks, 11.39% Old Attacks (2,917 Principals; 34.34%) of the total 8,495 subjects disensus.



- Instructions for Controlling Rat Attacks in Immature Areas number 15/AWE-PNP/II/2022-int dated February 28, 2022 regarding requests for recommendations to PNP staff to control Rat Pest Attacks in Immature Areas due to the low owl occupancy rate so it is not optimal.
- Based on the results of the field visit, it was found that a beneficial plant in a well-maintained condition was planted on the side of the road.

### 7.1.2

Based on the results of document studies and field visits, it is known that the species used by the company for pest control include *Turnera Subulata*, *Antigonon Leptopus*, *Cassia Cobanensis* and *Tyto Alba*, all of which are not classified as invasive species according to the Minister of Environment and Forestry Decree number 94 of 2016.

### 7.1.3

Based on document review and interviews, it is known that there is no use of fire for pest control, pest control is only carried out manually, chemically and biologically.

Status: Comply

## 7.2

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

### 7.2.1

The company shows a list of pesticides used including:

Merk	Content	A.I	WHO	Targets
Kenlon 480 EC	Triklopir butoksi etil ester	480 g/l	III	Broadleaf weed, <i>Chromolaena odorata</i> , <i>Clidemia hirta</i> , <i>Melastoma malabthricum</i>
Lifeline 280 SL	Ammonium Glufosinete	280 g/l	III	<i>Cyrtococcum accrescen</i> , <i>Cyrtococcum oxyphyllum</i> , <i>Echinochloa crus-galli</i> , <i>Eleusine Indic</i> , <i>Ottotchlo nodosa</i> and other softgrass
Prima Up 480 AS	Isopropil amina glifosat	480 g/l	U	General weeds, grass weed
Metaprima 20 WDG	Methyl Metsulfuron	20%	U	<i>Dieffenbachia sp.</i> , <i>Melastoma malabatricum</i> , <i>Chromolaena odorata</i>
Kenrane 288 EC	Fluroksipir	280 g/l	U	Creeping weeds (LCC legumes and mikania)
Capture 50 EC	Cypermethrin	50 g/l	III	<i>Oryctes rhinoceros</i>

### 7.2.2

The company already has records of all pesticides used, for example the use of the Pima Up 480 AS pesticide in 2022 as follows:

- Brand: Prima Up 480 AS
- Active Ingredients: *Isopropyl Amine Glyphosate*
- Active Ingredients: 480 g/l
- Area: 3,282.86 Ha
- Number of Uses: 1,149 Ltr
- Active Ingredients per Ha: 167 g/Ha

### 7.2.3;

Based on the results of the field visit, it is known that as an effort to reduce the use of pesticides, the company has applied biological pest control, including using beneficial plants and natural enemies of pests such as *tyto alba*.

#### **7.2.4**

The results of the document review revealed that the company had applied the pesticide racumin to control rat pests. for example:

- Recapitulation of the Rat Pest Census on 18 – 26 February 2022 found 22.94% New Attacks, 11.39% Old Attacks (2,917 Principals; 34.34%) of the total 8,495 subjects disensus.
- Instructions for Controlling Rat Attacks in Immature Areas number 15/AWE-PNP/II/2022-int dated February 28, 2022 regarding requests for recommendations to PNP staff to control Rat Pest Attacks in TBM Areas due to the low owl occupancy rate so it is not optimal.

Based on this, it can be concluded that the company applies pesticides based on the results of the census and not preventively.

#### **7.2.5**

Based on the results of field visits in pesticide storage warehouses and review of pesticides list documents, it is known that there is no use of pesticides that are included in the World Health Organization (WHO) Class 1A or 1B list or included in the Stockholm or Rotterdam Conventions, as well as *paraquat*

#### **7.2.6**

The company shows the training records of personnel who apply pesticides, for example the training record for the Pelanjau Estate Spray Team on 7 February 2022 conducted by the PJE Assistant.

#### **7.2.7**

Based on field observations of chemical storage warehouses show that chemical storage warehouses are in accordance with Government Regulation number 74 of 2001 concerning the Management of Hazardous and Toxic Materials. Among them are equipped with hazard symbols, ventilation, adequate lighting, emergency response facilities and infrastructure, process flow for receiving and releasing chemicals, MSDS, storage of pesticides are grouped by type and available secondary containment which is clean. However, as a result of the field visit at the AWE Warehouse on March 23, 2022, it was found that 4 (four) boxes of Sweetened Condensed Milk that had just arrived on the same day were temporarily placed together with pesticides and subsequently transferred to the extra fooding and rice Warehouse on the same day, so the company opportunity to ensure that pesticides are kept separate from foodstuffs and water sources. (OFI)

#### **7.2.8**

The management unit has a pesticide container management document SOP that has been documented and listed in the SOP of Management of Hazardous Waste and Non-hazardous Waste dated June 8, 2009 by Sime Darby Plantation. However, related to the implementation of the procedure, it was found that stored pesticides were not in accordance with recognized best practices. Based on the results of field observations at the In the LBE warehouse, traces of pesticide packaging were found which were stored close to the bathroom. This findings become one of the observed evidence for non-conformity findings on indicator 7.3.2

#### **7.2.9**

The company can show the Policy on the Prohibition of Spraying Pesticides Through the Air which was signed by the Sanggau Area Controller in September 2019. This is according to the results of field visits and interviews with workers, it is known that there is no spraying of pesticides through the air.

#### **7.2.10**

Based on interviews with company doctors, it is known that the company only carries out general health checks (blood pressure, weight, height and saturation) which are carried out during the vaccination screening, but the company has not carried out special annual health checks for pesticide operators (2020 – 2021) due to the covid-19 pandemic. The implementation of a special health examination is planned to be carried out in 2022 by observing the development of the Covid-19 pandemic condition. In addition, the company has been able to show records of communication with vendors providing special health examination services.

Based on the explanation above, the company has the **opportunity** to be able to make annual special health checks realization according to the predetermined plan while still implementing health protocols (OFI)

### 7.2.11

Based on the results of field visits and interviews with spray workers, it was found that there were no workers who were pregnant and breastfeeding and had medical limitations who worked with pesticides.

**Status: Comply**

### 7.3

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

#### 7.3.1

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

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

Certificate Holder already has a record of identification of waste sources listed in the 2021/2022 environmental aspect list and evaluation document which has been approved by the plant manager and the manager of each plantation.

The management unit has carried out waste management according to the following procedures:

- Solid waste in the form of shells and fiber is used for boiler fuel, while the empty fruit bunch are applied as organic fertilizer in oil palm plantations.
- POME from FFB processing (Raw effluent) is used as organic liquid fertilizer (Land Application) after going through the processing process at the wastewater treatment plant (WWTP) to meet the quality standard requirements according to regulations.
- Domestic waste in the form of household waste is managed by collecting and stockpiling (Landfill) in final waste disposal sites far from residential areas.
- Hazardous waste includes used oil, used filters, used batteries, used rags, used Hazardous packaging, and medical waste stored in licensed storage places before being handed over to licensed collectors.

The implementation of waste management that has been carried out by the management includes:

Utilization of Solid Waste Fiber, Shell and EFB. Fiber and Shell are used as boiler fuel while EFB is applied to land, while the utilization data for 2021 is as follows:

- Shell: 7,608 tons

- Fiber: 22,824 tons
- EFB: 38,656 tons

POME from FFB processing is applied to the land according to the permit it has, while the utilization data for the last 1 year is as follows:

Month (2021)	M3/Ton
January	18,063
February	14,428
March	19,606
April	17,046
May	15,869
June	15,389
July	11,991
August	11,783
September	9,238
October	8,703
November	9,758
December	9,413
<b>Total 2021</b>	<b>161,287</b>

Hazardous waste is managed by handing it over to a licensed carrier, while the last shipment was made on 8 February 2021, for LBF and BAL with PT Sandika Natapalma and PT Budidaya Agro Lestari as the details and types of hazardous waste transported as follows:

Hazardous waste type	Location	total	No. Manifest
Accu	BAL	0.14 ton	KLHK-1646912775
Used rags	BAL	0.047	KLHK-1646912899
Chemical Container	LBF	0.46 Ton	KLHK-1616057872
Oil	LBF	2.7 Ton	KLHK-1616058147
Accu	LBF	0.15 ton	KLHK-1616057968
Used Rags Majun	LBF	0.05 ton	KLHK-1616058036
Accu	LBF	0.265 ton	KLHK -1646915007
Oil	BAL	0.55 ton	KLHK-1646913028
Used rags	LBF	0.077 ton	KLHK-1646914956

In addition to sending hazardous waste the management unit periodically reports on hazardous waste management every 3 months to the relevant agencies. The latest report sent is the hazardous waste management report for the 3rd and 4th quarters of 2021 to the Ketapang District Environmental Service and is reported online via the SIMPEL application.

- Electronic Receipt (ID: 1647936472-1136) Hazardous waste management report for the 3rd quarter of PT SNP dated 20 November 2021
- Receipt of the hazardous waste Quarterly 4 of 2021 report to the Ketapang Environmental Service on dated 20 January 2022.

The management unit records hazardous waste in the Logbook while the current stock example to date is as follows:  
LBE period 24 March 2022.

- Chemical Packaging 40 Pcs
- Used Oil 800 Liters
- Used apron 40 pcs
- Used sprayer 13 pcs
- Used Accu 18 pcs

BAL Period 24 March 2022

- Chemical packaging 48 pcs
- Used Accu 2 pcs
- used oil 50 liters

Based on the results of the document review and field observations, it was concluded that the management unit had carried out waste management according to the SOPs and regulations they had.

### 7.3.2

#### 1. Hazardous Waste Recording and Classification

- Regulation of the Minister of Environment and Forestry No. 6 of 2021 concerning Procedures and Requirements for Management of Hazardous and Toxic Waste, Article 79 paragraph 1, and Permit Documents for Temporary disposal of Hazardous Waste (TPS LB3) of PT Sandika Natapalma No. 441/DPMPTSP-D.B/2018, and Permit Documents for Temporary disposal of Hazardous Waste (TPS LB3) of PT Budidaya Agro Lestari No. 440/DPMPTSP-D.B/2018, **In the fourth dictum**, it is known that the maximum storage period for hazardous and toxic waste is as follows:
  - **90** (ninety) days since since hazardous waste generated → for hazardous waste produced more than 50 kg (fifty kilograms) per day or more;
  - **180** (one hundred eighty) days since since hazardous waste generated → for hazardous waste produced less than 50 kg (fifty kilograms) per day for hazardous waste category 1
  - **365** (three hundred sixty five ) days since since hazardous waste generated → for hazardous waste produced less than 50 kg (fifty kilograms) per day for hazardous waste category 2 from spesific source and general-specific source
  - **365** (three hundred sixty five ) days since since hazardous waste generated → for hazardous waste produced less than 50 kg (fifty kilograms) per day for hazardous waste category 2 from special-spesific source
- Based on hazardous waste report of PT Sandika Natapalma and PT Budidaya Agrolestari, it is known that the recording of the waste category in the Hazardous Waste Logbook is not consistent with the results of the identification of the hazardous waste category.for example :
  - In hazardous waste report quarter IV of PT Budidaya Agro Lestari for hazardous waste's type for the type of used Hazardous packaging waste/Chemical container with waste Code B104d, it is identified as hazard category 2, but in the logbook, it is included as hazard category 1.
  - In the LB3 logbook at Hazardous waste storage PT Sandika Natapalma and PT Budidaya Agro Lestari for the period January 2021 to March 2022, it is known that the shelf life of Hazardous waste storage Category 1 is written 360 days.
  - There is no hazardous waste logbook from each estate (AWE & LBE). The recording is only contained in the hazardous waste handover report when it is sent from the Hazardous waste storage Satellite to a licensed Hazardous waste storage.
  - In addition, there is also no procedure/mechanism that regulates the storage period and delivery time of hazardous wwaste from the entire company area (Hazardous waste storage Satellite) until it is sent to a licensed Hazardous waste storage, so the original shelf life cannot be ascertained from the first time the waste is generated.

#### 2. Storage and use of hazardous waste for other purposes

- Found several Used Oil Drums at the Awatan Estate Genset House which were stored in inappropriate places. The condition of the Used Oil Drum found was not in accordance with the company's procedures as stated in the SOP for the Management of Hazardous Waste and Nonhazardous Waste belonging to Minamas Plantation dated June 8, 2009, which is in point 5.1.2. related to procedures for storing hazardous waste. The condition of the Used Oil Drum is rusty, not placed in a block system, not coated/placed on a pallet.
- It was found that Pertamina's drums were used as water storage at Pelanjau Estate

- In the LBE warehouse, traces of pesticide packaging were found which were stored close to the bathroom

### 3. Domestic waste management

- In the SOP for the Management of Hazardous Waste and Non-hazardous Waste dated June 8, 2009, it is known that the procedure for managing domestic waste in the form of organic and non-organic waste has been separated is **sent to a designated landfill**.
- The results of field visits to LBE and AWE revealed that landfill waste management is in an open disposal system and is not stockpiled. In addition, there is no clear information on how to manage domestic waste from the first time it is produced to management in landfills (if full, location plans, etc.)

### 4. Land Application Condition

- The results of field observations in Division 1, Block K42 Lembiru Estate, found that the application land flatbed was in a state of disrepair, experiencing siltation due to sedimentation, and was overgrown with weeds as a whole.
- There has been no justification or other information regarding the management of the Land Application so far.

The company has not been able to show sufficient evidence that waste disposal has been carried out according to procedures and is fully understood by workers and managers. **Based on that's explanation this indicator raised as a Non-Conformity no 2022.05 with minor category.**

#### 7.3.3

The results of field visits in several areas of estate or factory did not find any indications of waste destruction by open burning.

#### 7.3.2

**Status: Non conformity No 2022.05 with Minor Category (Non-Critical)**

### 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 company already has a procedure related to fertilization activities contained in the Agricultural Reference Manual (ARM) document (No. Doc. 110 / EST-ARM / 13) Section 8 concerning the Fertilization of Oil Palm Crops which includes technical fertilization, empty fruit bunch application and compost application on Immature plants and mature plants, fertilizer placement and fertilizer application of 'focal feeding' on marginal soils. The implementation of the SOP is monitored periodically with an operational audit or Plantation Advisory. In addition, the implementation of fertilization supervised by the foreman, assistant and re-evaluation by the manager.

The company shows implementation records, for example, based on the results of field visits, it was found that the company had applied pruned palm fronds as an alternative nutrient source.

#### 7.4.2

The company shows records of leaf and soil analysis including:

- Soil Analysis was published by Minamas Research Center in March 2017. The parameters analyzed include Horizon, Texture (Clay, Dust, Sand), pH, C-Organic, P, Ca, Mg, K, CEC, Base Saturation
- Leaf analysis was published by Minamas Research Center in 2020. The parameters analyzed include N, P, K, Mg, Ca

#### 7.4.3

Companies can show records of nutrient recycling including utilization of Solid, EFB, POME, for example the period January – December 2021 as follows:

- Solids: 6,086 MT



- EFB: 38,656 MT
- POME: 161,287 MT

In addition, based on the results of interviews and field visits, it is known that the company also utilizes pruning midrib and chipping plant residues in replanting activities as alternative nutrient sources.

#### 7.4.4

The company shows fertilization records according to the recommendations. The fertilizers used include HGFB, AC, NK, MOP, Dolomite, RP, and Kieaserite with details of the fertilization plan and realization, for example for 2021 as follows:

Unit	Recommendation (Kg)	Realization (Kg)	%
PJE	1,343,828.80	1,343,828.80	100.00%
LBE	1,630,973.55	1,630,971.30	100.00%
AWE	916,374.00	912,640.00	99.59%

Based on the results of the area statement study, it is known that the realization of FFB production in 2021 is 771,443,856 Kg, so that the use of fertilizer per ton of FFB is 5.04 Kg/Ton of FFB.

**Status: Comply**

#### 7.5

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

##### 7.5.1

The company has a Semi Detailed Soil Survey and Land Suitability document for PT Sandika Natapalma and PT Cultivation Agro Lestari for the period 2017 – 2022 compiled by the GNSS, GIS, and Soil Survey Minamas Research Center team. These documents include:

- Map of distribution of land slope class, Map of planting year, Map of replanting plan, Map of soil type, Map of soil management group, and land suitability class
- Based on the land suitability class, PT SNP and PT BAL are included in the S2 and S3 classes
- Agronomic recommendations: Improvement of soil fertility, efforts to be made, and Fertilization management.

##### 7.5.2

Based on the results of the study of the area statement documents and field visits, it was found that the company did not carry out new plantings and only carried out replanting activities. The results of the field visit, for example, in the replanting area for planting year 2021 Pelanjau Estate Division 1 Block D21 it was found that the company did not carry out extensive planting activities on land with steep slopes.

##### 7.5.3

Based on the results of the study of the area statement documents and field visits, it was found that the company did not carry out new plantings and only carried out replanting activities.

**Status: Comply**

#### 7.6

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

##### 7.6.1

The company has a Semi Detailed Soil Survey and Land Suitability document for PT Sandika Natapalma and PT Cultivation Agro Lestari for the period 2017 – 2022 compiled by the GNSS, GIS, and Soil Survey Minamas Research Center team. These documents include:

- Map of distribution of land slope class, Map of planting year, Map of replanting plan, Map of soil type, Map of soil management group, and land suitability class
- Based on the land suitability class, PT SNP and PT BAL are included in the S2 and S3 classes
- Agronomic recommendations: Improvement of soil fertility, efforts to be made, and Fertilization management.

### 7.6.2

Based on the results of the document review and field visits, it was found that the company did not develop new plantings.

### 7.6.3

Based on the results of the document review and field visits, it was found that the company did not develop new plantings.

**Status: Comply**

### 7.7

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

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

Based on the results of the study of the Semi-Detailed Soil Survey document and Land Suitability for Oil Palm Plants for the 2017 – 2022 period issued by the Minamas Research Center in 2017, it is known that there is no peat soil in the PT SNP and PT BAL areas. This is in accordance with the results of the field visit which found no peat soil type.

**Status: Comply**

### 7.8

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

#### 7.8.1

The company has identification on water course within its operational area in HCV document and there is also water management plan covered in HCV management plan, environmental management plan document (RKL/RPL document) and riparian protection policy of Plantation Upstream Indonesia (Policy No.: 724 / TQEM-SPMS / 09) date 1 April 2010. Among other the plan covers determination of riparian area border, protection of riparian area by not conducting chemical spraying and tree enrichment. The action taken among other by testing periodically river water quality, monitoring volume of water use, applying treated mill effluent to permitted land application.

Management plans that have been carried out by the company include:

- Testing the quality of river water and boreholes as stated in the RKL / RPL report
- Take care of seedling manually on the river border area.
- Identification of water sources contained in the RKL-RPL document and identification of HCV areas
- Management of surface water erosion and runoff, water management in low-lying areas and monitoring of surface water quality as stipulated in the implementation of the RKL-RPL per semester.
- River border management and water sources in the form of reservoirs.
- Waste water management using WWTP and utilizing it in a licensed application area as well as monitoring the quality of wastewater and monitoring wells
- Monitoring the use of water for oil palm processing and evaluating its use.

Certificate holder also have Procedural Documents of River Basin, titled “SOP Daerah Aliran Sungai” (PM 0300/1 April 2016) by Sime Darby Plantation. In this documents explained all needed procedure to protect riparian area from any kind of polluting activities, such as:

- Conduct Socialization to all employees and the surrounding community to maintain water quality.

- Maintain the cleanliness of the environment around water sources so that sources of pollution can be minimized.
- 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 RKL-RPL every semester
- Management of riverbanks and water sources in the form of reservoirs.
- Waste water management using WWTP and its utilization in licensed application areas as well as monitoring the quality of wastewater and monitoring wells
- Create a program to improve water quality gradually with the provisions of the applicable laws and regulations.
- Monitoring the use of water for palm oil processing and evaluating its use.
- Planting of plant species along riverbanks such as Trembesi, Waru, Guava, Durian, Bamboo, Gelam, Verifier Grass, and Guatemala Grass
- Report the results of the examination in accordance with the provisions of the applicable laws and regulations.
- Testing the quality of river water and drilled wells listed in the RKL/RPL report

Based on the results of interviews and field observations on the housing estates, information was obtained that clean water facilities for employee housing were obtained from bore wells provided by the company as well as from the reservoirs that were processed at the WTP. Meanwhile, the need for drinking water is obtained from refill drinking water and water from drilled wells that have been tested to be fit for drinking. The certification unit has consistently had a water management plan for mills and plantations that is stated in the document on managing and monitoring the environment as well as the management program for river boundaries and other water sources.

Based on field observation to the several sources, such as riparian area on Block J 26-27 and Block K 31-32 of AWE; it is known that officers has understand the policy of water sources border management already marking limits on the chemical applications.

#### **7.8.2**

Certificate holder has consistently set water management strategies that were implemented. Several strategies as follows:

- Protecting riparian from chemicals contamination. The company has installed sign as prohibiting application of pesticides and fertilizers. It sign board has socialized to all workers. The signs can be red painting in palm tree or sign board.
- Surface water monitoring every semester. Water analysis conducted by PT. Unilab Perdana on 22 April 2021.

Based on Procedural Documents of River Basin, titled “SOP Daerah Aliran Sungai” (PM 0300/1 April 2016) by Sime Darby Plantation, all needed procedure to protect riparian area from any kind of polluting activities, including:

- Conduct Socialization to all employees and the surrounding community to maintain water quality.
- Maintain the cleanliness of the environment around water sources so that sources of pollution can be minimized.
- 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 RKL-RPL every semester
- Management of riverbanks and water sources in the form of reservoirs.
- Waste water management using WWTP and its utilization in licensed application areas as well as monitoring the quality of wastewater and monitoring wells
- Create a program to improve water quality gradually with the provisions of the applicable laws and regulations.
- Monitoring the use of water for palm oil processing and evaluating its use.
- Planting of plant species along riverbanks such as *Trembesi*, *Waru*, Guava, Durian, Bamboo, *Gelam*, Verifier Grass, and Guatemala Grass
- Report the results of the examination in accordance with the provisions of the applicable laws and regulations.
- Testing the quality of river water and drilled wells listed in the RKL/RPL report

Based on document review, on RKL-RPL report it is known that surface water quality standards of PT SNP is included in the class III quality standard group. Generally, the test results are still below the threshold. but for BOD on the downstream and upstream of Awatan river, and Kendawangan river are slightly above the BOD threshold class III that is 6 mg/L. For example, BOD level at Awatan river downstream reached up to 8 mg/L. This has been a concern in the future by the company. In general, by looking at all parameters and field monitoring, it can be concluded that the company's operational activities do not add to the existing pollution burden.

### 7.8.3

All palm oil mill effluent produced by Lembiru Palm Oil Mill are processed at waste water treatment plant before it distributed to estates as land applications. Based on document review on RKL-RPL, it is known that monitoring of BOD has carried out every month regularly and reported to Environment Agency every six month through RKL-RPL Report. Certificate Holder has carried out testing of factory effluent at the inlet and outlet ponds on a regular basis. The results of testing liquid waste for the period January 2021 to June 2021 and July 2021 to December 2021 carried out by KAN-accredited laboratories SUCOFINDO at the WWTP outlet pool is as follows. For example BOD on May 2021 are 122.35 mg/l with threshold 5000 mg/l and pH 8.26.

PT SNP has had license to use the effluent for land application which approve by Environmental Agency of Ketapang District No. 673/KLH-B/2015 dated October 5<sup>th</sup>, 2015. There has been an extension of this license validity period which included in Decree of Ketapang Regent Number 477/DPMPSTSP-D/2020 dated November 3, 2020. This license valid for 5 years.

Based on the data above, the quality of wastewater does not exceed the established quality standards. Thus, the quality of the wastewater used is in accordance with the quality standards of the wastewater utilization.

### 7.8.4

The procedure of water use monitoring in mill available under document Procedure of Water Treatment Plant. Water consumption monitored by using flowmeters installed in the piping system of WTP. According to water use data in the last period January to June 2021 average water used for processing still below the determined budget (1.3 m<sup>3</sup>/ton FFB while the budget is 1.4 m<sup>3</sup>/ton). The overall use of water under the budget of the company.

Certificate holder utilizes water from reservoir near factory area for FFB processing activities at the LBF. Water usage was being recorded daily and recapitulated monthly. Based on the water consumption monitoring (January 2021 to December 2021) for Mill operational activities, it is known that the average per month is (Under 0.5 M<sup>3</sup> / ton FFB or as much as 0.48 M<sup>3</sup> / ton FFB) while the budget is 0.5 M<sup>3</sup> / ton FFB. Based on this data, it is known that the water consumption for Mill operation is efficient.

However, based on field observation on 23 March 2022, at the WTP indicates the water usage meter (flow meter) is not functioning well. The water record used id performed by the WTP operator daily and recapitulates on the monthly report by Clerk Administration process. During the observation, found that there was explanation about the water usage meter (flow meter) was broken and there was no real record of water usage for a month whole in March 2022. All water usage data was unknown with 'broken' written on the daily recapitulated form as an explanation details.

Based on this issue, the company did the corrective action right away after knowing about this mall function, by replacing the old water flow meter with the new one. This action was done before closing Audit assessment on 26 March 2022, more specifically on 24 March 2022. Evidence was provided with "*Berita Acara Penggantian Flowmeter*" document.

Status: Comply
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**7.9**
**Efficiency of fossil fuel use and the use of renewable energy is optimized.**
**7.9.1**

The management unit already has a GHG Emissions Identification and Management Plan document for the period 2021/2022. The identified GHG sources include fertilization activities that are planned to be managed by means of fertilization according to fertilizer recommendations. Fossil fuels are managed by substituting the use of renewable fuels.

The company uses shells and fiber as boiler fuel to generate turbine power, which can reduce the use of fossil fuels. There is the documentation of shells and fiber uses on document of "*Data Penghematan Pemakaian Bahan Bakar Fosil diganti dengan Fibre & Cangkang*" period July 2019 - June 2020. For example, use of shells and fiber period July 2019 - June 2020 has produces 1,112,178.90 kWh of electricity from turbine, while electricity generated from diesel fuel 198,260.20 kWh. The efficiency renewable energy use per ton of palm product in the mill is 31.20 KWh / MT CPO, while result Direct fossil fuel used is 8.11 KWh / MT CPO.

In 2021, The Company has implemented energy efficiency by utilizing the use of shells and fiber as backup fuels to replace diesel/fossil fuels. As for the use of reserve fuel during 2021 for fiber as much as 22,841/ton, and for shells as much as 7,608/ton. The total kwh of the use of shells and fiber is 130 kwh/kg fiber and shells. Certificate holder has calculated the efficiency of using renewable fuels contained in the monitoring report on the use of energy fuel in 2021, it is known that the total Kwh Turbine is 3,963,360 kwh. With total efficiency of using renewable fuels is 26.05 Kwh/ton FFB.

<b>Status: Comply</b>
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**7.10**
**Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimise GHG emissions.**
**7.10.1**

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

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

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

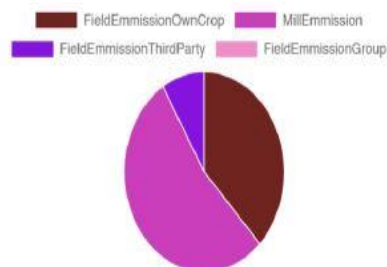
Based on document review for examples: pesticides usages monitoring, diesel fuel monitoring, HCV identification and etc found that accurate data has been put into the RSPO palm GHG Calculator.

The 2021 GHG calculation shows that net GHG emissions have increased compared to net GHG in 2019. From 1.02 tCO<sub>2</sub>e/t Product to 1.34 tCO<sub>2</sub>e/t Product. Certificate Holder has implemented the emission reduction plan well, although there was slightly increased number of tCO<sub>2</sub>e/t product by 0.32 different compared to tCO<sub>2</sub>e/t product in 2019.

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

### Summary Emission

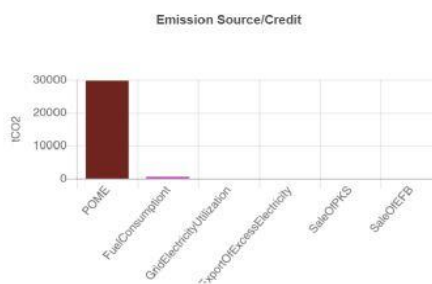
Product	tCO <sub>2</sub> e / tProduct	Action
CPO	1.34	
PK	1.34	
PKO	0.00	
PKE	0.00	



Description	Unit	Value	Action
Oil palm planted on mineral soil	Ha	9770.86	
Oil palm planted area on peat	Ha	0.00	
Total oil palm planted area	Ha	9770.86	
Conservation area (Forested)	Ha	444.82	
Conservation area (Non-Forested)	Ha	0.00	
FFB Production per hectare	t/ha	15.57	
OER	%	22.62	
KER	%	5.26	

### Mill Emissions and Credits

Description	tCO <sub>2</sub>	tCO <sub>2</sub> e/t FFB	Action
<b>Emission Sources</b>			
POME	29813.40	0.20	
Fuel Consumption	685.34	0.00	
Grid Electricity Utilisation	0.00	0.00	
<b>Credits</b>			
Export of Excess Electricity to Housing & Grid	0.00	0.00	
Sale of PKS	0.00	0.00	
Sale of EFB	0.00	0.00	
<b>Total</b>	<b>30498.74</b>	<b>0.20</b>	

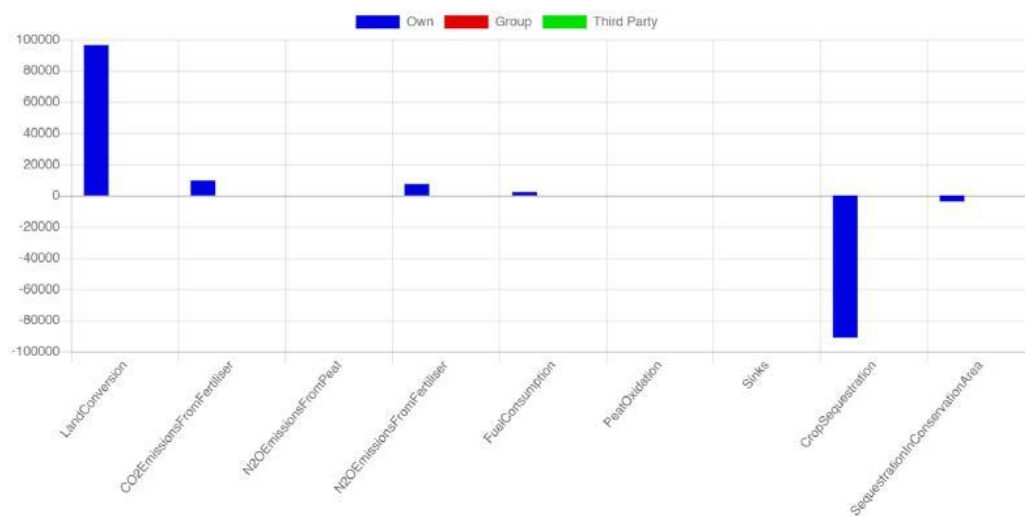




### Estate/Plantation field emissions and sinks

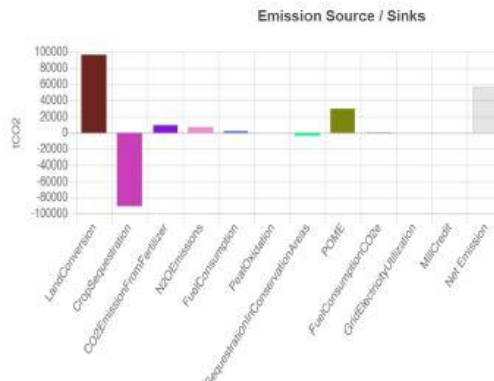
	Own			Group			3rd Party			
Description	tCO2e	tCO2e/ha	tCO2e/t FFB	tCO2e	tCO2e/ha	tCO2e/t FFB	tCO2e	tCO2e/ha	tCO2e/t FFB	Total
Emission Source										
Land Conversion	96503.16	9.88	0.86	0.00	0.00	0.00	0.00	0.00	0.00	96503.16
CO2 Emissions from Fertiliser	10112.59	1.03	0.09	0.00	0.00	0.00	0.00	0.00	0.00	10112.59
N2O Emissions from Peat	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
N2O Emissions from Fertiliser	7637.82	0.78	0.07	0.00	0.00	0.00	0.00	0.00	0.00	7637.82
Fuel Consumption	2784.16	0.28	0.02	0.00	0.00	0.00	0.00	0.00	0.00	2784.16
Peat Oxidation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sinks										
Crop Sequestration	-91472.21	-9.36	-0.82	0.00	0.00	0.00	0.00	0.00	0.00	-91472.21
Sequestration in Conservation Area	-4079.00	-0.42	-0.04	0.00	0.00	0.00	0.00	0.00	0.00	-4079.00
Total	21486.51	2.20	0.19	0.00	0.00	0.00	4927.59	0.00	0.00	26414.10

### Field Emission and Sinks



### Emissions from Palm Kernel Crusher

Emission Source	tCO <sub>2</sub> e
PK from own mill	0.00
PK from other sources	0.00
Fuel Consumption	0.00
Total Crusher Emissions	0.00



### 7.10.2

Until ASA-1.1, ASA-1.2, & ASA-1.3 audit conducted, no new planting activities above 15 November 2018, the company did not conduct new land clearing activities or development of operational areas. PT. Budidaya Agro Lestari – Pelanjau Estate does not extend of new plantation area. There are only a replanting activities that have been conducted since 2017. does not extend of new plantation area since November 2005. There are only a replanting activity that have been conducted since 2016 in Awatan Estate.

### 7.10.3

The company has identified pollutions and emissions sources of Lembiru POM for the period 2020, such as CO<sub>2</sub> (boiler, generator, transportation), CH<sub>4</sub> (POME), hazardous waste (WTP, chemical storage), noise (machinery). The sources of pollution and emissions for the estate are listed on the identification documents and management plans for pollution sources for the period 2019, such as emissions (CO<sub>2</sub>, CO), noise, chemical waste, organic and inorganic waste, and infectious waste.

The identification of pollutions and emissions resources of Lembiru POM for the period of 2021 also include all the components written on 2020 period. The sources of pollution and emissions for the estate are listed on the identification documents and management plans for pollution sources for the period 2021, such as emissions (CO<sub>2</sub>, CO), noise, chemical waste, organic and inorganic waste, and infectious waste.

Plans to reduce or minimize have been implemented and monitored as explained in RKL-RPL semester I and semester II the year 2021. According to RKL-RPL report, the company conducted routine environmental quality test regularly once in three to six months for the following parameters:

- Wastewater quality testing
- Ambient air quality testing
- Air quality testing (generator, boiler, transportation)
- Stench quality testing
- Noise (machinery) testing
- Building shock vibration testing
- River water quality testing (biological/plankton/bentos, chemical compounds)

From all the quality testing that has been conducted as explained above by the company with help from third party (in this case, accredited laboratory), it is known that the results of the test were still in accordance with the applicable standards.

Lembiru POM have been implemented fossil fuel reduction by fiber/shell usage for the boiler. Fiber/shell was produced from Free Fruit Bunch waste production and being storage in certain area to be reused as a backup fuel for boiler. This activity has been included in the RKL-RPL document.

Based on the explanation above, it is known that the company has identified significant pollutants and implemented reduce and minimize action use while monitored the results of quality testing of certain parameters as listed in the RKL-RPL document.

<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

Based on the results of field observations via video on the new planting area of the Lembiru and Awatan Estate, information was obtained that there were no signs of land clearing by burning. All land clearing activities used mechanical. 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**

Unit of Certification have fire facilities and infrastructure shown in the List of “Sarpras Damkar Lembiru Estate & Awatan Estate” documents, which among other things explain that the provision of fire infrastructure refers to the Regulation of the Minister of Agriculture Number 5 of 2018. The results of field observations revealed that there were emergency response facilities in the form of helmets, firefighter uniforms, shovels, fire boots, etc in good condition and functioning properly.

**7.11.3**

The Lembiru POM Unit and Estate has an Emergency Response Preparedness Team Structure consisting of a coach, daily chairperson, secretary, general assistant, assisted by fire, security, removal, evacuation, and health teams. In addition, in involving the surrounding community to respond in case of fire in form of Independent Village Prevent Fire (*Desa Mandiri Cegah Api/DMCA*) Program, initiated with Universitas Tanjung Pura for whole year in 2021, started from September 2021 to January 2022, Proven by Implementation Independent Village Prevent Fire (*Desa Mandiri Cegah Api/DMCA*).

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.

<b>Status: Comply</b>
-----------------------

**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**

Until ASA-1.1, ASA-1.2, ASA 1.3 audit conducted, no new planting activities above 15 November 2018, the company did not conduct new land clearing activities or development of operational areas. PT. Budidaya Agro Lestari – Pelanjau Estate does not extend of new plantation area. There are only a replanting activities that have been conducted since 2017. While PT SNP does not extend of new plantation area since November 2005. There are only a replanting activity that have been conducted since 2016 in Awatan Estate. Study of Environmental impact of replanting activity already been included in Environmental Implementation Report (RKL/RPL) Semester I and II 2021.

As mentioned later on indicator 7.12.8, company already made an effort to disclose the liability by doing LUCA. However, the company has not been able to show evidence that the RacP compensation plan has been approved by the RSPO because LUCA status still Pending LUCA review report from RSPO Reviewer.

Based on this statement, this has become the **Non-conformity of indicator 7.12.8 (NCR-2020.04)**. Certification holder was recommended to always follow up the approval progress of the LUCA by RSPO Reviewer. However, up until this Audit ASA-1.1, ASA-1.2 & ASA-1.3 this Non-conformity still allowed to remain OPEN until the next assessment, as detailed explanation can be seen at indicator 7.12.8.

**7.12.2**

There was no change in the identification of HCV for PT SNP listed in the HCV Identification document along with HCV maps conducted in 2010 by the PT Aksenta Consultant with coverage of field studies including areas within the HGU (8,406.21 Ha), Areas within the Location Permit ( $\pm$  17,500 Ha) and areas outside the HGU. The areas determined as HCV at PT SNP which is:

Location Name	HCV attribute	HCV Location Details	Total area (Ha)
Lembiru Estate			

Bukit Seleming	4.1, 4.2, 4.4	Block D3D, Division Seleming	22.54
Riparian of river (Enclave)	4.2, 4.4, 5	Block F2C, Division Seleming	13.18
Riparian of Sekakai River	4.2	Lembiru Estate	108
Riparian of river (Enclave)	4.4, 4.4, 5	Block E7D, Division Batu Menang	13.03
Riparian of river (Enclave)	4.2, 4.4, 5	Block F9C, Division Bayu	7.19
Riparian of river (Enclave)	4.2, 4.4, 5	Block G7D, Division Bayu	7.11
<b>Total Lembiru</b>			<b>171.05</b>
<b>Awatan Estate</b>			
Riparian of river	4.2, 4.4, 5	Block J1A, Division Beranyan	41.89
Riparian of river	4.2, 4.4, 5	Block F1B, Division Permata	20.85
Bukit Awatan	1.3, 4.2	Block J2D, Division Beranyan	380.57
Riparian river (Enclave)	1.3, 4.2	Block G5C, Division Sungai Dua	1.51
<b>Total Awatan</b>			<b>444.82</b>

Pelanjau Estate (PT BAL) can show the identification of HCV listed in the HCV Identification document along with HCV maps conducted in 2010 by the PT Aksenta Consultant with coverage of field studies including areas within the HGU (1,002.79 Ha), Areas within the Location Permit ( $\pm$  8,500 Ha) and areas outside the HGU. The areas determined as HCV at Pelanjau Estate which is:

Location Name	HCV attribute	HCV Location Details	Total area (Ha)
<b>Pelanjau Estate</b>			
Riparian of river	4.2, 4.4	Block C9/C10, Division 1	2.02
Bukit Kemalaman	1.3	Block A15, Division 1	2.25
<b>Total Pelanjau Estate</b>			<b>4.27</b>

Location Name	Total HCV area (Ha)
---------------	---------------------

Awatan Estate (PT SNP)	444.82
Lembiru Estate (PT SNP)	171.05
<b>Total PT SNP</b>	<b>615.87</b>
Pelanjau Estate (PT BAL)	2.02
<b>Total PT BAL</b>	<b>2.02</b>
<b>Total HCV Area (PT SNP + PT BAL)</b>	<b>617.89</b>

The HCV assessment has involved consulting with relevant stakeholders. Available list of public consultations on 25 August – 3 September 2009 with 18 participants.

*\*)yellow for HCV area that excluded from certification's cope for RSPO.*

Based on explanation on 7.12.1, Certification Holder did not conduct any new land clearing above November 2018. Therefore, made the Certification Holder did not have any obligations to conduct HCS assessment since this assessment only required for any land clearing after 15 November 2018.

### 7.12.3

Based on the document submitted by Proforest namely RSPO No deforestation consultancy: high forest cover country, Consultancy report on definitions and recommendations to the RSPO June 2018 as known not set HFCL for Indonesia. Thus, made this indicator was not applicable.

### 7.12.4

The Company has developed matrix on HCV management plan in 2019/2020, 2020/2021 and 2021/2022 consist of rare, threatened or endangered species, rivers buffer zone, reservoirs buffer zone and local identities. Company also has issued a control to any illegal or inappropriate hunting, fishing or collecting activities, and developing responsible measures to resolve human-wildlife conflicts policy on 12 August 2019. This policy was developed by stakeholders participate. The management plan 2021/2022 that includes appropriate management and monitoring to maintain HCV attributes and RTE species. The management plan has contained type of activities, timeline, PIC and location.

The company established HCV management plan to maintain the HCV areas in operation area listed on Management plan HCV 2021/2022 documents. The HCV management and monitoring implemented that taken by the management unit such as maintain HCV attributes (HCV boundary, signboard), HCV socialization (community and worker), maintain HCV area, regular patrols for maintain HCV security, species monitoring, enrichment in riparian.

Based on document review, the company has established monitoring related to RTE species through Flora and Fauna Identification Report 2020/2021 on 12 Januari 2021. It is known that al RTE listed species of flora and fauna are still monitored well yearly by the company. There has not been an issue about the illegal hunting, fishing, or collecting activities conducted during the period of 2019 to 2021 monitoring. The company shows commitment that they will always do monitoring frequently every semester/ six months for Flora and Fauna monitoring as written on their HCV Management Plan, and report it to government institution every six month in environmental implementation report and in HCV Area Monitoring Report to Nature Conservation Agency Indonesia for Ketapang Region, West Borneo Province.

Evidence for workforce educations through socialization related to RTE species, HCV area, and buffer Zone are available and verified by auditor's team, through following dates:

- 10 December 2019 was conducted for nearest community (Karya Baru Village, Suka Karya village dan Kedondong village)
- 4 February 2020 for workers of PT SNP & PT BAL
- 22 May 2021 for workers of PT SNP & PT BAL and also for nearest community (villagers around company's HCV area)

Based on the explanation above, it is known that the company already implemented HCV management for all communities around the company area according to Company's management plan and procedure.

#### **7.12.5**

Based on the HCV management plan document, it is known that there are several HCV areas within the occupation area. Related to this, the company showed socialization on May 22, 2021 to the surrounding community, which among others discussed plans for a mutual agreement between the community and the company to jointly maintain and protect conservation areas located within and around the company, especially those owned by the community. Based on the results of field visits to HCV areas that are located or adjacent to community areas, for example the river border and Bukit Batu, it is known that up to now the condition of the area is still well maintained.

Thus, the company has the opportunity to ensure that an agreement is reached for mutual care between the company and the landowner whose area has been determined as HCV as previously disseminated. **OFI**

#### **7.12.6**

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

For example patrols summary results of 2020/2021 for Conservation area in each estate:

- LBE : Flora found with species of *Keruing, Tanger, Tengkawang, Penaga, Ulin*, etc. Fauna found with species of *squirrels, Kelempiau, Tarsier*, slow loris, etc.
- AWE : Flora found with species of *Tarap, Tanger, Ulin, Keruing, Tengkawang, Pahitan*, etc. Fauna found with species of *weasel/musang, Kelempiau, Squirrels, Punai, deer, snakes etc.*
- PJE : Found flora of *Tengkawang, Gaharu, Ulin, Pulai, Keruing, etc.* Fauna found *beruk, kelempiau, deer, squirrels, kubung, etc.*

The results of monitoring also reported to government institution every semester (six months) in environmental implementation report.

Based on interview with workers, it is known that they are aware and understood about the RTE species that are protected in company's HCV areas.

#### **7.12.7**

The Certification Unit shows documentation of the implementation of HCV management and monitoring in 2021 which contains several activities in accordance with the plans they have. Some of the activities that have been carried out include:

- Installation of HCV signboards and its monitoring
- Signboard Repair
- Monitoring conservation areas with area patrols and inspections
- Yearly Identification of flora and fauna found in company's HCV area
- Monitoring of protected flora and fauna
- Outreach to employees and the community to socialize about HCV area and its Buffer zone.

Based on the results of field visits to the HCV area in some area of LBE dan AWE (PT SNP) and PJE (PT BAL) found that :

- In Block J 26-27 of AWE, found that there was no issue there, the HCV are still in good condition without any sign of land fire. Sign of restricted area for fertilization activities also found marked on tree near the riparian river. There was also found buffer zone completed with the signboard.



- In Block K 31-32 AWE, also found the same observations results as the point before. No Buffer zone identified in those area. Based on the interview with the HCV area's officer, it is known that there was enrichment program to plant wood forest plantation.
- In Field N102 of LBE or near boundaries pole number 12, found that the area are still remain natural around the riparian river in this location.
- In HCV area number 4.2 of LBE, found that the area are still remain natural and having buffer zone completed with its signboard.
- In Bukit Seleming as one of the HCV area of LBE, found that there was Quarry around the area. Based on the management's clarification that they didn't know about this thing beforehand and will do further investigation about this issue.
- In HCV area of PJE on Blok C10, it is found that there was no issue there. HCV are still in good condition without any sign of land fire.

Based on the field observations it is known that the HCV area is in protected condition, river border areas and springs are protected by allowing the area to grow natural shrubs.

#### 7.12.8

PT BAL has reported LUCA on August 28, 2015, until the audit activities take place, there is no concept note approved by RSPO.

Based on the Email from the Head of Sustainability of SDP on May 9, 2019 to the RSPO secretariat, explained the results of the meeting between the SDP and the RSPO secretariat which explained that SDP was given 1 year for all nonconformities in the indicator 7.3.1. so that this non-conformity is given until ASA-1.1

During ASA – 1.1 the company shown LUCA progress, by SDP LUCA Report Review Status document a explain:

- Final conservation liability 62.65 Ha.
- LUCC checklist/ clarification required date 4 January 2019.
- Status revert to RSPO date 8 April 2019.
- Report review received from RSPO date 31 October 2019.
- Status reverts to RSPO date 21 February 2020.
- Until the ASA 1.1 audit Pending LUCA review report from RSPO reviewer

Management unit has been shown an email from RSPO on 18 February 2022 which state that "The review process of the LUCA status of PT Budidaya Agro Lestari is still in progress with email details as follows down below":

*Dear Pak Alagendran,*

*First of all, thank you for being patient with us.*

*After reviewing your request and doing some internal checking within our team, herewith our response to you.*

*We take consideration to provide a Conditional Approval as referring to the previous Advisory Note that we had provided to you before. This considering that the Advisory Note was given for the first case that came to us, and when the continuation of the previous approval for the similar case, we only give you through the conditional approval.*

*Now, this Conditional Approval would only be given for those Management Units that have been certified before to allow the Company to complete the RaCP process and continue the Annual Surveillance Assessment (ASA) and/or Recertification. And this will only be valid until the next 6 months from the date of this email. From time to time, we will review all the progress and status of the Certification and RaCP process for the particular certified management units, and*

*we may revoke this conditional approval if any issues happen that may heavily threaten the integrity of RSPO standard requirements.*

*While for the uncertified management units, The Initial Certification audit may be conducted, but the Certificates can only be issued when the completion of the RaCP Process (i.e approval of Compensation and Remediation Plans) is approved by the Compensation Panel.*

*The following, extracted from our Sales Force database (as per last week), is the list of all Management Units under your Sime Darby Operation in Indonesia with detailed status of Certification and RaCP process.*

Based on the explanation above this non-conformity is still allowed to remain **OPEN** until the next assessment.

7.12.8

Status: Non-Conformity No. 2020.04 with Major Category

**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-1.1, ASA 1.2, ASA 1.3</b>	PT SNP do not use RSPO Trademark and CB Logo, However PT SNP has had a trademark license under Sime Darby Plantation Berhad Group number RSPO – 1106024.	√
	<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 Logo Use</b>	<b>X or√</b>
<b>ASA-1.1, ASA 1.2, ASA 1.3</b>	PT SNP do not use RSPO Trademark and CB Logo, However PT SNP has had a trademark license under Sime Darby Plantation Berhad Group number RSPO – 1106024.	√
	<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-1.1, ASA 1.2, ASA 1.3</b>	PT SNP do not use RSPO Trademark and CB Logo, However PT SNP has had a trademark license under Sime Darby Plantation Berhad Group number RSPO – 1106024.	√
	<b>Status: Comply</b>	
<b>4.</b>	<b>Controlling of Certificate and Trademark, including withdrawing inappropriate logo.</b>	<b>X or√</b>
<b>ASA-1.1, ASA 1.2, ASA 1.3</b>	PT SNP do not use RSPO Trademark and CB Logo, However PT SNP has had a trademark license under Sime Darby Plantation Berhad Group number RSPO – 1106024.	√
	<b>Status: Comply</b>	

### 3.3 Summary of RSPO Partial Certification.

Compliance of the uncertified management units of Sime Darby Plantation Bhd 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 Bhd 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 Bhd are 34 in Malaysia, 25 in Indonesia and 1 in Liberia. Sime Darby Plantation Bhd has informed the Time Bound Plan progress through representative's office in Indonesia. MUTU has considered that Sime Darby Plantation Bhd is comply with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by the Sime Darby Plantation Bhd 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 Bhd 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.

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> Sime Darby Plantation Bhd 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></p>

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

#### 3.4.1. Identification of Findings, Corrective Actions and Opportunity for Improvement and Noteworthy Positive Components at Recertification

<b>NCR No.</b>	<b>:</b>	<b>2019.01</b>	<b>Issued by</b>	<b>:</b>	<b>Muhammad Rinaldi</b>
<b>Date Issued</b>	<b>:</b>	<b>17 May 2019</b>	<b>Time Limit</b>	<b>:</b>	<b>ASA-1.1</b>
<b>NC Grade</b>	<b>:</b>	<b>Minor</b>	<b>Date of Closing</b>	<b>:</b>	<b>23 March 2020</b>
<b>Standard Ref. &amp; Requirement</b>	<b>:</b>	<b>2.1.4</b> <b>A system for tracking any changes in the law shall be available and implemented.</b>			
<b>Evidence observed</b> (filled by auditor): The Company has had an Evaluation of Regulations Fulfilment of PT SNP & PT BAL conducted in December 2018 by the PSD Manager.					
<b>Non-Conformance Description</b> (filled by auditor): Based on the document, there are still some regulations that have not been documented for example but not limited to: <ul style="list-style-type: none"><li>Minister of Agriculture Regulation No. 5 of 2018 concerning Land Clearing and/or processing of Plantation without Burning.</li><li>Minister of Labour Regulation No. 5 of 2018 concerning Occupational Safety and Health of the Work Place.</li><li>Minister of Environment Regulation No.5 of 2018 concerning Standards and Certification of Competency of Responsible Operators of Wastewater Treatment and Responsible for Water Pollution Control.</li></ul>					
<b>Root Cause Analysis</b> (filled by organization audited): The Special Officers have not yet received adequate understanding of the mechanism for updating regulatory documentation and coordinating with the PSD department.					
<b>Correction</b> (filled by organization audited): <ul style="list-style-type: none"><li>Appoint special regulatory monitoring officers</li><li>Socializing SOP related to regulatory requirements</li><li>Evaluate the regulations on 2018-2019</li></ul>					
<b>Corrective Action</b> (filled by organization audited): The company has prepared special officer to ensure documentation, compliance implementation and compliance of regulation are evaluated annually.					
<b>Assessor Evaluation and Conclusion</b> (filled by auditor): <b>22 January 2020</b> The company has shown evidence, including: <ul style="list-style-type: none"><li>Socialization of SOP of legal requirements &amp; documentation mechanism on January 10, 2020, but there is no attendance list yet.</li><li>Evaluation of Regulatory Compliance on 2018. In order to show an evaluation of compliance with updated regulations.</li></ul>					

Based on this explanation, the non-conformity is declared not yet fulfilled.

**23 March 2020**

The company has shown evidence, including:

- Socialization of SOP of legal requirements & documentation mechanism on January 10, 2020 for 8 staff.
- Appoint a special officer to monitor regulations on January 12, 2020, who is responsibility of updating and evaluating regulations annually with the PSD manager
- Shows evaluations of relevant regulations until 2019.

Based on the explanation above, this non-conformity is declared Fulfilled

**Verified by** : **Muhammad Rinaldi**

<b>NCR No.</b>	<b>: 2019.02</b>	<b>Issued by</b>	<b>: Afiffuddin</b>
<b>Date Issued</b>	<b>: 17 May 2019</b>	<b>Time Limit</b>	<b>: 16 August 2019</b>
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 27 July 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 4.6.6</b> <b>Storage of pesticides shall be according to recognised best practices. All pesticides containers shall be properly managed according to the existing regulations and or instructions enclosed on the containers (see criterion 5.3).</b>		
<b>Evidence observed :</b> Based on the results of field observations at the Lembiru Estate and Pelanjau Estate, pesticide storage and management of pesticide containers were found as follows : <ol style="list-style-type: none"><li>1. Pesticides are stored in oil storage mixed with other materials at the Lembiru Estate.</li><li>2. Former pesticide packaging Basta and Pamungkas were found in the Pelanjau Estate workshop.</li><li>3. The used Ken Up pesticide packaging is used for water storage and used cross-labeled pesticide packaging is also used for water storage in Pelanjau Estate Housing.</li><li>4. The stored pesticides are mixed with other materials in the pesticide warehouse central Pelanjau Estate.</li></ol>			
<b>Non-Conformance Description :</b> Based on the results of the above field findings, the certificate holder has not been able to show evidence that all pesticides stored in accordance with best practices and used pesticide packaging have been stored and disposed of and not used for other purposes.			
<b>Root Cause Analysis :</b> <ol style="list-style-type: none"><li>1. Ordering the number of backup supporting materials that are not adjusted to the capacity of the storage warehouse.</li><li>2. Temporary storage (transit to hazardous waste temporary warehouse) used hazardous waste packaging in the form of a special container before being sent to hazardous waste temporary warehouse in the workshop is not yet available.</li><li>3. Resident of the housing considers that the container that has been washed is considered safe if only the need for clean water is not used for drinking or cooking water.</li><li>4. There is a plan to increase storage space in the storage of chemicals in the Pelanjau Estate</li></ol>			

**Correction :**

1. Carry out some non-chemical supporting materials such as spare parts (especially tyre) to the office warehouse, so that hazardous materials can be returned to their place in Lembiru Estate.
2. Make a special container during the process of waiting for the vehicle unit that is still in use in the morning. Send the package to hazardous waste temporary warehouse at Beturus Estate
3. Confiscating and sending hazardous waste packaging to hazardous waste temporary warehouse, giving warning to housing residents who use hazardous waste packaging secretly.
4. Complete the progress of pesticide storage rooms in Pelanjau Estate

**Corrective Action :**

1. Arranging the time plan for arrival of operational support materials that are adjusted to the replacement / application schedule. In this case the person responsible is the Head of Administration where he will coordinate with the Assistant Division, Estate Manager and Purchasing.
2. Re-socializing all housing residents regarding the dangers of hazardous waste packaging for health and the environment and the prohibition and application of strict sanctions.
3. Assign clean water officers in housing to inspect every housing for the use of used hazardous waste packaging by residents every day.

**Assessor Evaluation and Conclusion :**
**Verification July 8, 2019**

The certificate holder shows evidence of improvement as follows :

1. Documentation (photo) at Lembiru Estate:
  - Photos of material storage space conditions.
  - Photos of tires that have been removed from oil storage and oil from outside can be re-entered
  - Photos the tires in an empty room in the office
2. The letter from the Pelanjau Estate Acting Estate Manager to Beturus Estate Manager on May 20, 2019 regarding sending hazardous waste to PT BAL hazardous waste temporary warehouse, with details of hazardous waste namely 5 pcs Basta used packaging, 3 pcs Pamungkas used packaging, 7 pcs Ken-Up used packaging, 1 pcs used Batteries and 4 pcs used filters.
3. Hazardous waste Logbook documents at hazardous waste temporary warehouse PT BAL for the period April – June 2019, including explaining that there were 15 pieces of hazardous waste packaging from the Pelanjau Estate on May 20, 2019.
4. Documentation (photo) at Pelanjau Estate:
  - New rooms in Pelanjau Estate (75% Progress) which will be used as pesticide storage facilities.
  - The oil filter storage area at the Pelanjau Estate workshop.
5. Containers store used pesticide packaging and used batteries while in the workshop, waiting for the vehicle unit to finish operating in the field before being sent to hazardous waste temporary warehouse.
6. Minutes of hazardous waste foreclosure at Pelanjau Estate Housing, May 18, 2019, with details of 8 pcs of used hazardous waste used containers for water containers which are then sent to hazardous waste temporary warehouse Beturus Estate.

**Verification July 27, 2019**

The certificate holder shows the following evidence of improvement:

1. Documentation (photo) of hazardous waste foreclosure in the Pelanjau Estate housing environment.
2. Documentation (photo) of Pesticide Storage Room at Lembiru Estate
3. Documentation (photo) of the condition of the storage of pesticides in the Pelanjau Estate and the place where

the spare parts are no longer mixed with pesticides and the storage space for new pesticides

4. Documentation on the Socialization of Hazardous Hazard of Hazardous Waste by the General OHS Expert Pelanjau Estate, at the estate office, dated July 9, 2019, participants of Resident Employees, with material presented including an introduction to the characteristics of hazardous waste and the potential hazards of hazardous waste exposure to humans and the environment, the application of Prohibition of the use of hazardous waste and Sanctions.

Based on the explanation of the root cause analysis presented, the corrective actions shown and the preventive actions taken, the non conformance is stated to be **closed with observation** in the next assessment.

**Verified by** : Afiffuddin

<b>NCR No.</b>	<b>:</b>	<b>2019.03</b>	<b>Issued by</b>	<b>:</b>	<b>Afiffuddin</b>
<b>Date Issued</b>	<b>:</b>	<b>17 May 2019</b>	<b>Time Limit</b>	<b>:</b>	<b>16 August 2019</b>
<b>NC Grade</b>	<b>:</b>	<b>Major</b>	<b>Date of Closing</b>	<b>:</b>	<b>8 August 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>:</b>	<b>4.7.1</b> <b>A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored.</b>			
<b>Evidence observed :</b> Based on the results of interviews with foremen and spray workers at Lembiru Estate, the spray foreman at Awatan Estate and workers at the Lembiru Factory said that workers had attended a health check. Based on a document review of the results of the health examination, it is known that not all workers have attended the health examination : <ul style="list-style-type: none"><li>• Spray workers at Lembiru Estate 11 workers</li><li>• Spray foreman at Awatan Estate 1 worker</li><li>• Workers process Lembiru Factory 58 workers</li></ul> Based on interviews with management representatives, some workers did not want to take health checks for various reasons.					
<b>Non-Conformance Description :</b> Based on the explanation above, the certificate holder has not been able to show proof of implementation and monitoring of the work safety policies that have been set in relation to high-risk employee health checks.					
<b>Root Cause Analysis :</b> The certificate holder has not been able to show evidence of the implementation of the MCU as a whole employee because it is true that not all employees submitted by the MCU have attended a health check, this is due to the large number of employees who are not present to attend the MCU for unclear reasons.					
<b>Correction :</b> <ul style="list-style-type: none"><li>• The certificate holder changed the MCU procedure, which stated that all employees were required to attend the MCU, for those employees who did not attend the MCU for unclear reasons would be subject to administrative sanctions.</li><li>• The company doctor has made the MCU schedule in accordance with the period, namely in July – August 2019 with the implementation system in accordance with the updated SOP.</li></ul>					

- The company doctor has submitted a proposal for the implementation of the MCU for the employees of PT BAL & PT SNP (Attached).

**Corrective Action :**

In the future, the company will ensure that the MCU runs according to schedule based on the number of employees proposed. To ensure that everything goes as it should, the company doctor will coordinate with the company units, while the actions that can be taken are by conducting socialization and understanding how important it is to carry out health checks especially for high-risk jobs to employees and inform employees of the MCU schedule so that during the implementation of employees can present.

**Assessor Evaluation and Conclusion :**
**Verification July 27, 2019**

The certificate holder shows evidence of improvement as follows:

1. Proposal document for Submission of Vendor for MCU Examination from the Marau Zone Company Doctor, July 17, 2019 to AC Marau Zone, with information on the number of workers to be inspected for chemical type 167 people and physical examination for 73 people from Pelanjau Estate, Lembiru POM, Lembiru Estate and Awatan Estate.
2. MCU Procedure for High Risk Workers of PT SNP and PT BAL, document number 017 / KPMZ / INT / Mem-SOPMCU / II / 16, Revision 01, revision date 27 June 2019, distribution date 29 June 2019, which explains, among others :
  - MCU is conducted every year, from June to August
  - Employees who are targeted for the implementation of the MCU are Agrochemical Operators (spray worker, fertilizer worker), Laboratory Worker (analyst, sample boy), WTP Operators, ETP Operators, Genset Operators, Engine Room Operators, Process Operators, Mechanical & Electrical Operators, Warehouse Operators and other personnel who meet the above criteria
  - For Employees who have been proposed to attend the MCU related to hazards or risks of health problems due to their work but do not attend the MCU Program for reasons that are not acceptable, administrative sanctions will be given.

**Verification August 8, 2019**

The certificate holder shows the following evidence of improvement:

1. Proposal document for Submission of Vendor for MCU Examination from the Marau Zone Company Doctor, July 17, 2019 to AC Marau Zone and has been approved, with the information on the number of workers to be examined for chemical type 167 people and physical examination for 73 people from Pelanjau Estate, Lembiru POM, Lembiru Estate and Awatan Estate.
2. Socialization of Medical Check Up by Company Doctors and Chairman of Guiding Committee Of Occupational Safety & Health, 3 July 2019 at the Beturus Polyclinic, attended by 34 people consisting of staff and employees. The points delivered were, among others, the Socialization of Operational Standards for Medical Examination Procedure No. 017 / KPMZ / INT / Mem-SOPMCU / II / 16, Revision 01, revision date 27 June 2019, distribution date 29 June 2019 which explains the schedule of the implementation of the MCU, MCU participants / or who meet the high risk criteria and obligations to follow the MCU and function of the implementation of the MCU.

Based on the analysis of the root causes presented, the corrective actions shown and the preventive actions taken, the non conformance of this indicator is stated to be **closed with observation** in the next assessment.

**Verified by** : **Afiffuddin**

<b>NCR No.</b>	<b>: 2019.04</b>	<b>Issued by</b>	<b>: Afiffuddin</b>
<b>Date Issued</b>	<b>: 17 Mei 2019</b>	<b>Time Limit</b>	<b>: 16 August 2019</b>
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 31 July 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>4.7.4</b> <b>The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded.</b>		
<b>Evidence observed :</b> Based on the results of document review and interviews with management regarding the <i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> (P2K3)/ Guiding Committee of Occupational Safety & Health Board structure at PT SNP and PT BAL, the following are known: <ol style="list-style-type: none"><li>Secretary of P2K3 according to the ratification of the 2016 P2K3 structure has been mutation.</li><li>The certificate of appointment of P2K3 Secretary General OHS Expert PT BAL has expired on June 19, 2018.</li></ol>			
<b>Non-Conformance Description :</b> Based on the explanation above, the certificate holder has not been able to show evidence that: <ol style="list-style-type: none"><li>PT SNP has a P2K3 structure that has been approved by the local Manpower Office in accordance with existing personnel.</li><li>Secretary of P2K3 PT BAL does not have a certificate of appointment of General OHS Expert.</li></ol>			
<b>Root Cause Analysis :</b> There was a staff refreshment rotation program in May 2019 in the Minamas operations area which caused a change in the structure of P2K3.			
<b>Correction :</b> The certificate holder PT SNP & PT BAL has updated the structure and approval of P2K3 PT. SNP No. SK: 560/133 / naker / 2019 and PT. BAL No. SK 560/132 / naker / 2019, (Attached) then the company appointed Sumarjan Pakondo as P2K3 secretary. General OHS Expert license card No: 40481 / PK3 / AJ / 31/2017 / PO (General OHS Expert PT. Minamas Gemilang valid until June 8, 2020).			
<b>Corrective Action :</b> The certificate holder will prepare General OHS Expert training with two participants who will take part in General OHS Expert training in Ketapang District, which is planned for August 2019.			
<b>Assessor Evaluation and Conclusion:</b> <b>Verification July 27, 2019</b> The certificate holder shows the following evidence of improvement: <ol style="list-style-type: none"><li>Decree of the Regent of Ketapang number 560/133 / NAKER / 2019 concerning Ratification of the P2K3 Organizational Structure and Working Procedure of PT SNP, dated June 14, 2019, with the secretary Sumarjan P.</li><li>Decree of the Regent of Ketapang number 560/132 / NAKER / 2019 concerning the Approval of P2K3 of PT BAL, with the secretary of Sumarjan P.</li><li><i>Sertifikat Pembinaan Pengawasan Norma Keselamatan dan Kesehatan Kerja</i> No. 40481 / PK3 / AJ / 31/2017 /</li></ol>			



PO (General OHS Expert of PT. Minamas Gemilang) that applies until June 8, 2020 on behalf of Sumarjan Pakondo.

**Verification July 31, 2019**

The certificate holder shows the following evidence of improvement :

1. Appointment of General K3 Expert on behalf of Sumarjan Pakondo based on Minister of Manpower Decree number KEP.4471 / NAKER-BINWASK3 / VII / 2017, 10 July 2017.
2. Decree of the Regent of Ketapang number 560/132 / NAKER / 2019 concerning the Approval of P2K3 of PT BAL, with the secretary of Sumarjan Pakondo, on June 14, 2019.

Based on the analysis of the root causes presented, evidence of corrections shown and preventive measures delivered, these non conformity is stated to be closed.

**Verified by** : Afiffuddin

<b>NCR No.</b>	<b>: 2019.05</b>	<b>Issued by</b>	<b>: Afiffuddin</b>
<b>Date Issued</b>	<b>: 17 May 2019</b>	<b>Time Limit</b>	<b>: ASA-1.1</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>: 27 July 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 4.7.5</b> <b>Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed.</b>		
<b>Evidence observed :</b> Based on the results of field observations at the Lembiru Estate and Pelanjau Estate, found the implementation of handling emergencies as follows: <ol style="list-style-type: none"><li>1. Fire extinguisher at workshops, in genset rooms and central offices of the Pelanjau Estate, expired on January 1, 2018.</li><li>2. Fire extinguisher in the Awatan Estate housing is not found in its proper position.</li><li>3. The oil drum is placed outside the Lembiru Estate oil warehouse.</li></ol>			
<b>Non-Conformance Description :</b> Based on the results of the above field findings, the certificate holder has not been able to show evidence of implementation of emergency response in accordance with emergency preparedness procedures.			
<b>Root Cause Analysis :</b> <ul style="list-style-type: none"><li>• Pelanjau Estate. Emergency response facilities are checked for availability and condition routinely by warehouse clerks without technical provisions on inspection methods. Examination is only limited to examinations such as the function, availability and general physical condition of fire extinguishers such as cleanliness of the hose without knowing the expiration period of the fire extinguishers.</li><li>• Awatan Estate. Fire extinguishers in AWE housing is being sent to be refilled for several fire extinguishers that have expired and some of them have to do position changes.</li><li>• Lembiru Estate. Ordering the number of backup supporting materials that are not adjusted to the capacity of the storage warehouse.</li></ul>			

**Correction :**

- Pelanjau Estate : Refill Fire extinguishers in Ketapang
- Awatan Estate : Placing the Filled Fire extinguishers in its place
- Lembiru Estate : Transfer some non-chemical supporting materials such as spare parts (especially tires) to the office warehouse, so that hazardous materials can be returned to their place in Lembiru Estate.

**Corrective Action :**

General OHS Expert conducts socialization related to understanding the function, how to use it and how to monitor fire extinguishers at home. The monitoring is carried out by checking every month which includes: Amount, Position, pressure and fire extinguishers validity period.

**Assessor Evaluation and Conclusion :**
**Verification July 27, 2019**

The certificate holder shows the following evidence of improvement:

1. Documentation of the installation of fire extinguishers in the Awatan Estate housing in its proper position (the designated fire extinguishers triangle)
2. Documentation of photos of oil drum storage at Lembiru Estate after the tires are removed
3. Fire extinguishers documentation (photo) at the workshop, in the generator room and Pelanjau Estate large office in a refilled condition, the filling date is June 26, 2019 and valid until June 26, 2020.
4. Documentation of Socialization and Technical Training of Fire Extinguishers Examination by the General OHS Expert at the Beturus Estate office, on July 17, 2019 to fire extinguishers officers throughout the Estate and emplacement foremen (photos of training and socialization activities are shown).

Based on the explanation of the root cause analysis presented, the corrective actions shown and the preventive actions taken, the non conformity is stated to be **closed with observation** the next assessment.

**Verified by** : **Afiffuddin**

<b>NCR No.</b>	<b>:</b>	<b>2019.06</b>	<b>Issued by</b>	<b>:</b>	<b>Muhammad Rinaldi</b>
<b>Date Issued</b>	<b>:</b>	<b>17 May 2019</b>	<b>Time Limit</b>	<b>:</b>	<b>ASA-1.1</b>
<b>NC Grade</b>	<b>:</b>	<b>Minor</b>	<b>Date of Closing</b>	<b>:</b>	<b>16 August 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>:</b>	<b>5.1.3</b> <b>Environment monitoring plan document, its implementation report, and the corrective plan (if non-conformance arised from the monitoring result) shall be available. This plan is reviewed on two-yearly basis.</b>			
<b>Evidence observed (filled by auditor):</b> The company can show evidence of the implementation of management and monitoring and evaluation of environmental impacts documented in the report RKL/RPL period semester II on 2018					
<b>Non-Conformance Description (filled by auditor):</b> In the report, it is known that all management activities are in accordance with the RKL / RPL matrix, but there are still mismatches in monitoring activities, among others:					
<b>PT SNP</b>					

- a. In the AMDAL Implementation Report for PT SNP, it was found that the monitoring method the Community Health Impact had not been carried out in accordance with the methods in the RKL / RPL matrix.
- b. In the DPLH Implementation Report for PT SNP, it is known that there are still discrepancies with the RKL-RPL matrix and KepmenLH 45 on 2005, including:
  - Not yet monitored the impact of pests and diseases emergence
  - For the impact of Community Perception, Employment and Business Opportunities, Increased Community Revenue, Social Conflict and New Disease Pattern does not describe the implementation of monitoring till the results of monitoring

**PT BAL**

- a. In the AMDAL Implementation Report for PT BAL, it was found that the monitoring method the Community Health Impact had not been carried out in accordance with the methods in the RKL / RPL matrix.
- b. In the DPLH Implementation Report for PT BAL, it is known that there are still discrepancies with the RKL-RPL matrix and KepmenLH 45 on 2005, including:
  - Not yet monitored the impact of pests and diseases emergence
  - For the impact of Community Perception, Employment and Business Opportunities, Increased Community Revenue, Social Conflict and New Disease Pattern does not describe the implementation of monitoring till the results of monitoring

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

The making of environmental implementation report (RKL-RPL & DPLH) is carried out by untrained officers who cause a discrepancy with the requirement.

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

- The company conducts socialization related to making environmental implementation report (RKL/RPL & DPLH).
- The company appointed the PIC for handling and coordinating the report, while the one designated as PIC was Gito Suherno (head of administration of Lembiru Factory).
- The company prepares documents for the implementation of environmental in accordance with the requirement of each of these environmental permits and describes the process of implementing and monitoring results.

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

Henceforth, in each case of making environmental permit documents, verification will be carried out directly by PSQM

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

**16 August 2019**

The company has shown evidence of improvements including:

- Letter of Appointment of the Person in Charge to create Environmental Documents on 12 August 2019 on behalf of Gito Suherno
- Socialization of Environmental Document Creation on 12 August 2019
- Report of RKL-RPL semester 1 on 2019 for PT SNP & PT BAL which has informed all impacts on the RKL-RPL requirements
- Evidence of supporting data for making Report of RKL-RPL semester 1 on 2019 for PT SNP & PT BAL, such as questionnaires to surrounding communities and environmental quality test results.

Based on the explanation above, this nonconformity is declared to be fulfilled and will be observed again related to the consistency of making RKL-RPL reports in the next assessment

**Verified by** : **Muhammad Rinaldi**

<b>NCR No.</b>	<b>: 2019.07</b>	<b>Issued by</b>	<b>: Muhammad Rinaldi</b>
<b>Date Issued</b>	<b>: 17 May 2019</b>	<b>Time Limit</b>	<b>: 16 Agustus 2019</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>: 23 March 2020</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 5.3.3</b> <b>A documented waste management to avoid or reduce pollution and its implementation shall be available</b>		
<b>Evidence observed (filled by auditor):</b> Based on field visits, there is no indication of the use of fire for the disposal of hazardous or Non-hazardous waste. However, based on field visits, it is known: <ul style="list-style-type: none"> <li>- In workshop of Pelanjau Estate are found 1 used battery and 1 used filter</li> <li>- In the landfill of Awatan Estate is found used fertilizer plastic.</li> </ul>			
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show evidence that waste management has been documented and implemented to avoid and reduce pollution			
<b>Root Cause Analysis (filled by organization audited):</b> <ol style="list-style-type: none"> <li>1. There is no special place to accommodate hazardous waste temporarily from the first time it was produced in the Workshop while waiting for the process to be sent to Licensed Hazardous Waste Temporary Storage if the transportation unit is being assisted with operational activities</li> <li>2. There is still a lack of understanding at the employee level regarding the treatment of used plastic fertilizer sacks which are hazardous waste.</li> </ol>			
<b>Correction (filled by organization audited):</b> <ol style="list-style-type: none"> <li>1. Making / completing a special place while temporarily accommodating hazardous waste collected in the workshop before being sent to the licensed temporary storage</li> <li>2. Send all hazardous waste on the 20 May 2019.</li> <li>3. re-collect the used plastic fertilizer which is used as garbage collection and sent to hazardous waste temporary storage.</li> <li>4. Socialize the handling of used plastic fertilizer to the fertilizer foreman and fertilizer employees on July 20, 2019</li> <li>5. Socialize to workshop workers for hazardous waste handling</li> </ol>			
<b>Corrective Action (filled by organization audited):</b> Periodically ensure the handling of hazardous waste is in accordance with SOPs and work instructions.			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>13 August 2020</b> The company has shown evidence of improvements, including: <ul style="list-style-type: none"> <li>• Minutes of withdrawal of hazardous waste with type of fertilizer plastic from landfill to hazardous waste temporary storage on May 21, 2019.</li> <li>• There is an hazardous waste logbook for the types of fertilizer plastic period April-June 2019 with total 9 plastic fertilizers</li> <li>• Socialization of ex plastic fertilizer handling to workers and supervisor on July 20, 2019</li> <li>• PT BAL hazardous waste logbook with the types of batteries and used oil for the period April-July 2019, which</li> </ul>			

explains that there were delivery of used batteries and oil from Pelanjau Estate on May 20, 2019.

Not yet available evidence that the workshop workers have received information regarding the Implementation Guidelines for the Arrangement of Hazardous Waste in Containers from the Produced Place.

Based on this explanation, the non-conformity is declared not yet fulfilled.

### 23 March 2020

The company presented evidence of socialization related to hazardous waste to 4 workshop officers in Pelanjau Estate on July 28, 2019.

Based on this explanation, this non-conformity is declared to be fulfilled.

**Verified by** : **Muhammad Rinaldi**

<b>NCR No.</b>	<b>: 2019.08</b>	<b>Issued by</b>	<b>: Muhammad Rinaldi</b>
<b>Date Issued</b>	<b>: 17 May 2019</b>	<b>Time Limit</b>	<b>: ASA-1.1</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>: 24 July 2020</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 5.6.3</b> <b>A monitoring plan and results of regular reporting on emission and pollutants from estate and mill operations using appropriate methods, shall be available.</b>		
<b>Evidence observed (filled by auditor):</b> -			
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show the calculation of greenhouse gases using the calculator RSPO V.3.0.1.			
<b>Root Cause Analysis (filled by organization audited):</b> There is no PIC			
<b>Correction (filled by organization audited):</b> Calculate GHG emission by using RSPO GHG calculator			
<b>Corrective Action (filled by organization audited):</b> Appointment PIC for calculate GHG emission			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verification 24 July 2020</b> The company has identified source of pollution and air emission sources, including gaseous, particles and shoot emissions and effluent covering emissions and pollution sources from estate and mill operations. The emission source identified from estate and mill operation among others are land use change, vehicle operation, machine operation, fertilizer and pesticide application, use of AC/refrigerator, waste piling and electricity consumption.  Based on document review for examples: pesticides usages monitoring, diesel fuel monitoring, HCV identification and etc found that accurate data has been put into the RSPO palm GHG Calculator.			

The calculation of GHG and its monitoring has conducted by EHS department. GHG emission calculated using RSPO palm GHG calculator 4.0 Summary of GHG emission for Lembiru POM and its supply base

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

<b>NCR No.</b>	<b>2019.09</b>	<b>Issued by</b>	<b>Sandra Purba</b>
<b>Date Issued</b>	<b>17 May 2019</b>	<b>Time Limit</b>	<b>16 Aug 2019</b>
<b>NC Grade</b>	<b>Major</b>	<b>Date of Closing</b>	<b>August 13, 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>6.1.3</b>  <b>Plans for management and monitoring of social impacts to avoid or reduce negative impacts and promote positive ones, based on social impact assessment, through consultation with the affected parties, shall be available, documented and timetabled, including responsibilities for implementation.</b>		
<p><b>Evidence observed (filled by auditor):</b>  PT BAL and PT SNP have compiled a social impact management program for the 2018/2019 period, however the program has not included all the negative issues and impacts that arise from the results of the SIA assessment, for example: reduction of community land, scarcity of clean water, waning the system and the value of mutual cooperation and changes in rural lifestyles, as well as the program has not included an issues management schedule and PIC.</p> <p>In addition, it has not been proven that the preparation of the program has involved affected parties, and there is no impact management program for employees (internal stakeholders) and social impact on smallholders.</p>			
<p><b>Root Cause Analysis (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>The program was previously prepared based on EIA and SEIA, then revised by including additional social management issues that emerged from the SIA assessment in 2009</li> <li>The existing PICs already understand how to compile the SIA Program. In the program, the schedule and mechanism for preparing the SIA Program have been determined</li> </ul>			
<p><b>Correction (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>Re-established the program for managing social impact that is affected refers to the 2009 SIA Document 2009) by the PSQM and PSD departments</li> <li>The program was previously created based on EIA and SEIA, then revised by including additional social management issues that emerged from the SIA assessment in 2009</li> <li>The existing PICs already understand how to compile the SIA Program. In the program, the schedule and mechanism for preparing the SIA Program have been determined</li> </ul>			
<p><b>Corrective Action (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>Scheduling a review with stakeholders in July 2019.</li> <li>Appointed a trained officer responsible for conducting review and preparation, namely Manager PSD who is in charge of coordinating the preparation of social programs based on existing social management documents and inventorying the information and conducting a joint review of all stakeholders on the concept of the program that is compiled.</li> </ul>			



**Assessor Evaluation and Conclusion (filled by auditor):**
**Verification July 9, 2019,**

The company has show the evidence of corrective, namely the social impact management plans for PT SNP and PT BAL for the period 2019/2020, the plan has explained the negative impacts and positive impacts, the management program, PIC and the implementation schedule matrix for 2019 and 2020.

**Verification July 29, 2019,**

The company has prepared a social management plan for the management of PT SNP and PT BAL (Marau zone) for the period 2019/2020 prepared by the Assistant and Manager of PSD. The program has included issues from external, internal and plasma, and has included the PIC and its implementation schedule.

**Verification on August 13, 2019,**

The company has shown evidence of corrective, namely the appointment letter for the PSD Manager as a PIC in the preparation of the SIA on 9 August 2019 letter number IM-030 / SNP / VII / 2019 along with evidence of its preparation training conducted on 8 August 2019 to all Marau Zone Managers.

Based on the evidence, the NC is stated to be fulfilled.

**Verified by** : **Sandra**

NCR No.	: 2019.10	Issued by	: Sandra Purba
Date Issued	: 17 May 2019	Time Limit	: ASA 1.1
NC Grade	: Minor	Date of Closing	: 23 March 2020
Standard Ref. & Requirement	6.1.4  The documented plan for management and monitoring of social impacts, shall be reviewed at least on two-yearly basis. If necessary, the plan should be updated. There shall be evidence that the review process includes participation of all affected parties.		
<b>Evidence observed (filled by auditor):</b> PT BAL and PT SNP have compiled a social impact management program for the 2018/2019 period, however the company has not been able to show evidence of a 2-year review of social impact management plans and programs that involve the participation of all affected parties			
<b>Root Cause Analysis (filled by organization audited):</b> The implementation of a multi-stakeholder joint review is scheduled for July 2019 in an open public manner as stated in the implementation plan in the social management program prepared for period 2019-2020			
<b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"><li>Shows the results of a review with stakeholders</li><li>Creating an SIA program based on the results of a joint stakeholder review</li><li>Appointment the officer for manage social impact program</li></ul>			

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

Conduct an evaluation at the end of each year of the program by involving multi-stakeholders by setting it in the implementation schedule with the person in charge of monitoring implementation is the PSQM Manager and Muspika.

**Assessor Evaluation and Conclusion (filled by auditor):**
**09 July 2019**

The company showed improvement in the form of evidence (minutes) of the company's meeting with stakeholders held on July 1, 2019 at the Marau sub-district office, which discussed the concept of social impact programs, program evaluations and discussions, with 60 participants in attendance.

However, company cannot be shown the results of the review / evaluation which conclusions from the results of the review become input for the preparation of the SIA program.

Based on the explanation above, this non-conformity is declared not yet fulfilled

**23 March 2020**

The Company has shown evidence, consist of:

- The company has shown evidence of the Social Impact Management Program for the period July 2019 - June 2021 which includes a program to manage the social impact of the results of a public consultation on July 1, 2019 for example management of requests for job information, information on partnerships to maintenance of clean water sources in the Seleming Hill.
- Letter of appointment of person in charge of SIA dated August 9, 2019 to Acting PSQM Senior Manager

Based on the evidence, the NC is stated to be fulfilled.

**Verified by** : **Muhammad Rinaldi**

<b>NCR No.</b>	<b>2019.11</b>	<b>Issued by</b>	<b>Briyogi Shadiwa</b>
<b>Date Issued</b>	<b>17 May 2019</b>	<b>Time Limit</b>	<b>16 August 2019</b>
<b>NC Grade</b>	<b>Major</b>	<b>Date of Closing</b>	<b>12 August 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>6.5.2 Collective labor agreements / Company Regulations in accordance with labor regulations, available in clear language and explained by management or Labor Unions to workers</b>		
<b>Evidence observed (filled by auditor):</b> Based on document review, the company shows the following: <ul style="list-style-type: none"><li>Based on the payroll review for April 2019 period and the list of contract employees overtime in April 2019, it is known that contract workers (PKWT) get overtime compensation without using multilevel multipliers (e.g. 2 times an hour's wages for the first 7 hours of overtime).</li></ul> And based on the interview, the following are known:			

- From the results of interviews with PKWT workers at Lembiru POM, it is known that PKWT employee overtime calculations for Sundays/Holiday do not use multilevel multipliers (e.g. 2 times an hour's wages for the first 7 hours of overtime).
- From the interview results with the management's representative, it is known that in accordance with the work agreement document for PKWT workers, the calculation of overtime differs from permanent workers which using multilevel multiplier systems.

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

Based on objective evidence, the company has not implemented payments and overtime calculations in accordance with applicable regulations

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

The management is not aware that the collective agreement with contract workers agreed before working does not violate Government Regulation (KepMenaker 102/2004).

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

- The company has made changes in payment of wages in accordance with Government Regulations (Kepmenaker 102/2004). The amendment to the payment starts from April 2019, but the payment of the remaining wages on April 2019 will be made in August 2019 while for May 2019 and onwards the payment of wages has followed the calculation of the related regulations.
- The company also conducts socialization to all levels to ensure regulations apply.

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

The company will ensure that the payment of overtime and wages for each job is in accordance with related regulations.

**Assessor Evaluation and Conclusion (filled by auditor):**
**Verification 27 July 2019**

The company has showed corrective evidences, such as:

- Explain the root cause related to the non-conformities.
- Record of overtime payment for temporary workers.

**Verification 30 July 2019**

The company has attached work contract for temporary workers explaining that workers are paid overtime according to government regulations (KepMen No. 102 of 2004).

**Verification 12 August 2019**

The company has shown a record of corrective actions that the company, which is the Plantation Support Department (PSD) which here is Mr. Sutarjo as the Manager of PSD has conducted a socialization to the Lembiru Factory Team regarding the implementation of KepMen 102 of 2004 on August 10, 2019.

Based on that evidences, **the non-conformities has been fulfilled** and will be further verified regarding its consistency in next surveillance.

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

<b>NCR No.</b>	: 2019.12	<b>Issued by</b>	: Muhammad Rinaldi			
<b>Date Issued</b>	: 17 Mei 2019	<b>Time Limit</b>	: ASA-1.1			
<b>NC Grade</b>	: Major	<b>Date of Closing</b>	:			
<b>Standard Ref. &amp; Requirement</b>	<b>7.3.1</b> There shall be evidence that no new plantings have replaced primary forest, or any area required to maintain or enhance one or more High Conservation Values (HCVs), since November 2005. New plantings shall be planned and managed to best ensure the HCVs identified are maintained and/or enhanced (see Criterion 5.2).					
<b>Evidence observed (filled by auditor):</b> PT BAL has reported LUCA on August 28, 2015, until the audit activities take place, there is no concept note approved by RSPO.  Based on the Email from the Head of Sustainability of SDP on May 9, 2019 to the RSPO secretariat, explained the results of the meeting between the SDP and the RSPO secretariat which explained that SDP was given 1 year for all nonconformities in the indicator 7.3.1. so that this non-conformity is given until ASA-1.1						
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show that the RACP concept note approved by the RSPO.						
<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>NCR No.</b>	: 2019.13	<b>Issued by</b>	: Sandra Purba
<b>Date Issued</b>	: 17 May 2019	<b>Time Limit</b>	: 16 Aug 2019
<b>NC Grade</b>	: Major	<b>Date of Closing</b>	: August 9, 2019
<b>Standard Ref. &amp; Requirement</b>	<b>5.7.2</b> The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform: <ul style="list-style-type: none"> <li>Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures.</li> <li>Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least</li> </ul>		

	<p>annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually.</p> <ul style="list-style-type: none"> <li>• <b>Remove:</b> RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.</li> <li>• <b>Confirm:</b> Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.</li> </ul>
<p><b>Evidence observed</b> (filled by auditor):</p> <p>Based on mass-balance report for period of May 2018-April 2019, it shows that the mill are deliver the PK as conventional from sustainable stock amount of 5,406.39 MT. Based on the transaction report in the palmtrace, it shows that there was neither CSPK sales under RSPO nor under other scheme/conventional.</p> <p>So that, the mill not able to show the evidence that all actions required through RSPO IT Platform has been followed.</p>	
<p><b>Root Cause Analysis</b> (filled by organization audited):</p> <p>PIC does not yet know that conventional sales registration should be registered by removing stock at Palm Trace</p>	
<p><b>Correction</b> (filled by organization audited):</p> <p>The company has conduct the remove product on palm trace for certified product sold as convetional. The training has conducted to the PIC namely LBF Adm Head regarding to the transaction registration requirement on palm trace</p>	
<p><b>Corrective Action</b> (filled by organization audited):</p> <p>The Head Adm of Mill in the unit improve coordination with marketing dept HO (Jakarta) related to palm product sales documents. Coordination is carried out by informing data stock to the Marketing Team as a basis for making sales of both Certified and Non-Certified Sales.</p>	
<p><b>Assessor Evaluation and Conclusion</b> (filled by auditor):</p> <p><b>Verification July 29, 2019,</b> The company has shown evidence of remove stock on the RSPO Palm trace for all conventional sales taken from sustainable stocks.</p> <p><b>Verification on August 9, 2019,</b> The company has shown evidence of corrective:</p> <ul style="list-style-type: none"> <li>• Evidence of training of the designated PIC in reporting transactions at RSPO Palm Trace on July 9, 2019, followed by 11 people including Head Adm as PIC</li> <li>• Letter of appointment of Head Adm of LBF by Mill Manager Lembiru on 12 July 2019 no. IM-030 / LBF / VII / 2019 as the PIC in charge of implementing the SCCS requirements including transaction reporting.</li> </ul> <p>Based on the evidence above, the NC stated fulfilled.</p>	
<b>Verified by</b>	<b>: Sandra</b>

**3.4.2. Identification of Findings, Corrective Actions and Opportunity for Improvement and Noteworthy Positive Components at Remote Audit ASA 1.1**

<b>NCR No.</b>	<b>: 2020.01</b>	<b>Issued by</b>	<b>: Haikal Ramadhan Kharismansyah</b>
<b>Date Issued</b>	<b>: 24 July 2020</b>	<b>Time Limit</b>	<b>: Next Surveillance</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>:</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 2.2.2</b> <b>All contract, including those for FFB supply, contain specific clause on meeting relevant legal requirements and this can be demonstrated by the third party</b>		
<b>Evidence observed (filled by auditor):</b> Based on the document review, it is known that several activity were submitted to third parties / contractors, for example for spraying, loose fruit picker, and FFB transport. The relationship between the company and the contractor is stipulated in the Cooperation Agreement that has been agreed by both parties. In the agreement letter shown, for example SPK No26 / PJE / SPK-ATC.MRU / VI / 2020-Spraying there is no specific regarding the compliance of applicable legal obligations. In addition, there is no evidence of compliance with regulations by the third party (contractor) concerned, for example in terms of health and employment insurance, as well as the implementation of OHS aspects.			
<b>Non-Conformance Description (filled by auditor):</b> The certification unit has not been able to show sufficient evidence that the agreement letter with the third party has a specific clause regarding the compliance of applicable legal obligations along with proof of this clause by the third party concerned.			
<b>Root Cause Analysis (filled by organization audited):</b> The company does not understand that the inclusion of a legal obligation fulfillment clause must be written in the agreement letter.			
<b>Correction (filled by organization audited):</b> Include a clause fulfilling legal obligations in the agreement letter. And provide an understanding to the contractor regarding the obligations that must be fulfilled by the contractor, such as proof of employee participation in the BPJS			
<b>Corrective Action (filled by organization audited):</b> Make a memo from the Area Controller regarding the inclusion of the clause "compliance with applicable legal obligations" must be in every SPK / new contract and understood and implemented by the contractor before signing a new contract.			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verification on 17 September 2020</b> The company shows evidence of improvement in the form of: <ol style="list-style-type: none"><li>1. Socialization to five representatives of the contractor regarding the fulfillment of the law dated August 21, 2020 held at Pelanjau Estate.</li><li>2. Letter number COBC-V / 035 / SPO / IX / 2020 dated 19 September 2020 from the Marau Area Controllrer regarding the obligation to include clauses on compliance with relevant laws in each agreement letter and the obligation to sign the Contractor's Code of Business Ethics</li></ol> However, it has not been able to show: <ol style="list-style-type: none"><li>1. An example of proof of compliance with applicable laws by a third party is for example in terms of meeting the minimum wage for employees and BPJS membership.</li></ol>			



2. A mechanism to ensure that all contractors who have a cooperative agreement can demonstrate the compliance clause of the law
3. Examples of implementation of complying with these law-abiding clauses

**Auditor Conclusion :**

Non-conformities are declared unfulfilled

**Verification 25 March 2022**

Based on the results of document review, it is known that there are several jobs in the management unit that are handed over to third parties / contractors. For example replanting work, transporting CPO and PK. There are several third parties registered in each unit as follows:

No.	LBF	LBE	AWE	PJE
1	CV. Transpilar Tiga	CV. Enggang Borneo	PT. Meta Estetika Graha	PT. Meta Estetika Graha
2	CV. Anugrah Putra Sejati	CV. Disha Rafa Mandiri	CV. Tangga Batu Permai	PT. Roswell Karya Abadi
3		CV. Rifa	PT. Roswell Karya Abadi	PT. Karya Murni Prima
4		CV. Ridzki Putra Bungsu	CV. Tunas Inti Pratama	
5		CV. Anaroga	PT. Karya Murni Prima	
6		CV. Tangga batu Permai		

For example, SPK No. 009/Replanting/SNP-AWE-LBE/VI/2018 dated 29 June 2018 between PT Sandika Nata Palma and PT Roswell for replanting activities in the AWE, PJE, and LBE areas with a validity period of up to 31 December 2021. Those who received revisions and contract extensions through LOA No. O/Ref: 005/MMTC-AWD/VII/2020/Plant until December 2023. In the contract it has included several obligations related to compliance with regulations starting from BPJS participation, use of PPE, SIO ownership, SIM and so on according to applicable law in Indonesia. Indonesia.

Management unit shows PT RKA's Replanting Work Evaluation & Report Card document period of July 2021. Contents of the evaluation of activities carried out are more focused on technical replanting work carried out by PT RKA but have not included evaluation or monitoring related to compliance with regulations (laws) carried out by contractors such as BPJS Payments to RKA Workers, Monthly Wage payments, provision of PPE, ownership of SIO (work permit) for each Operator.

The company has not been able to show sufficient evidence that the fulfilment of the clause as written in contract has been proven to be fulfilled by the concerned third party.

Non-conformities are declared unfulfilled

**Verified by**

NCR No.	:	2020.02	Issued by	:	Haikal Ramadhan Kharismansyah
Date Issued	:	24 July 2020	Time Limit	:	Next Surveillance
NC Grade	:	Minor	Date of Closing	:	17 September 2020
Standard Ref. & Requirement	:	2.2.3 All contracts, including those for FFB supply, contain clauses disallowing child, forced and trafficked labour.			
Evidence observed (filled by auditor):					

Based on the document review, it is known that some activity has been submitted to third parties / contractors, for example for spraying, loose fruit picker, and FFB transport. The relationship between the company and the contractor is stipulated in the Cooperation Agreement that has been agreed by both parties. In the agreement letter shown, for example SPK No26 / PJE / SPK-ATC.MRU / VI / 2020-Spraying but there is no specific clause regarding prohibiting practices involving forced labor and workers from human trafficking

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

The unit of certification has not been able to show sufficient evidence that all cooperation contracts with third parties have their own clauses on prohibiting practices involving forced labor and workers from trafficking in persons

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

So far, the prohibition of involving child labor, the practice of forced labor and the use of workers from human trafficking has only been conveyed orally in every socialization of human rights policies and the Code of Conduct.

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

Provide specific understanding on the prohibition of involving child labor, forced labor and workers from human trafficking to contractors. In addition, the contractor is required to sign the Code of Business Ethics and the Vendor Integrity Plaque which has prohibited the involvement of child labor, forced labor and workers from human trafficking.

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

Make an appointment from the Office of the Area Controller which requires all units that each submission of a Contract or contract extension so that all contractors can understand the Vendor Code of Business Ethics document and the Vendor Integrity Plaque document and must be signed by the contractor.

**Assessor Evaluation and Conclusion (filled by auditor):**
**Verification on 17 September 2020**

The company shows evidence of improvement in the form of:

1. Socialization to five representatives of the contractor regarding the fulfilment of the law dated August 21, 2020 held at Pelanjau Estate.
2. Letter number COBC-V / 035 / SPO / IX / 2020 dated 19 September 2020 from the Marau Area Controller regarding the obligation to include clauses on compliance with relevant laws in each agreement letter and the obligation to sign the Contractor's Code of Business Ethics
3. Annex of the Vendor Code of Business Conduct Minamas Plantation, among others, states the protection of children and the elimination of child labor and the eradication of exploitation including forced labor and human trafficking
4. VIP (Vendor Integrity Pledge) signatories, for example by CV Adnan Jaya

**Auditor Conclusion**

Based on root cause analysis, correction, and corrective action of non-conformities are declared comply

<b>Verified by</b>	<b>Haikal Ramadhan Kharismansyah</b>
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<b>NCR No.</b>	<b>2020.03</b>	<b>Issued by</b>	<b>Moh Arif Yusni</b>
<b>Date Issued</b>	<b>24 July 2020</b>	<b>Time Limit</b>	<b>02 October 2020</b>
<b>NC Grade</b>	<b>Major</b>	<b>Date of Closing</b>	<b>29 September 2020</b>

<b>Standard Ref. &amp; Requirement</b> :	<p><b>3.8.5 Documented Procedures</b>          The mill shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:</p> <ol style="list-style-type: none"> <li>Complete and up to date procedures covering the implementation of all elements of the supply chain model requirements</li> <li>Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records)</li> <li>Identification of the role of the person having the overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the mill's procedures for the implementation of this standard.</li> <li>The mill shall have documented procedures for receiving and processing certified and non-certified FFB's including ensuring no contamination in the IP mill.</li> </ol>
	<p><b>Evidence observed (filled by auditor):</b>          Based on documents verifications Lembiru Mill have a written procedures and/or work instructions or equivalent to ensure the implementation of SCCS, that described in the Manual SCCS Manual RSPO SCCS SCCS-Std/RSPO/PSQM/02, dated 02 January 2018, however based on review it was known if:</p> <ol style="list-style-type: none"> <li>It still contains references to the RSPO Supply Chain Certification Standard 2017 and has not used the latest standards</li> <li>Acceptance of FFB, in the FFB acceptance procedure, the mechanism for receiving certified and non-certified products from suppliers. The SCCS procedure that is owned by the company has not been explained about             <ul style="list-style-type: none"> <li>Mechanisms and implementation in the field related to the separation of FFB from areas that are RSPO certified and uncertified, especially in blocks whose areas are divided between certified or uncertified areas</li> <li>Method of recording / documenting receipt of certified and uncertified FFB at Pelanjau Estate</li> </ul> </li> <li>Regarding Registration of Transactions, which has not regulated Shipping Announcement with a maximum time limit of not more than three months from dispatch</li> </ol> <p><b>Non-Conformance Description (filled by auditor):</b>          Not all elements in supply chain implementation have been covered in the RSPO Supply Chain Procedure.</p>
	<p><b>Root Cause Analysis (filled by organization audited)</b>          There is a transition period caused by the PIC that has been designated to be responsible in the implementation of SCCS has resigned.</p>
	<p><b>Correction (filled by organization audited):</b>          Appoint a new PIC to coordinate with other areas to update and revise supply chain procedures following the new standards.</p>
	<p><b>Corrective Action (filled by organization audited):</b>          Scheduling socialize the SOP to related parties directly at the end of September 2020.</p>
	<p><b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Verifikasi 16 September 2020</b>          The certification unit can show corrective evidence in the form of:</p>

- Revised RSPO SCCS Manual - RSPO Supply Chain Certification Standard SCCS-std / RSPO / PSQM / 03 rev 03 dated 14 August 2020 which described:
- Using the latest standards (Indonesian National interpretation 2020)
- Registration of Transactions, which regulates Shipping Announcement with a maximum time limit no more than three months from dispatch.
- Letter of appointment of officers / personnel responsible for handling SCCS, namely PSQM Assistant and Head of administration of LBF in accordance with letter No SCCS.u / 041 / SPO / IX / 20 concerning the appointment of PT SNP's PIC SCCS dated 27 August 2020,

Regarding the evidence of improvement sent, the discrepancy in this indicator has not been fulfilled because. The SCCS procedure which is owned by the company has not explained about

- Mechanisms and implementation in the field related to the separation of RSPO certified and uncertified FFB, especially in blocks whose area is divided in two between certified or uncertified areas
- Method of recording / documenting receipt of certified and uncertified FFB at Pelanjau Estate.

### Verification 26 September 2020

The unit of certification present corrective evidence as follows:

- Letter from the Area Controller dated 17 September 2020 to PSQM Marau regarding the Registration and Marking of RSPO Certified FFB Products at Pelanjau Estate. In the letter, it is explained that in relation to the separation of FFB originating from blocks whose areas are divided between certified and non-certified areas, so that the production is calculated according to the percentage of HGU area in the block.
- Identification of areas / blocks whose area is divided into two (certified and uncertified) in Pelanjau Estate, namely:

Data field blok

DATA FIELD BLOK PJE - NON RSPO											
DIVISI 1				DIVISI 2				DIVISI 3			
REBLOCKING (DATA BARU)				REBLOCKING (DATA BARU)				REBLOCKING (DATA BARU)			
FIELD	NO	LUAS	BLOK	FIELD	NO	LUAS	BLOK	FIELD	NO	LUAS	BLOK
97A406	71.38	A20	22.73	97C406	72.48	C20	24.35	98D407	75.88	D23	26.35
		A19	26.41			C19	25.67			D22	25.31
		A18	22.24			C18	22.46			D21	24.21
97A405	49.31	A17	26.33	97C405	58.64	C17	25.33	98D406	67.96	D20	23.29
		A16	22.98			C16	25.31			D19	23.49
97B406	73.07	B20	24.08	98C404	48.08	C15	24.60			D18	21.18
		B19	26.55			C14	23.48				
		B18	22.45			E15	11.31				
97B405	50.92	B17	25.89	98E403	45.96	E14	11.62				
		B16	25.03			E13	10.75				
98A404	48.56	A15	24.34			E12	12.18				
		A14	24.22								
98A403	45.53	A13	24.26								
		A12	21.27								
98B404	65.05	B15	19.72								
		B14	17.91								
		B13	10.69								
		B12	16.73								
99A402	59.62	A11	26.60								
		A10	26.52								
		A09	6.49								

DATA FIELD BLOK PJE - RSPO											
DIVISI 1				DIVISI 2				DIVISI 3			
REBLOCKING (DATA BARU)				REBLOCKING (DATA BARU)				REBLOCKING (DATA BARU)			
FIELD	NO	LUAS	BLOK	FIELD	NO	LUAS	BLOK	FIELD	NO	LUAS	BLOK
99A401	64.74	A08	13.68	98C403	42.21	C13	21.44	98E407	36.74	E23	11.53
		A07	26.73			C12	20.77			E22	12.59
		A06	24.33	98D404	44.70	D15	24.00			E21	12.62
99B402	78.91	B11	26.55			D14	20.70	98D405	47.57	D17	24.31
		B10	26.16	98D403	44.84	D13	20.97			D16	23.26
		B09	26.28			D12	23.87	98E405	54.34	E20	11.89
99B401	77.51	B08	25.15	17D402	69.35	D11	21.54			E19	6.86
		B07	26.94			D10	23.89			E18	9.28
		B06	25.43			D09	23.92			E17	10.93
				17D401	71.16	D08	24.60			E16	15.36
						D07	23.66	98G010	50.19	G31	25.54
						D06	22.90			G30	24.65
				17E401	34.66	E11	8.26	98G009	47.36	G29	26.18
						E07	10.32			G28	21.18
						E06	16.08	98H010	48.28	H31	24.94
				98C402	77.26	C11	28.79			H30	23.34
						C10	23.02	18H009	41.89	H29	23.41
						C09	25.46			H28	18.48
						C08	24.76	18B010	49.49	I31	25.72
				98C401	77.29	C07	26.47			I30	23.77
						C06	25.97	18B009	47.61	I29	24.17
										I28	23.43
								01F409	30.80	F31	5.87
										F30	6.93
										F29	9.53
										F28	8.47
								01F408	52.54	F27	10.74
										F26	13.16
										F25	15.54
										F24	13.10

- Evidence of socialization documentation to weigh bridge operators at the mill

Regarding corrective evidenced sent the non-conformity of this indicator is declared unfulfilled, in the PNC RSPO the certification unit is required to be able to show evidence of traceability FFB from RSPO certified and non certified area, so it is not allowed to calculate proportionally according to the percentage of area.

**Verification 29 September 2020**

The unit of certification can present corrective evidence as follows:

- **Letter from the Letter from the Area Controller dated 29 September 2020 to PSQM Marau, Pelanjau Estate Mine Manager, and Lembiru Factory manager** regarding the Registration and Marking of RSPO Certified FFB Products at Pelanjau Estate. On that's letter described to facilitate traceability of **Certified and Non Certified RSPO FFB, fields which is crossed / bordered by the HGU line or is deemed uncertified for its FFB. With the publication of this letter, the letter dated 17 September 2020 regarding the Recording and Marking of RSPO Certified FFB Products at Pelanjau Estate is no longer valid.**
- Identification of areas / blocks whose area is divided into two (certified and uncertified) in Pelanjau Estate, namely:

## DATA FIELD NON CERTIFIED

DIVISI 1			DIVISI 2			DIVISI 3		
REBLOCKING (DATA BARU)			REBLOCKING (DATA BARU)			REBLOCKING (DATA BARU)		
FIELD	BLOK		FIELD	BLOK		FIELD	BLOK	
NO	NO	LUAS	NO	NO	LUAS	NO	NO	LUAS
97A406	A20	22,73	97C406	C20	24,35	98D407	D23	26,35
	A19	26,41		C19	25,67		D22	25,31
	A18	22,24		C18	22,46		D21	24,21
97A405	A17	26,33	97C405	C17	25,33	98D406	D20	23,29
	A16	22,98		C16	25,31		D19	23,49
98A404	A15	24,34	98C404	C15	24,60	98E407	D18	21,18
	A14	24,22		C14	23,48		E23	11,53
98A403	A13	24,26	98C403	C13	21,44		E22	12,59
	A12	21,27		C12	20,77		E21	12,62
99A402	A11	26,60	98C402	C11	28,79	98D405	D17	24,31
	A10	26,52		C10	23,02		D16	23,26
	A09	6,49		C09	25,46	98E405	E20	11,89
99A401	A08	13,68	98D404	D15	24,00		E19	6,88
	A07	26,73		D14	20,70		E18	9,28
	A06	24,33	98D403	D13	20,97		E17	10,93
97B406	B20	24,08		D12	23,87		E16	15,36
	B19	26,55						
	B18	22,45						
97B405	B17	25,89						
	B16	25,03						
98B404	B15	19,72						
	B14	17,91						
	B13	10,69						
	B12	16,73						
99B402	B11	26,55						
	B10	26,16						
	B09	26,20						
99B401	B08	25,15						
	B07	26,94						
	B06	25,43						

## DATA FIELD BLOK CERTIFIED

DIVISI 2			DIVISI 3		
REBLOCKING (DATA BARU)			REBLOCKING (DATA BARU)		
FIELD	BLOK		FIELD	BLOK	
NO	NO	LUAS	NO	NO	LUAS
98E403	E15	11,31	98G010	G31	25,54
	E14	11,62		G30	24,65
	E13	10,75	98G009	G29	26,18
	E12	12,18		G28	21,18
17D402	D11	21,54	98H010	H31	24,94
	D10	23,89		H30	23,34
	D09	23,92	18H009	H29	23,41
17D401	D08	24,60		H28	18,48
	D07	23,66	18I010	I31	25,72
	D06	22,90		I30	23,77
17E401	E11	8,26	18I009	I29	24,17
	E07	10,32		I28	23,43
	E06	16,08	01F409	F31	5,07
98C401	C08	24,76		F30	6,93
	C07	26,47		F29	9,53
	C06	25,97		F28	8,47
01F408	F27	10,74			
	F26	13,16			
	F25	15,54			
	F24	13,10			

Regarding the corrective evidence that presented, the nonconformity in this indicator declared closed and will be further verified during the field assessment

**Verified by** : **Moh Arif Yusni**

<b>NCR No.</b>	<b>:</b>	<b>2020.04</b>	<b>Issued by</b>	<b>:</b>	<b>Radytio Puspanjana</b>
<b>Date Issued</b>	<b>:</b>	<b>24 July 2020</b>	<b>Time Limit</b>	<b>:</b>	<b>Next ASA</b>
<b>NC Grade</b>	<b>:</b>	<b>Critical / Major</b>	<b>Date of Closing</b>	<b>:</b>	
<b>Standard Ref. &amp; Requirement</b>	<b>:</b>	<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>Evidence observed (filled by auditor):</b> The company shown LUCA progress, by SDP LUCA Report Review Status document a explain: <ul style="list-style-type: none"> <li>• Final conservation liability 62,65 Ha.</li> <li>• LUCC checklist/ clarification required date 4 January 2019.</li> <li>• Status revert to RSPO date 8 April 2019.</li> <li>• Report review received from RSPO date 31 October 2019.</li> <li>• Status reverts to RSPO date 21 February 2020.</li> <li>• Until the ASA 1.1 audit Pending LUCA review report from RSPO reviewer.</li> </ul>					
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show evidence that the RaCP compensation plan has been approved by the RSPO because LUCA still Pending LUCA review report from RSPO reviewer.					
<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>Verification 28 September 2020</b> The unit of certification can present an email from RSPO dated 25 September 2020, who described "Following your email dated 21 September and after reviewing the current LUCA progress, we agreed to allow the NC to remain open until the next Surveillance audit". Based on the explanation above the time limit of this non-conformity are changed being next surveillance audit  <b>Verification 25 Maret 2022</b> Management unit has been shown an email from RSPO on 18 February 2022 which state that The review process of the LUCA status of PT Budidaya Agro Lestari is still in progress with email details as follows down below:  <i>Dear Pak Alagendran,</i>  <i>First of all, thank you for being patient with us.</i> <i>After reviewing your request and doing some internal checking within our team, herewith our response to you.</i>  <i>We take consideration to provide a Conditional Approval as referring to the previous Advisory Note that we had provided to you before. This considering that the Advisory Note was given for the first case that came to us, and</i>					



*when the continuation of the previous approval for the similar case, we only give you through the conditional approval.*

*Now, this Conditional Approval would only be given for those Management Units that have been certified before to allow the Company to complete the RaCP process and continue the Annual Surveillance Assessment (ASA) and/or Recertification. And this will only be valid until the next 6 months from the date of this email. From time to time, we will review all the progress and status of the Certification and RaCP process for the particular certified management units, and we may revoke this conditional approval if any issues happen that may heavily threaten the integrity of RSPO standard requirements.*

*While for the uncertified management units, The Initial Certification audit may be conducted, but the Certificates can only be issued when the completion of the RaCP Process (i.e approval of Compensation and Remediation Plans) is approved by the Compensation Panel.*

*The following, extracted from our Sales Force database (as per last week), is the list of all Management Units under your Sime Darby Operation in Indonesia with detailed status of Certification and RaCP process.*

Based on the explanation above this non-conformity is still allowed to remain **OPEN** until the next assessment.

<b>Verified by</b>	<b>:</b>	<b>Bayu Yogatama</b>
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**3.4.3. Identification of Findings, Corrective Actions and Opportunity for Improvement and Noteworthy Positive Components at On-site Audit ASA 1.1, ASA 1.2, ASA 1.3**

<b>NCR No.</b>	<b>: 2022.01</b>	<b>Issued by</b>	<b>: Septian Maulana</b>
<b>Date Issued</b>	<b>: 25 March 2022</b>	<b>Time Limit</b>	<b>: 23 June 2022</b>
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 29 April 2022</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 3.6.2</b> <b>The effectiveness of the H&amp;S plan to address health and safety risks to people is monitored</b>		

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

In the H&S procedures and guidelines owned by the company, containing this follow information:

- TQEM Field Assistant Work Guidelines Number 721/TQEM-PKA/08 dated 12 June 2008 include this following information:
  - H&S implementation checks are carried out once a month
  - Checking the condition of H&S equipment (fit/not suitable for use) and the use of H&S equipment (used/not used)
  - Availability checking of active fire protection equipment (Alarm, APAR, Hydrant, Sprinkler) and first aid kit
- PT Sandika Natapalma's company occupational health and safety development committee program in 2022, explains:
  - Minimize the occurrence of work accidents
  - Mnimize the occurrence of spills
  - Reduce the potential for snake attacks and land fires; and
  - Preparation of the program the 2023

From the results of field visits and interviews with workers, the following facts were found:

- Incomplete/expired first aid kits and unprepared emergency response facilities
  - Hazardous Temporary Storage at LBF → Found the contents of the first aid kit that had expired (Povidon Iodine, alcohol, aquades, etc.)
  - Daycare at LBE → found the contents of the first aid box that had expired (alcohol).
  - Fertilizer warehouse at LBE → Fire Extinguisher with the condition that the pressure needle is in red; The monitoring card shows the last inspection was in October 2021
  - Pesticide warehouse at LBE → Body Shower and Eye Wash are not ready to use with low water pressure (takes a while for the water to come out and the water pressure remains low)
- Incomplete Operator License:
  - From the list of employees and interview results, it is known that the Engine Room station consists of 3 shifts and is guarded by 1 operator per shift. A license has been shown for 1 operator while the other 2 operators are still in the training plan (recorded communication via whatsapp application with OHS Service Company regarding the training implementation on March 24, 2022 and price quote from OHS Service Company number 296/IFI-K3/2022/PNK on 25 March 2022 as approved by Area Controller)
  - Based on the results of the field visit, it was found that the Engine Room Station operator did not come to work and his duties were replaced by the foreman, but the foreman did not yet have an SIO/Genset Operator License, so the equipment was operated by an unlicensed operator.

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

The company has not been able to show sufficient evidence that it has fully implemented the established OHS/H&S plan and has consistently monitored and evaluated the effectiveness of the plan.

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

- The contents of the first aid kit at LBF were found which had expired due to negligence
- The engine station operator at LBF who was licensed that day was unable to enter because of an accident, so at that time a foreman on behalf of Kusnadi was appointed to replace him with the consideration that the foreman had experience in engine room operations and had already received an Operator License for Generator Operators, but currently the Operator License is no longer available. active again as of May 2021 and in the process of managing an extension
- Lack of control carried out by warehouse officers related to the readiness of facilities and infrastructure

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

- LBE & LBF Team Complete the first aid kit monitoring documents
- The LBE team has replaced the expired first aid kit (Alcohol)
- The LBE team has replaced it with a new fire extinguisher
- LBE Team Re-organize OHS Committee meetings and complete the minutes of the meetings.
- LBE & LBF Team Issued a warning letter to the first aid officer for his negligence.
- LBF has submitted an extension and a new Operator License submission for the generator engine room operator.
- The LBE team repaired the water installation for Body Shower and eye wash and it is ready for use. As a control, weekly monitoring is made which is filled in by the warehouse officer (User Check List).

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

- The LBE Team Re-trained the PIC for monitoring the first aid kit and firefighters (Safety Officer) by OHS General Experts.
- The LBE Team makes a schedule for checking the first aid kit and fire extinguisher which is carried out by the Safety Officer every month, accompanied by an inspection report (report to OHS General Experts).
- The Safety Officer will monitor the existing Operator License status at LBF either for an extension of the active period or new submissions for each station that does not yet have an Operator License.
- OHS General Experts re-do refresh training to Pesticide Warehouse Officers related to safety facilities in the Pesticide Warehouse area, how to use them and document control or monitoring that is carried out on a weekly basis. Monthly monitoring will be carried out by the Safety Officer.
- Corrective actions related to the persistence of inconsistencies in the implementation of OHS in each unit will be evaluated by the OHS Committee team. The evaluation is stated in the OHS program. The RSQM team will conduct an assessment and monitoring of the OHS program. The RSQM team will also assist in the evaluation so that the implementation of the OHS program can run well and achieve the goals desired by management.

**Assessor Evaluation and Conclusion** *(filled by auditor):*
**Verification on April 16, 2022**

The unit of certification has identified root cause analysis and corrective actions, in addition to showing evidence of improvement including:

- Proof of purchase and renewal of first aid kit items.
- extinguisher replacement
- Identify the training needs of prospective licensed operators

Unit of Certification not yet inform about:

- The readiness of Body Shower and Eye Wash
- Establish P2K3 program or the OHS program

**Auditor's Conclusion:**

Based on the results of the verification of the identification of the root problem analysis and corrective actions as well as the evidence of improvement shown, **the non-conformance is declared unfulfilled.**

**Verification on April 29, 2022**

The company shows additional evidence of improvements in the form of:

- ESH checklist which includes checking BSS, BMS, and the readiness of infrastructure
- Eye wash maintenance and checking training on January 6, 2022 for warehouse staff

**Auditor's Conclusion:**

Based on the root cause analysis, corrections, and corrective actions for **non-conformities are declared fulfilled**

**Verified by** : **Septian Maulana**

<b>NCR No.</b>	<b>: 2022.02</b>	<b>Issued by</b>	<b>: Haikal Ramadhan Kharismansyah</b>
<b>Date Issued</b>	<b>: 25 March 2022</b>	<b>Time Limit</b>	<b>: 23 June 2022</b>
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 29 April 2022</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 3.8.9 (C)</b> <b><u>Outsourcing Activities</u></b> <b>i. The mill shall not outsource its milling activities. In cases where the mill outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the mill holding the certificate shall ensure that the independent third party complies with relevant requirements of the RSPO Supply Chain Certification.</b> <b>ii. The mill shall ensure the following:</b> <b>a) The mill has legal ownership of all input material to be included in outsourced processes</b> <b>b) The mill has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the mill to ensure that the certification body (CB) has access to the outsourcing contractor or operation if an audit is deemed necessary.</b> <b>c) The mill has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor</b> <b>d) The mill shall furthermore ensure (e.g through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited Cbs to their respective operations, systems, and all information, when this announced in advance.</b>		
<b>Evidence observed (filled by auditor):</b> <ul style="list-style-type: none"><li>- Based on the list of LBF contractors, it is known that there is a cooperation agreement to transport CPO and PK to bulking with CV Trans Pilar Tiga and CV Anugrah Putra Sejati.</li><li>- It has been shown that Agreement Letter No.001/Transportation Services/SNP-LBF/II/2022 dated 03 January 2022 with CV Trans Pilar Tiga and SPK No.002/Jasa Transport/SNP-LBF/II/2022 valid until 2022.</li><li>- The Agreement Letter has not provided information regarding CB access to contractors or operators conducting outsourcing in the event that an audit is required.</li></ul>			
<b>Non-Conformance Description (filled by auditor):</b>			

<p>The company has not been able to show sufficient evidence that the work agreement with contractor has ensured that CB has access to the contractor or operator who performs the outsourcing in the event that required in audit.</p>	
<p><b>Root Cause Analysis</b> <i>(filled by organization audited):</i>          Inconsistency in the SPK so that in writing it has not been included in the agreement clause</p>	
<p><b>Correction</b> <i>(filled by organization audited):</i>          Revise the SPK by adding a clause stating that the CB has access to audit contractors</p>	
<p><b>Corrective Action</b> <i>(filled by organization audited):</i>          The company will verify the SPK before it is issued or updated, while the verification stage is carried out by the Manager, Area controller, CEO and Director.</p>	
<p><b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i></p> <p><b>Verification April 18, 2022</b>          The company provides evidence of improvements in the form of:</p> <ol style="list-style-type: none"> <li>1. Transport Service Agreement No. 001/Jasa Transportation/SNP-LBF/I/2022 dated 03 January 2022 with CV Trans Pilar Tiga and No. 001/Jasa Transport/SNP-LBF/I/2022 with CV Anugrah Putra Sejati for transportation of PK and CPO</li> <li>2. In article 7 of the SPK, a clause has been written stating that the CB has access to audit contractors if necessary</li> </ol> <p><b>Auditor Conclusion:</b>          Additional information is still needed in the root cause analysis section and corrective actions so that non-conformities are declared unfulfilled</p> <p><b>Verification April 29, 2022</b>          The company has provided additional information in the corrective action section so that the non-conformity is declared to have been comply</p>	
<b>Verified by</b>	: Haikal Ramadhan Kharismansyah

<b>NCR No.</b>	: 2022.03	<b>Issued by</b>	: Haikal Ramadhan Kharismansyah
<b>Date Issued</b>	: 25 March 2022	<b>Time Limit</b>	: 23 June 2022
<b>NC Grade</b>	: Major	<b>Date of Closing</b>	: 13 June 2022
<b>Standard Ref. &amp; Requirement</b>	3.8.12 (C) <u>Record Keeping</u> <ol style="list-style-type: none"> <li>ii. The mill shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of this RSPO Supply Chain Certification Standard requirements.</li> <li>iii. Retention times for all records and reports shall be a minimum of two (2) years and shall comply with relevant legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.</li> <li>iv. For Identity Preserved Module, the mill shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.</li> <li>v. For Mass Balance Module, the mill:</li> </ol>		

- a) Shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and/ or three-monthly basis.
- b) All volumes of certified CPO and PK that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.
- c) The mill can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a mill is allowed to sell short (i.e. product can be sold before it is in stock).

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

Lembiru Factory Mass Balance data for the period July 2019 – February 2022 for CSPK obtained the following information:

Period	PK production (MT)		Total	Cert PK Dispatch (MT)			PK Dispatch (Non-Cert)	Total	Stok PK	
	Cert	Non Cert		RSPO	Other scheme	Non-Cert			Certified	Non Cert
opening stock	807.03									
Jul-19	496.35	528.09	1,024.44						1,303.38	528.09
Aug-19	472.99	527.19	1,000.18						1,776.37	1055.27
Sep-19	453.67	508.31	961.98						2,230.04	1563.58
Oct-19	472.89	490.68	963.57						2,702.93	2054.26
Nov-19	417.39	415.36	832.75				1200		3,120.32	1269.62
Dec-19	354.63	378.00	732.63	1200.11				1200.11	2,274.84	1647.62
Jan-20	305.22	356.33	661.55				1,000.01		2,580.06	1003.94
Feb-20	227.00	295.10	522.10						2,807.06	1299.04
Mar-20	214.30	333.33	547.63	992.23				992.23	2,029.13	1632.38
Apr-20	263.33	350.79	614.12	800.02				800.02	1,492.44	1983.17
May-20	224.40	343.85	568.25	1044.11				1044.11	672.73	2327.02
Jun-20	215.32	320.00	535.32						888.05	2647.02
Jul-20	146.37	216.97	363.34	656.98				656.98	377.44	2863.99
Aug-20	199.84	301.25	501.09						577.28	3165.24
Sep-20	283.59	409.49	693.08	343.02			32	343.02	517.85	3542.73
Oct-20	441.89	543.15	985.04						959.74	4085.87
Nov-20	469.87	581.80	1,051.67	1014.99				1014.99	414.62	4667.67
Dec-20	503.11	648.28	1,151.39						917.73	5315.96
Jan-21	384.86	527.83	912.69				1,000.00		1,302.59	4843.79
Feb-21	274.33	455.98	730.31				1,013.00		1,576.92	4286.77
Mar-21	349.04	629.94	978.98				929.8		1,925.96	3986.91
Apr-21	332.92	566.81	899.73						2,258.88	4553.72
May-21	287.79	470.58	758.37						2,546.67	5024.30
Jun-21	281.89	457.64	739.53				1,000.04		2,828.56	4481.90

Jul-21	239.47	336.06	575.53						3,068.03	4817.96
Aug-21	225.82	336.81	562.63				600		3,293.85	4554.77
Sep-21	198.15	244.03	442.18	5367.66			1,000.03	5367.66	-1,875.66	3798.77
Oct-21	179.37	239.31	418.68				300		-1,696.29	3738.08
Nov-21	203.13	282.53	485.66						-1,493.16	4020.61
Dec-21	167.18	321.53	488.71	1690.250				1690.250	-3,016.23	4342.14
Jan-22	141.93	406.40	548.33				1,139.17		-2,874.30	3609.37
Feb-22	126.64	389.74	516.38						-2,747.66	3999.11
Closing stock Feb 2022									<b>Stok PK</b>	
<b>Total</b>	<b>9554.68</b>	<b>13213.16</b>		<b>13109.37</b>			<b>9214.05</b>		<b>1,251.41</b>	



From the table above, it can be concluded that there has been a minus stock in PK since September 2021 and up to the next 3 months even though the negative stock has not yet become balanced (positive) CSPK sales have been carried out again in December 2021.

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

The company has not been able to show sufficient evidence that MB sales shipments are from positive stock.

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

An error occurred in the presentation of opening stock data for certified and non-certified stocks, resulting in a minus stock figure in September to December 2021, which should have been in balance. In addition, this is also due to the lack of data verification carried out by the PT.SNP team so that there is no certainty of the validity of the data.

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

The PT.SNP team has corrected the presentation of PK stock calculations for the period July 2019 – February 2022 with the final stock of PK certified being 217.89 MT

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

The company will verify joint data every three months, the team that will verify is the Head of SOU, RSQM, Mill Manager & All Estate Manager, while the verification includes verification of FFB processing reports and verification of palm product data at LBF, DO verification of palm sales products from LBF, verification of sales data from the Logistics team, as well as verifying sales documents and stock information in the palm trace from the marketing team.

**Assessor Evaluation and Conclusion** *(filled by auditor):*
**Verification April 18, 2022**

The company shows proof of improvement in the form of changes to CSPK data made in the basic info form for the period March 2019 - February 2022 with information that there are no sales of PK from negative stock. In order to provide additional evidence as follows:

1. Verify the company's version of 3-month data (Mass Balance Record) for the period July 2019 – Feb 2022 following the license period
2. Clear information regarding the number of certified products produced during July 2019 – February 2022 including opening stock for certified and non-certified products so that information on the number of production and sales can be seen whether sold as certified or uncertified products and actual stock.

**Auditor Conclusion :**

The non-conformance is declared unfulfilled

**Verification April 29, 2022**

The company re-shows the 3-month CSPK calculation as follows:

Period	PK production (MT)		Total	Cert PK Dispatch (MT)			Total	Stok PK	
	Cert	Non Cert		RSPO	Other scheme	Non Cert		Certified	Non Cert
<b>opening stock</b>								<b>1,569.16</b>	<b>771.38</b>
Mar-19	415.82	290.91	706.74	0	0	1,799.99	1,799.99	1,984.98	(737.70)
Apr-19	427.27	374.23	801.50	0	0	-	-	2,412.25	(363.47)
May-19	389.49	403.52	793.02	0	0	800.02	800.02	2,801.74	(759.96)
<b>Total</b>	<b>1,232.58</b>	<b>1,068.67</b>	<b>2,301.25</b>			<b>2,600.00</b>	<b>2,600.00</b>	<b>2,801.74</b>	<b>(759.96)</b>
Jun-19	330.67	284.60	615.27	0	0	1,500.11	1,500.11	3,132.41	(1,975.47)
Jul-19	516.36	508.09	1,024.45	0	0	-	-	3,648.77	(1,467.38)
Aug-19	493.00	507.19	1,000.18	0	0	-	-	4,141.76	(960.20)
<b>Total</b>	<b>1,340.02</b>	<b>1,299.87</b>	<b>2,639.90</b>			<b>1,500.11</b>	<b>1,500.11</b>	<b>4,141.76</b>	<b>(960.20)</b>
Sep-19	473.68	488.31	961.99	0	0	-	-	4,615.44	(471.89)
Oct-19	492.90	470.68	963.58	0	0	-	-	5,108.34	(1.21)
Nov-19	437.39	395.36	832.75	0	0	1,200.00	1,200.00	5,545.73	(805.85)
<b>Total</b>	<b>1,403.97</b>	<b>1,354.34</b>	<b>2,758.31</b>			<b>1,200.00</b>	<b>1,200.00</b>	<b>5,545.73</b>	<b>(805.85)</b>
Dec-19	374.63	358.00	732.64	1200.11	0	-	1,200.11	4,720.26	(447.85)
Jan-20	325.23	336.33	661.56	0	0	1,000.01	1,000.01	5,045.48	(1,111.53)
Feb-20	247.00	275.10	522.10	0	0	-	-	5,292.48	(836.43)
<b>Total</b>	<b>946.86</b>	<b>969.44</b>	<b>1,916.30</b>			<b>1,000.01</b>	<b>2,200.12</b>	<b>5,292.48</b>	<b>(836.43)</b>
Mar-20	234.31	313.33	547.64	992.23	0	-	992.23	4,534.56	(523.10)
Apr-20	283.93	330.79	614.13	800.02	0	-	800.02	4,017.87	(192.30)
May-20	244.41	323.85	568.26	1044.11	0	-	1,044.11	3,218.17	131.54
<b>Total</b>	<b>762.05</b>	<b>967.97</b>	<b>1,730.02</b>			<b>-</b>	<b>2,836.36</b>	<b>3,218.17</b>	<b>131.54</b>
Jun-20	235.33	300.00	535.33	0	0	-	-	3,453.50	431.55
Jul-20	166.37	196.97	363.34	656.98	0	-	656.98	2,962.89	628.52
Aug-20	219.84	281.25	501.09	0	0	-	-	3,182.73	909.77
<b>Total</b>	<b>621.54</b>	<b>778.22</b>	<b>1,399.76</b>			<b>-</b>	<b>656.98</b>	<b>3,182.73</b>	<b>909.77</b>
Sep-20	303.59	389.49	693.08	343.02	0	32.00	375.02	3,143.30	1,267.25
Oct-20	461.89	523.15	985.04	0	0	-	-	3,605.20	1,790.40
Nov-20	489.88	561.80	1,051.68	1014.99	0	-	1,014.99	3,080.08	2,352.20
<b>Total</b>	<b>1,255.36</b>	<b>1,474.43</b>	<b>2,729.80</b>			<b>32.00</b>	<b>1,390.01</b>	<b>3,080.08</b>	<b>2,352.20</b>
Dec-20	523.12	628.28	1,151.40	0	0	-	-	3,603.20	2,980.48
Jan-21	404.86	507.83	912.70	0	0	1,000.00	1,000.00	4,008.07	2,488.32
Feb-21	294.34	435.98	730.32	0	0	1,013.00	1,013.00	4,302.40	1,911.30
<b>Total</b>	<b>1,222.32</b>	<b>1,572.10</b>	<b>2,794.42</b>			<b>2,013.00</b>	<b>2,013.00</b>	<b>4,302.40</b>	<b>1,911.30</b>
Mar-21	369.05	609.94	978.99	0	0	929.80	929.80	4,671.45	1,591.44
Apr-21	352.93	546.81	899.73	0	0	-	-	5,024.37	2,138.25
May-21	307.80	450.58	758.38	0	0	-	-	5,332.17	2,588.82
<b>Total</b>	<b>1,029.77</b>	<b>1,607.33</b>	<b>2,637.10</b>			<b>929.80</b>	<b>929.80</b>	<b>5,332.17</b>	<b>2,588.82</b>
Jun-21	301.89	437.64	739.53	0	0	1,000.04	1,000.04	5,634.06	2,026.42
Jul-21	259.48	316.06	575.54	0	0	-	-	5,893.54	2,342.48
Aug-21	245.83	316.81	562.64	0	0	600.00	600.00	6,139.37	2,059.30
<b>Total</b>	<b>807.20</b>	<b>1,070.52</b>	<b>1,877.71</b>			<b>1,600.04</b>	<b>1,600.04</b>	<b>6,139.37</b>	<b>2,059.30</b>
Sep-21	218.15	224.03	442.18	5367.66	0	1,000.03	6,367.69	989.86	1,283.29
Oct-21	199.37	219.31	418.68	0	0	300.00	300.00	1,189.23	1,202.60
Nov-21	223.14	262.53	485.67	0	0	-	-	1,412.37	1,465.13
<b>Total</b>	<b>640.66</b>	<b>705.87</b>	<b>1,346.53</b>			<b>1,300.03</b>	<b>6,667.69</b>	<b>1,412.37</b>	<b>1,465.13</b>
Dec-21	187.19	301.53	488.72	1690.25	0	-	1,690.25	(90.69)	1,766.66
Jan-22	161.94	386.40	548.34	0	0	1,139.17	1,139.17	71.25	1,013.89
Feb-22	146.65	369.74	516.38	0	0	-	-	217.89	1,383.63
<b>Total</b>	<b>495.77</b>	<b>1,057.67</b>	<b>1,553.44</b>			<b>1,139.17</b>	<b>2,829.42</b>	<b>217.89</b>	<b>1,383.63</b>
<b>Closing stock Feb 2022</b>								<b>217.89</b>	<b>1,383.63</b>
<b>Total</b>	<b>11,758.11</b>	<b>13,926.43</b>	<b>25,684.53</b>	<b>13,109.37</b>	<b>-</b>	<b>13,314.17</b>	<b>26,423.54</b>	<b>217.89</b>	<b>1,383.63</b>

Referring to the results of these calculations, there is the following information:

- CSPK (Certified Sustainable Palm Kernel) production from March 2019 – Feb 2022 is 11,758.11 MT
- Sales of CSPK as a certified product is 13,109.37 MT
- Sales of CSPK as uncertified product is 13,314.17 MT

- So that the total sales of CSPK both as certified and uncertified products is 26,423.54 MT (As the last communication mentioned actually written in the Non Certified CSPK dispatch column is a combination of CSPK and PK sold as uncertified products)

Thus, in order to show again:

1. Separation of calculations where CSPK is sold as non-certified product and which CSPK is sold as certified product
2. The updated calculation of the mill version of MB records as when onsite is carried out

**Auditor Conclusion :**

The non-conformance is declared unfulfilled.

#### **Verification June 13, 2022**

The company shows Final Mass Balance data on June 4, 2022, from which the following information was obtained:

- CSPK production for the period March 2019 – Feb 2022 = 11,758.11 MT
- Production of Non Cert PK for the period March 2019 – Feb 2022 = 13,926.43 MT
- Sales of CSPK as RSPO product = 13,109.37 MT

From the data above it is known that:

1. CSPK production < compared to sales of claims as certified PK (Production 11,758.11 sales 13,109.37 MT) → difference 1,351.26 MT
2. There is an opening stock of 1,569.16 MT from the previous period. If the opening stock is added to the minus stock then the CSPK stock is still positive (1,569.16 MT – (1,351.26 MT) = 217.89 MT

#### **Auditor Conclusion**

Based on the root cause analysis, corrections, and corrective actions for non-conformances are declared to have been fulfilled

<b>Verified by</b>	<b>:</b>	<b>Haikal Ramadhan Kharismansyah</b>
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<b>NCR No.</b>	<b>:</b>	<b>2022.04</b>	<b>Issued by</b>	<b>:</b>	<b>Helma Namira</b>
<b>Date Issued</b>	<b>:</b>	<b>25 March 2022</b>	<b>Time Limit</b>	<b>:</b>	<b>Next Surveillance</b>
<b>NC Grade</b>	<b>:</b>	<b>Minor</b>	<b>Date of Closing</b>	<b>:</b>	
<b>Standard Ref. &amp; Requirement</b>	<b>:</b>	<b>7.3.2</b> <b>Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.</b>			
<b>Evidence observed (filled by auditor):</b>					
<b>1. Hazardous Waste Recording and Classification</b>					
<ul style="list-style-type: none"><li>Regulation of the Minister of Environment and Forestry No. 6 of 2021 concerning Procedures and Requirements for Management of Hazardous and Toxic Waste, Article 79 paragraph 1, and Permit Documents for Temporary disposal of Hazardous Waste (TPS LB3) of PT Sandika Natapalma No. 441/DPMPTSP-D.B/2018, and Permit Documents for Temporary disposal of Hazardous Waste (TPS LB3) of PT Budidaya Agro Lestari No. 440/DPMPTSP-D.B/2018, <b>In the fourth dictum</b>, it is known that the maximum storage period for hazardous and toxic waste is as follows:<ul style="list-style-type: none"><li><b>90</b> (ninety) days since since hazardous waste generated → for hazardous waste produced more than 50 kg (fifty kilograms) per day or more;</li><li><b>180</b> (one hundred eighty) days since since hazardous waste generated→ for hazardous waste produced less than 50 kg (fifty kilograms) per day for hazardous waste category 1</li></ul></li></ul>					

- **365** (three hundred sixty five ) days since since hazardous waste generated→ for hazardous waste produced less than 50 kg (fifty kilograms) per day for hazardous waste category 2 from spesific source and general-specific source
- **365** (three hundred sixty five ) days since since hazardous waste generated → for hazardous waste produced less than 50 kg (fifty kilograms) per day for hazardous waste category 2 from special-specific source
- Based on hazardous waste report of PT Sandika Natapalma and PT Budidaya Agrolestari, it is known that the recording of the waste category in the Hazardous Waste Logbook is not consistent with the results of the identification of the hazardous waste category.for example :
  - In hazardous waste report quarter IV of PT Budidaya Agro Lestari for hazardous waste's type for the type of used Hazardous Waste packaging waste with waste Code B104d, it is identified as hazard category 2, but in the logbook, it is included as hazard category 1.
  - In the Hazardous Waste logbook at Hazardous Waste Warehouse of PT Sandika Natapalma and PT Budidaya Agro Lestari for the period January 2021 to March 2022, it is known that the shelf life of Hazardous Waste Category 1 is written 360 days.
  - There is no hazardous waste logbook from each estate (AWE & LBE). The recording is only contained in the hazardous waste handover report when it is sent from the Hazardous Waste Warehouse Satellite to a licensed Hazardous Waste Warehouse.
  - In addition, there is also no procedure/mechanism that regulates the storage period and delivery time of hazardous wwaste from the entire company area (Hazardous Waste Warehouse Satellite) until it is sent to a licensed Hazardous Waste Warehouse, so the original shelf life cannot be ascertained from the first time the waste is generated.

## 2. Storage and use of hazardous waste for other purposes

- Found several Used Oil Drums at the Awatan Estate Genset House which were stored in inappropriate places. The condition of the Used Oil Drum found was not in accordance with the company's procedures as stated in the SOP for the Management of Hazardous Waste and Nonhazardous Waste belonging to Minamas Plantation dated June 8, 2009, which is in point 5.1.2. related to procedures for storing hazardous waste. The condition of the Used Oil Drum is rusty, not placed in a block system, not coated/placed on a pallet.
- It was found that Pertamina's drums were used as water storage at Pelanjau Estate
- In the LBE warehouse, traces of pesticide packaging were found which were stored close to the bathroom

## 3. Domestic waste management

- In the SOP for the Management of Hazardous Waste and Non-hazardous Waste dated June 8, 2009, it is known that the procedure for managing domestic waste in the form of organic and non-organic waste has been separated is **sent to a designated landfill**.
- The results of field visits to LBE and AWE revealed that landfill waste management is in an open disposal system and is not stockpiled. In addition, there is no clear information on how to manage domestic waste from the first time it is produced to management in landfills (if full, location plans, etc.)

## 4. Land Aplication Condition

- The results of field observations in Division 1, Block K42 Lembiru Estate, found that the application land flatbed was in a state of disrepair, experiencing siltation due to sedimentation, and was overgrown with weeds as a whole.
- There has been no justification or other information regarding the management of the Land Application so far.

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

The company has not been able to show sufficient evidence that waste disposal has been carried out according to procedures and is fully understood by workers and managers.

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

<b>Correction</b> <i>(filled by organization audited):</i>	
<b>Corrective Action</b> <i>(filled by organization audited):</i>	
<b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i>	
<b>Verified by</b>	:

**3.4.4. Opportunity for Improvement**

No	Ref. Std.	Description
1	6.2.7	<p><b>Permanent, full-time employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal.</b></p> <p>Based on document review and interview with management representatives, it is known that there's still casual, temporary and day labour at AWE, PJE, and LBE. Even for harvest work, maintenance, fertilizer, spray and or other work. The program management said that the appointment of PKWT (temporary worker) to SKU/PKWTT (permanent worker) was in process and for now, it was prioritized for harvesters. The management unit (PJE, AWE, LBE) shows evidence of the process of appointing harvested PKWT to SKU which is in process and is still waiting for a response from HRM. As an example of a letter from LBE to the CEO of Upstream Indonesia on January 6, 2022 No. 001/PT.SNP-LBE/HRM/I/2022 dated January 6, 2022 application for appointment of 21 harvested PKWTs to become SKUs</p> <p>Thus, the company has the opportunity to ensure the progress of the appointment of all PKWT workers who carry out their main work to become PKWTT in accordance with the established timeline.</p>
2	7.2.7	<p><b>Storage of all pesticides is in accordance with recognized best practices.</b></p> <p>In the Pesticide and Management Procedure number 18/PTSNP/2012, it explains that pesticides must be stored in a safe place (locked warehouse), separate from fertilizers, food ingredients, and water sources.</p> <p>Based on the field observation at the AWE Warehouse on March 23, 2022, it was found that 4 (four) boxes of Sweetened Condensed Milk which had just arrived on the same day were temporarily placed together with pesticides and had been moved to the Rice and Milk Warehouse on the same day.</p> <p>Thus, the company has the opportunity to ensure that pesticides are kept separate from fertilizers, foodstuffs and water sources.</p>
3	7.2.10	<p><b>Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.</b></p> <p>Based on interviews with company doctors, it is known that the company only carries out general health checks (blood pressure, weight, height and saturation) which are carried out during the vaccination screening, but the company has not carried out special annual health checks for pesticide operators (2020 – 2021) due to the covid-19 pandemic. The implementation of a special health examination is planned to be carried out in 2022 by observing the development of the Covid-19 pandemic condition. In addition, the company has been able to show records of communication with vendors providing special health examination services.</p> <p>Based on the explanation above, the company has the opportunity to be able to make annual special health checks realization according to the predetermined plan while still implementing health protocols.</p>
4	7.12.5	<p><b>Where rights of local communities have been identified in HCV areas, HCS forest after 15 November 2018, peatland and other conservation areas, there is no reduction of these rights without evidence of a negotiated agreement, obtained through FPIC, encouraging their involvement in the maintenance and management of these conservation areas.</b></p> <p>Based on the HCV management plan document, it is known that there are several HCV areas within the occupation area. Related to this, the company showed socialization on May 22, 2021 to the</p>



		<p>surrounding community, which among others discussed plans for a mutual agreement between the community and the company to jointly maintain and protect conservation areas located within and around the company, especially those owned by the community. Based on the results of field visits to HCV areas that are located or adjacent to community areas, for example the river border and Bukit Batu, it is known that up to now the condition of the area is still well maintained.</p> <p>Thus, the company has the opportunity to ensures that an agreement is reached for mutual care between the company and the landowner whose area has been determined as HCV as previously disseminated. <b>OFl.</b></p>
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#### 3.4.5. Noteworthy Positive Components

No	Description
1	Commitment to apply the principles of sustainable palm oil management
2	Good cooperation with the companion team
3	Has implemented Corporate Social Responsibility Programs in the surroundings community

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

Public Issues (Institution/ NGO/Community)	Auditor Verification
<b>Plantation Office of Ketapang Regency</b> <ul style="list-style-type: none"> <li>• So far, PT SNP and PT BAL have routinely submitted mandatory reports on a regular basis such as the Plantation Business Activity Report.</li> <li>• The company already has partnerships with the community.</li> <li>• So far there are no negative issues in the company.</li> <li>• The company already has adequate fire prevention and control facilities and infrastructure.</li> <li>• Communication between the agency and the company has been well established.</li> </ul>	<p>There are no negative issues that require further verification.</p>
<b>Manpower Office (Disnaker) of Ketapang Regency</b> <ul style="list-style-type: none"> <li>- The company has been orderly in carrying out and submitting mandatory reports such as P2K3 and WLTK reports</li> <li>- The company has received a zero accident award</li> <li>- There are no industrial relations issues reported to the Manpower Office either by company, workers or unions</li> <li>- All heavy equipment operators already have license, training has been conducted to obtain license and the issuance of certificates is in process</li> <li>- The company has applied a minimum wage for the period of 2019.</li> </ul>	<p>Verification has been done by the auditor, all the requirement against manpower and OHS has been explained in C3.6 and C6.7</p>
<b>Environment Agency (Dinas Lingkungan Hidup) of Ketapang Regency</b> <ul style="list-style-type: none"> <li>- The company has carried out the obligation to report and implement permit requirements in an orderly manner relating to scheduled waste</li> <li>- The company has licensed scheduled waste storage at PT BAL and PT SNP</li> <li>- It is recommended that domestic waste management be carried out with a 3R system</li> </ul>	<p>Verification has been done by the auditor, all the requirement against environment and waste management has been explained in C.7.3.</p>
<b>Suka Karya Village</b> <ul style="list-style-type: none"> <li>- Village representative feels that they have never been involved in the preparation of CSR Programs</li> <li>- The bailout fund for plasma CPP area of 248.56 Ha, acceptance of prospective new farmers is carried out once for October 2019. The rest there is no further payment</li> </ul>	<p>The company has shown an example of a community engagement questionnaire in the preparation of a CSR program. In addition, for activities that are not listed in the CSR program, the company provides opportunities for assistance by the community making proposals first.</p> <p>Regarding the plasma issue, the company plans a meeting with the cooperative in June 2022. This is also in</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
	accordance with what was conveyed by representatives of the Plantation Cooperative Mitra Usaha Tani Sejahtera.
<b>Treasurer-2 Perkebunan Mitra Usaha Tani Sejahtera Cooperative</b> <ul style="list-style-type: none"> <li>- The company has realized the development of plasma plantations for the community</li> <li>- Requires information regarding the position of debt and bailout funds because as of April 2022 the debt to the bank has been completed but continues to be payable to the main estate/company</li> </ul>	Regarding the plasma issue, the company plans a meeting with the cooperative in June 2022. This is also in accordance with what was conveyed by representatives of the Plantation Cooperative Mitra Usaha Tani Sejahtera
<b>Traditional Leader and Previous Land Owner of Pelanjau Jaya Village</b> <ul style="list-style-type: none"> <li>- The positive impacts of the company include open access roads and the acceptance of the surrounding community to work</li> <li>- Has realized plasma development but requires clarity regarding principal debt and calculation of bailout funds</li> <li>- Never felt involved in the preparation of CSR programs, however, the company received proposals for requests for assistance from residents</li> <li>- Land compensation was carried out around 2001 and was based on the agreement of both parties. The price of compensation per hectare is determined by the Regent and the company has never publicly intimidated to force the relinquishment of land rights</li> <li>- Within the company area there are still community lands whose ownership rights do not want to be relinquished. Until now, there has never been any intimidation from the company regarding this matter (not interfering with each other)</li> </ul>	Regarding the plasma issue, the company plans a meeting with the cooperative in June 2022. This is also in accordance with what was conveyed by representatives of the Plantation Cooperative Mitra Usaha Tani Sejahtera
<b>Land Agency of Ketapang District</b> <ul style="list-style-type: none"> <li>- The relationship between the company and BPN is considered quite good, for example, it is shown by mandatory reporting that is routinely carried out</li> <li>- Currently in the process of obtaining HGU for some mining areas</li> <li>- So far there has never been an issue regarding land disputes and abandoned land. Utilization of HGU according to its designation</li> </ul>	There is no negative issue that need further verification
<b>Gender Committee (Chairman committee of AWE and LBE)</b> <ul style="list-style-type: none"> <li>- The company has a policy and SOPs on protection against gender violence</li> <li>- The company has a policy of reproductive protection, namely the prohibition of being involved in chemical</li> </ul>	Verification has been done by the auditor, all the requirement against gender committee has been explained in C6.5

Public Issues (Institution/ NGO/Community)	Auditor Verification
activities for female workers who are pregnant or breastfeeding - Settlement of cases of gender violence has been socialized to female workers. Settlement can also be linked to the local law's customary law - Gender committee activities have been facilitated by the company	
<b>Union Labor (Company-level Labor Union – Chairman of PT BAL and SNP)</b> - The company has fulfilled its obligations in implementing OHS, PPE has been provided to employees and can be replaced at any time - Excluding of mill operator and security, payment of wages is done on a piece rate basis in the field, and payment of over time paid with premiums. The premiums scheme has been set in accordance and considering the wage minimum and regulation. - Company rule document is currently still valid - Meetings are held at any time if there are issues and reports from employees - There is no open issues/conflict on industrial relation, there is no complaint conveyed by the workers to union.	Verification has been done by the auditor, all the requirement against manpower and OHS has been explained in C6.7 and C6.2

4.0	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>
4.1	<b>Formal Sign-off of Assessment Findings</b>
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-between; align-items: flex-end; padding-top: 50px;"> <div style="text-align: center;"> <p>PT Sandika Natapalma Head Sustainability &amp; Quality Management</p> <p><u><b>Alagendran Maniam</b></u> 13 June 2022</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p> <p> <u><b>Haikal Ramadhan Kharismansyah</b></u> 13 June 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	Manpower Agency	Ketapang Regency		By Phone	21 March 2022	√	
2	Plantation Agency	Ketapang Regency		By Phone	21 March 2022	√	
3	Environmental Agency	Ketapang Regency		By Phone	21 March 2022	√	
8	Suka Karya Village	Ketapang Regency		Direct Interview	21 March 2022	√	
9	Treasurer-2 Perkebunan Mitra Usata Tani Sejahtera Cooperative	Ketapang Regency		Direct Interview	21 March 2022	√	
10	Traditional Leader and Previous Land Owner of Pelanjau Jaya Village	Ketapang Regency		Direct Interview	22 March 2022	√	
11	Land Agency of Ketapang District	Ketapang Regency		By Phone	22 March 2022	√	
12	Worker on Lembiru Estate	Ketapang Regency		Direct Interview	23 March 2022	√	
12	Worker on Lembiru POM	Ketapang Regency		Direct Interview	23 March 2022	√	
13	Worker on Awatan Estate	Ketapang Regency		Direct Interview	24 March 2022	√	
14	Worker on Pelanjau Estate	Ketapang Regency		Direct Interview	25 March 2022	√	
15	WWF	Indonesia		Questionnaire	04 March 2022		√
16	BOS	Indonesia		Questionnaire	04 March 2022		√
17	Gender Committee	Ketapang Regency		Direct Interview	22 March 2022	√	
18	Labour union	Ketapang Regency		Direct Interview	22 March 2022	√	



**Appendix 2. Assessment Program**

Remote Audit

DATE	22 – 24 July 2020	
PROGRAM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Wednesday, 22 July 2020		
08.00 – 08.30	Opening meeting preparation	
08.30 – 09.00	Opening meeting (recorded 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>Document review and completing audit checklist.</li><li>Verification of Basic Information Mill and Estate</li><li>Confirmation of Time Bound Plan</li><li>Review of Partial Certification</li></ul>	
12.00 – 14.00	<ul style="list-style-type: none"><li>Break</li></ul>	All Auditor
14.00 – 16.15	<ul style="list-style-type: none"><li>Document review and completing audit checklist.</li></ul>	All Auditor
16.15 – 17.00	<ul style="list-style-type: none"><li>Presentation of Daily Progress.</li></ul>	
Thursday, 23 July 2020		
08.00 – 11.00	<ul style="list-style-type: none"><li>Document review and completing audit checklist.</li><li></li></ul>	All Auditor
12.00 – 14.00	<ul style="list-style-type: none"><li>Break</li></ul>	All Auditor
14.00 – 16.15	<ul style="list-style-type: none"><li>Document review and completing audit checklist.</li></ul>	All Auditor
16.15 – 17.00	<ul style="list-style-type: none"><li>Presentation of Daily Progress.</li></ul>	
Friday, 24 July 2020		
08.00 – 11.00	<ul style="list-style-type: none"><li>Document review and completing audit checklist.</li></ul>	All Auditor
12.00 – 15.30	Internal discussion by auditor team preparing for Closing Meeting	All Auditor
15.30 – 16.30	Closing Meeting (recorded video conference) <ul style="list-style-type: none"><li>Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timelie of CAR's, Conclusion)/</li><li>Comments, Responses and Questions</li></ul>	All Auditor

**Onsite Audit**

DATE	20 – 26 March 2022	
PROGRAM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Sunday, 20 March 2022</b>		
06.00 – 08.00	<b>Jakarta → Pangkalan Bun (IN-190)</b>	<b>All Auditor</b>
09.00 – 10.00	PCR Test in Pangkalan Bun	
10.00 – 18.00	Pangkalan Bun → Site	
	<b>*The Company requires a 3 day quarantine for the auditor team before being able to make a field observation</b>	
<b>*Quarantine day-1</b>		
<b>Monday, 21 March 2022</b>		
08.30 – 09.00	<b>Opening meeting (Online)</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>
09.30 – 12.00	<b>Public Consultation (by phone):</b> <ul style="list-style-type: none"> <li>Government Agency of Ketapang District</li> <li>Gender Committee, Contractor, Worker Union, Village Representatif, Previous Land Owner, etc</li> <li>FFB Supplier, Scheme smallholder</li> <li>Document review and completing audit checklist</li> <li>Verification of Basic Information Mill and Estate</li> <li>Confirmation of Time Bound Plan</li> <li>Review of Partial Certification</li> </ul>	<b>All Auditor</b>
12.00 – 14.00	• <b>Break</b>	<b>All Auditor</b>
14.00 – 16.15	• <b>Document review and completing audit checklist.</b>	<b>All Auditor</b>
16.15 – 17.00	• <b>Presentation of Daily Progress</b>	<b>All Auditor</b>
<b>*Quarantine day-2</b>		
<b>Tuesday, 22 March 2022</b>		
08.00 – 12.00	<ul style="list-style-type: none"> <li>Document review and completing audit checklist.</li> <li>Continuing public consultation (if needed)</li> </ul>	<b>All Auditor</b>
12.00 – 14.00	• <b>Break</b>	<b>All Auditor</b>
14.00 – 16.15	<ul style="list-style-type: none"> <li>Verification of stakeholder consultation result and field visit</li> <li>Document review and completing audit checklist.</li> </ul>	<b>All Auditor</b>
16.15 – 17.00	• <b>Presentation of Daily Progress</b>	<b>All Auditor</b>
<b>*Quarantine day-3</b>		
<b>Wednesday, 23 March 2022</b>		
08.00 – 12.00	<b>Field Observation to Lembiru Estate</b> <b>Aspect to be verified :</b>	<b>All Auditor</b>

DATE	20 – 26 March 2022	
PROGRAM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	<ul style="list-style-type: none"> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>Implementation of Occupational Health &amp; Safety Aspect</li> <li>Implementation of Employment Procedure and Mechanism Aspect</li> <li>Observation of Workers Facilities (Housing, School, Worship Place)</li> </ul>	
12.00 – 14.00	<ul style="list-style-type: none"> <li><b>Break</b></li> </ul>	<b>All Auditor</b>
14.00 – 16.15	<b>Field observation to Lembiru Factory:</b> <ul style="list-style-type: none"> <li>Supply Chain Verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO)</li> <li>Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond)</li> <li>Implementation of Employment Procedure and Mechanism Aspect</li> </ul>	<b>All Auditor</b>
16.15 – 17.00	<ul style="list-style-type: none"> <li>Presentation of Daily Progress</li> </ul>	<b>All Auditor</b>
<b>Thursday, 24 March 2022</b>		
08.00 – 12.00	<b>Field Observation to Awatan Estate</b> <b>Aspect to be verified :</b> <ul style="list-style-type: none"> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>Implementation of Occupational Health &amp; Safety Aspect</li> <li>Implementation of Employment Procedure and Mechanism Aspect</li> <li>Observation of Workers Facilities (Housing, School, Worship Place)</li> </ul>	<b>All Auditor</b>
12.00 – 14.00	<b>Break</b>	<b>All Auditor</b>
14.00 – 16.15	<ul style="list-style-type: none"> <li><b>Verification of stakeholder consultation result and field visit</b></li> <li><b>Document review and completing audit checklist.</b></li> </ul>	<b>All Auditor</b>
16.15 – 17.00	<ul style="list-style-type: none"> <li><b>Presentation of Daily Progress</b></li> </ul>	<b>All Auditor</b>
<b>Friday, 25 March 2022</b>		
08.00 – 11.30	<b>Field Observation to Pelanjau Estate:</b> <b>Aspect to be verified :</b> <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> </ul>	<b>All Auditor</b>

DATE	20 – 26 March 2022	
PROGRAM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	<ul style="list-style-type: none"> <li>• Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>• Implementation of Occupational Health &amp; Safety Aspect</li> <li>• Implementation of Employment Procedure and Mechanism Aspect</li> <li>• Observation of Workers Facilities (Housing, School, Worship Place)</li> </ul>	
11.30 – 14.00	<ul style="list-style-type: none"> <li>• Break</li> </ul>	All Auditor
14.00 – 16.00	<ul style="list-style-type: none"> <li>• Internal Meeting Auditor Team</li> </ul>	All Auditor
16.00 – 17.00	<ul style="list-style-type: none"> <li>• Closing Meeting</li> </ul>	All Auditor
18.00 – 24.00	<ul style="list-style-type: none"> <li>• PT SNP → Pangkalan Bun</li> </ul>	All Auditor
<b>Saturday, 26 March 2022</b>		
07.45 – 09.00	<ul style="list-style-type: none"> <li>• Pangkalan Bun → (IN-191)</li> </ul>	All Auditor