

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

### [✓] Surveillance 1.2 and 1.3

Name of Management Organization : **Bumi Permai Mill & Rahayu Mill – PT Prima Mitrajaya Mandiri & PT Teguh Jayaprima Abadi Subsidiary of MP Evans Group PLC**  
 Plantation Name : PT Prima Mitrajaya Mandiri – Beringin Jaya Estate, Lembuswana Estate, Bumi Permai Estate, Prima Estate, Kahoi Estate; PT Teguh Jayaprima Abadi – Rahayu Estate, Mahakam Estate  
 Location : Benua Puhun Village and Rantau Humpang Village, Muara Kaman Sub District, Kutai Kartanegara District, Kalimantan Timur, Indonesia  
 Certificate Code : **MUTU-RSPO/062**  
 Date of Initial Registration : 26 June 2014  
 Date of Last Issued : 17 September 2019      Date of License Issue : 26 September 2022  
 Date of Certificate Expiry : 25 June 2024      Date of License Expiry : 25 June 2023

| Assessment                            | Assessment Date     | PT. Mutuagung Lestari Auditor  | Reviewed by | Approved by |
|---------------------------------------|---------------------|--|-------------|-------------|
| <b>ASA-1.2 (Remote Audit)</b>         | 30 – 31 August 2021 | Rizliani Aprianita Hasibuan (Lead Auditor), Briyogi Shadiwa, Septian Maulana, and Erika Lucitawati                       | Ardiansyah  | Leonada     |
| <b>ASA-1.2 and 1.3 (Onsite Audit)</b> | 18 – 23 April 2022  | Haikal Ramadhan Kharismansyah ( <i>lead auditor</i> ), Naila Karima, Arief Tajalli, Septian Maulana, and Alexander Sitio |             |             |

| Assessment                            | Approved by MUTUAGUNG LESTARI on: |
|---------------------------------------|-----------------------------------|
| <b>ASA-1.2 and 1.3 (Onsite Audit)</b> | <b>22 May 2022</b>                |

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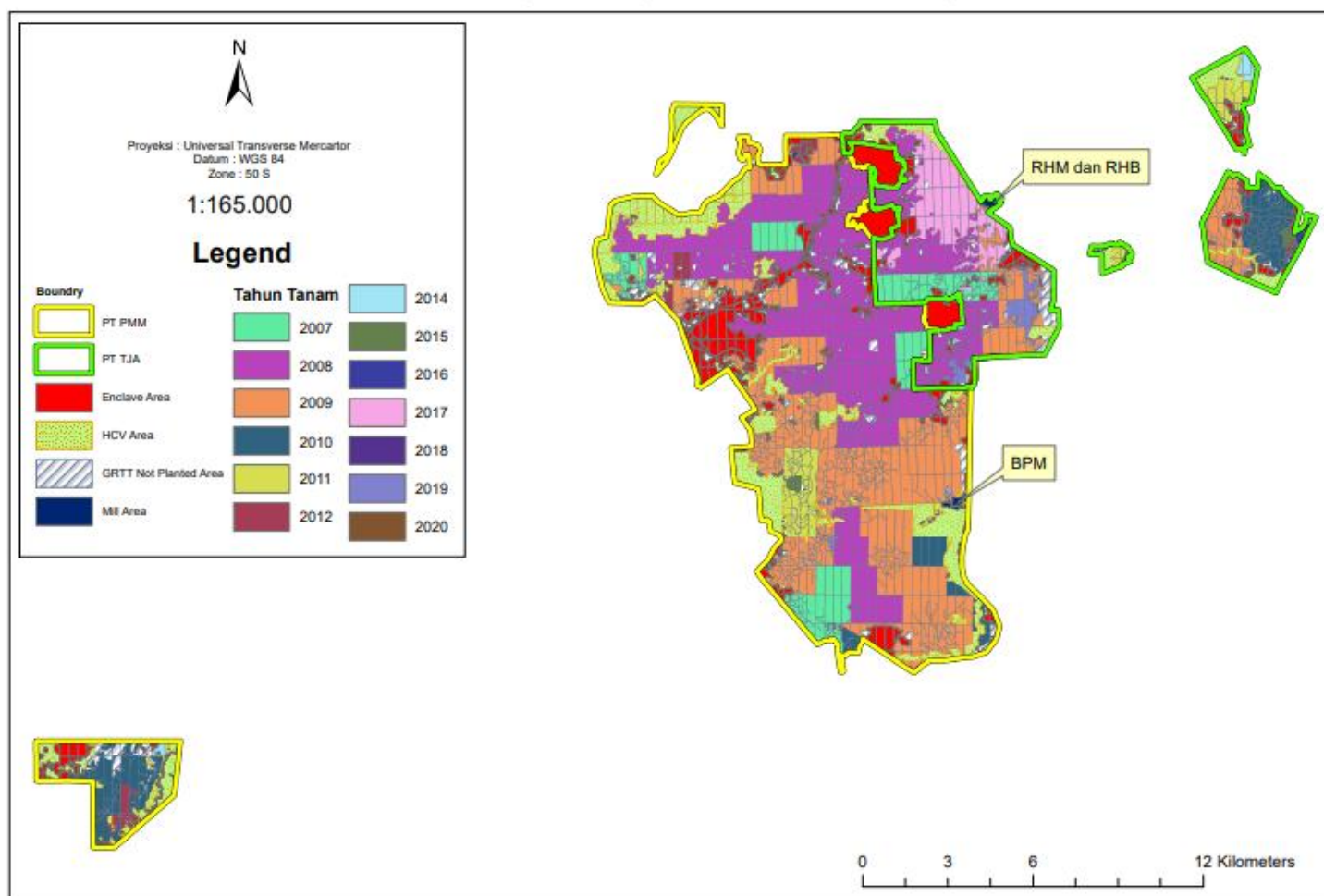
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**Figure 1. Location Map of PT Prima Mitrajaya Mandiri and PT Teguh Jayaprima Abadi**



Figure 2. Operational Map of PT Prima Mitrajaya Mandiri and PT Teguh Jayaprima Abadi



**Abbreviations Used**

|                 |   |  |
|-----------------|---|--|
| ASA             | : | Annual Surveillance Assessment   |
| BJE             | : | Beringin Jaya Estate   |
| BKSDA           | : | <i>Badan Konservasi Sumber Daya Alam</i>   |
| BPE             | : | Bumi Permai Estate   |
| BPJS            | : | <i>Badan Pelayanan Jaminan Sosial</i>  |
| CH              | : | Certificate Holder   |
| CLA             | : | <i>Collective Labor Agreement</i>  |
| CPO             | : | Crude palm oil   |
| CSPK            | : | Certified Sustainable Palm Kernel  |
| CSPO            | : | Certified Sustainable Palm Oil   |
| CSR             | : | Corporate social responsibility  |
| EFB             | : | Empty Fruit Bunch  |
| EIA             | : | Environmental Impact Assessment  |
| EHS             | : | Environmental Health & Safety  |
| FFB             | : | Fresh Fruit Bunch  |
| FGD             | : | Forum Group Discussion   |
| FMIS            | : | Financial Management Information System  |
| FR              | : | Frequency Rate   |
| GCOHS           | : | Guiding Committee of Occupational Health & Safety                                    |
| GHG             | : | Green-house Gas  |
| HCV             | : | High conservation value  |
| HGU             | : | <i>Hak Guna Usaha</i> (Land Use Title)   |
| HRD             | : | Human Resources Department   |
| ILO             | : | International Labour Organization  |
| ISCC            | : | International Sustainability & Carbon Certification                                  |
| ISPO            | : | Indonesian Sustainable Palm Oil  |
| ISO             | : | International Standard Organization  |
| IPM             | : | Integrated Pest Management   |
| IU              | : | Immature Upkeep  |
| IUP             | : | <i>Izin Usaha Perkebunan</i> (Plantation Business Permit)                            |
| KEPMENAKERTRANS | : | <i>Keputusan Menteri Tenaga Kerja &amp; Transmigrasi</i> (Decision of Labor Agency). |
| KER             | : | Kernel Extraction Rate   |
| KHE             | : | Kahoi Estate   |
| KSU             | : | Koperasi Serba Usaha ( <i>Cooperative</i> )  |
| KTP             | : | <i>Kartu Tanda Penduduk</i> (ID Card)  |
| KUD             | : | <i>Koperasi Unit Desa</i> (Cooperative of Village)                                   |
| LD50            | : | Lethal Dosage 50   |
| LTA             | : | Lost Time Accident   |
| MDP             | : | Management Development Program   |
| MKE             | : | Mahakam Estate   |
| MSDS            | : | Material Safety Data Sheet   |
| MU              | : | Mature Upkeep  |
| NGO             | : | Non-Government Organization  |
| NPP             | : | New Planting Procedure   |
| LLE             | : | Lembuswana Estate  |
| LSU             | : | Leaf Sampling Unit   |
| OER             | : | Oil Extraction Rate  |
| OFI             | : | Opportunity for Improvement  |

|         |   |   |
|---------|---|---|
| OHS     | : | Occupational Health & Safety  |
| P2K3    | : | <i>Panitia Pembina Keselamatan &amp; Kesehatan Kerja (Committee of OHS)</i>                                   |
| PIC     | : | Person In Charge  |
| PK      | : | Palm Kernel   |
| PKWT    | : | <i>Perjanjian Kerja Waktu Tertentu (Contract workers)</i>   |
| PME     | : | Prima Estate  |
| POM     | : | Palm Oil Mill   |
| POME    | : | Palm Oil Mill Effluent  |
| PPE     | : | Personal Protective Equipment   |
| PT KAJ  | : | PT Kutai Agro Jaya  |
| PT PMM  | : | PT Prima Mitrajaya Mandiri  |
| PT TJA  | : | PT Teguh Jayaprima Abadi  |
| RHE     | : | Rahayu Estate   |
| RKL-RPL | : | <i>Rencana Kelola Lingkungan – Rencana Pantau Lingkungan (Environmental Management &amp; Monitoring Plan)</i> |
| RSPO    | : | Roundtable on Sustainable Palm Oil  |
| RTE     | : | Rare, Threatened, and Endangered  |
| SCCS    | : | Supply Chain Certification Standard   |
| SIA     | : | Social Impact Assessment  |
| SKU     | : | Permanent Worker  |
| SOP     | : | Standard Operation Procedure  |
| SSU     | : | Soil Sampling Unit  |
| WBS     | : | Whistle Blower System   |
| WTP     | : | Water Treatment Plant   |
| WWTP    | : | Waste Water Treat Plant   |

|       |   |   |                                  |
|-------|---|---|----------------------------------|
| 1.0   | SCOPE OF THE CERTIFICATION ASSESSMENT                                     |   |                                  |
| 1.1   | Assessment Standard Used  |   |                                  |
|       |   | <ul style="list-style-type: none"><li>Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020.</li><li>RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.</li></ul> |                                  |
| 1.2   | Organisation Information  |   |                                  |
| 1.2.1 | Organization name listed in the certificate                               | PT PRIMA MITRAJAYA MANDIRI, PT TEGUH JAYAPRIMA ABADI – MP EVANS GROUP PLC.  |                                  |
| 1.2.2 | Contact person  | Arvind Devadasan  |                                  |
| 1.2.3 | Organisation address and site address                                     | RSPO registered company:<br>Gedung Graha Aktiva Lt. 10, Jl. HR Rasuna Said Kav. 03 Blok X-1, Kuningan, Jakarta Selatan.   |                                  |
| 1.2.4 | Telephone   | 021-52920338  |                                  |
| 1.2.5 | Fax   | 021-52920339  |                                  |
| 1.2.6 | E-mail  | <a href="mailto:arvind@mpevans.co.uk">arvind@mpevans.co.uk</a>  |                                  |
| 1.2.7 | Web page address  | <a href="https://www.mpevans.co.uk/">https://www.mpevans.co.uk/</a>   |                                  |
| 1.2.8 | Management Representative who completed the application for certification | Sivabalan Subbiah (Head of Operation Agronomy Kaltim)   |                                  |
| 1.2.9 | Registered as RSPO member   | 1-0027-06-000-00 dated 08 October 2006.   |                                  |
| 1.3   | Type of Assessment  |   |                                  |
| 1.3.1 | Scope of Assessment and Number of Management Unit                         | <ul style="list-style-type: none"><li>PT Prima Mitrajaya Mandiri (Bumi Permai Mill, Beringin Jaya Estate, Kahoi Estate, Lembuswana Estate, Bumi Permai Estate; Prima Estate)</li><li>PT Teguh Jayaprima Abadi (Rahayu Estate and Mahakam Estate) and extension scope of Rahayu Mill</li></ul>   |                                  |
| 1.3.2 | Type of certificate   | Single  |                                  |
| 1.4   | Locations of Mill and Plantation  |   |                                  |
| 1.4.1 | Location of Mill  |   |                                  |
|       | Name of Mill  | Location  | Coordinate                       |
|       |   |   | LatitudeLongitude                |
|       | Bumi Permai Mill  | Benua Puhun Village, Muara Kaman Sub-District, Kutai Kartanegara District, Kalimantan Timur Province, Indonesia.  | S 0° 17' 54.1"E 116° 45' 46.6"   |
|       | Rahayu Mill   | Rantau Hempang, Muara Kaman Sub-District, Kutai Kartanegara District, Kalimantan Timur Province, Indonesia.   | S 0° 12' 12.73"E 116° 46' 20.69" |
| 1.4.2 | Location of Certification Scope of Supply Base                            |   |                                  |
|       | Name of Supply Base   | Location  | Coordinate                       |
|       |   |   | LatitudeLongitude                |
|       | PT PMM  |   |                                  |
|       | Beringin Jaya Estate  | Bukit Jering and Lebak Mantan Village, Muara Kaman Sub-District, Kutai Kartanegara District, Kalimantan Timur Province, Indonesia   | S 00° 13' 04"E 116° 41' 20"      |



|  |                               |  |                  |                   |            |
|--|-------------------------------|--|------------------|-------------------|------------|
|  | Kahoi Estate                  | Muara Kaman Hilir Village, Muara Kaman Sub-District, Kutai Kartanegara District, Kalimantan Timur Province, Indonesia      | S 00° 12' 14"    | E 116° 42' 54"    |            |
|  | Lembuswana Estate             | Loleng and Lebaho Ulak Village, Muara Kaman Sub-District, Kutai Kartanegara District, Kalimantan Timur Province, Indonesia | S 00° 18' 30.44" | E 116° 43' 9.34"  |            |
|  | Bumi Permai Estate            | Benua Puhun Village, Muara Kaman Sub-District, Kutai Kartanegara District, Kalimantan Timur Province, Indonesia            | S 00° 17' 25.69" | E 116° 44' 21.14" |            |
|  | Prima Estate                  | Loleng Village, Muara Kaman Sub-District, Kutai Kartanegara District, Kalimantan Timur Province, Indonesia                 | S 00° 16' 15"    | E 116° 44' 02"    |            |
|  | PT TJA                        |  |                  |                   |            |
|  | Rahayu Estate                 | Rantau Humpang Village, Muara Kaman Sub-District, Kutai Kartanegara Districts, Kalimantan Timur Province, Indonesia        | S 00° 13' 01"    | E 116° 46' 09"    |            |
|  | Mahakam Estate                | Bunga Jadi Village, Muara Kaman Sub-District, Kutai Kartanegara District, Kalimantan Timur Province, Indonesia             | S 00° 12' 03"    | E 116° 52' 03"    |            |
|  |                               |  |                  |                   |            |
| 1.5  | Description of Area Statement |  |                  |                   |            |
| 1.5.1  | Tenure                        |  |                  |                   |            |
|  | • State                       |  | 20,522.20 Ha     |                   |            |
|  | • Community                   |  | - Ha             |                   |            |
|  | Total                         |  |                  |                   |            |
| * Area that already has HGU/HGB is 11,158.96 Ha and 9,363.24 Ha does not yet have a land title   |                               |  |                  |                   |            |
| *There is an addition of 14.90 Ha from the previous assessment due to the addition of HGB for Rahayu Mill                                  |                               |  |                  |                   |            |
| 1.5.2  | Area Statement                |  |                  |                   |            |
|  | Description                   | PT PMM (Ha)  | PT TJA (Ha)      | Plasma (Ha)       | TOTAL (Ha) |
|  | Total area                    | 11,412.28  | 4,319.26         | 4,790.66          | 20,522.20  |
|  | Production area               | 7,378.85   | 2,983.15         | 3,932.54          | 14,294.54  |
|  | Immature area                 | 16.08  | 124.48           | 4.00              | 144.56     |
|  | Mill/bulking                  | 37.54  | 14.90            | -                 | 52.44      |
|  | Emplacement, Road, etc.       | 497.51   | 129.79           | 144.40            | 771.70     |
|  | Occupation                    | 1,325.41   | 298.97           | 709.72            | 2,334.10   |
|  | HCV MEC                       | 1,702.93   | 625.53           | -                 | 2,328.46   |
|  | Conservation area MEC         | 453.96   | 142.44           | -                 | 596.40     |
| *There is an HCV of 133.15 inside planted area and 110.31 Ha inside occupation area so the total HCV is 2,571.92 Ha                        |                               |  |                  |                   |            |
| *There is Rahayu Bulking inside PT PMM for an area 25.31 Ha and Bumi Permai Mill for an area 12.23 Ha. Total area for its item is 37.54 Ha |                               |  |                  |                   |            |
| 1.6  | Planting Year and Cycles      |  |                  |                   |            |
| 1.6.1  | Age profile of planting year  |  |                  |                   |            |
|  | Planting Year                 | PT PMM   | PT TJA           | Plasma            | TOTAL (Ha) |
|  | Mature                        |  |                  |                   |            |
|  | 2007                          | 576.31   | 378.82           | 312.75            | 1,267.88   |
|  | 2008                          | 3,425.36   | 628.20           | 1,119.83          | 5,173.39   |
|  | 2009                          | 2,680.76   | 613.47           | 1,621.08          | 4,915.31   |
|  | 2010                          | 654.86   | 325.10           | 130.30            | 1,110.26   |



|  |                               |                                   |                     |                        |                     |                   |
|--|-------------------------------|-----------------------------------|---------------------|------------------------|---------------------|-------------------|
| 2011   | -                             | 213.5                             | 357.84              | 571.34                 |                     |                   |
| 2012   | -                             | -                                 | 209.20              | 209.20                 |                     |                   |
| 2014   | 17.86                         | -                                 | 59.98               | 77.84                  |                     |                   |
| 2015   | -                             | -                                 | 82.18               | 82.18                  |                     |                   |
| 2016   | -                             | -                                 | 39.38               | 39.38                  |                     |                   |
| 2017   | 23.70                         | 824.06                            | -                   | 847.76                 |                     |                   |
| Sub Total Mature   | 7,378.85                      | 2,983.15                          | 3,932.54            | 14,294.54              |                     |                   |
| Immature   |                               |                                   |                     |                        |                     |                   |
| 2018   | -                             | -                                 | 4.00                | 4.00                   |                     |                   |
| 2019   | 13.86                         | 124.48                            | -                   | 138.34                 |                     |                   |
| 2020   | 2.22                          | -                                 | -                   | 2.22                   |                     |                   |
| Sub Total Immature   | 16.08                         | 124.48                            | 4.00                | 144.56                 |                     |                   |
| TOTAL  | 7,394.93                      | 3,107.63                          | 3,936.54            | 14,439.10              |                     |                   |
| New Planting area after January 2010   |                               | 1,162.77 Ha                       |                     |                        |                     |                   |
| Planting Cycle   |                               | 1 <sup>st</sup> Cycle             |                     |                        |                     |                   |
|  |                               |                                   |                     |                        |                     |                   |
| Description of Mill and Supply Base  |                               |                                   |                     |                        |                     |                   |
| Description of Mill  |                               |                                   |                     |                        |                     |                   |
| Name of Mill   | Capacity<br>(tonnes/<br>hour) | FFB<br>Processed<br>(tonnes/year) | CPO                 |                        | Palm Kernel         |                   |
|  |                               |                                   | Out put<br>(tonnes) | Extraction<br>(%)      | Out put<br>(tonnes) | Extraction<br>(%) |
| Bumi Permai Mill   | 60                            | 320,007.79                        | 75,986.03           | 23.73                  | 16,191.32           | 5.05              |
| *Production data source from 13 months before assessment (March 202 to March 2022) |                               |                                   |                     |                        |                     |                   |
| Description of Certification Scope of Supply Base (Bumi Permai Mill)               |                               |                                   |                     |                        |                     |                   |
| Name of Estate   | Total<br>Area<br>(Ha)         | Production<br>Area (Ha)           | FFB<br>(ton/year)   | Yield<br>(ton/ha/year) | Supplied to Mill    |                   |
|  |                               |                                   |                     |                        | FFB<br>(ton/year)   | %                 |
| PT PMM   |                               |                                   |                     |                        |                     |                   |
| Beringin Jaya Estate   | 3,229.08                      | 1,304.73                          | 24,857.49           | 17.25                  | 24,847.05           | 99.96             |
| • Subur Makmur<br>Cooperative (399 SH)   | 468.48                        | 401.48                            | 7,403.99            | 16.61                  | 7,403.99            | 100.00            |
| • Grenseng Indah<br>Cooperative (90 SH)  | 149.59                        | 149.59                            | 4,315.47            | 26.64                  | 4,315.47            | 100.00            |
| Kahoi Estate   | 1,748.96                      | 1,407.01                          | 31,616.69           | 20.13                  | 31,444.53           | 99.46             |
| • Mitra Sawit Mandiri<br>Cooperative (1,087<br>SH)                                 | 1,106.97                      | 949.39                            | 19,013.96           | 17.83                  | 18,902.36           | 99.41             |
| Lembuswana Estate  | 1,832.83                      | 1,222.71                          | 27,150.33           | 20.32                  | 27,137.47           | 99.95             |
| • Maju Membangun<br>Cooperative (1,184<br>SH)                                      | 625.85                        | 568.64                            | 14,101.76           | 22.74                  | 14,101.76           | 100.00            |
| • Sawit Etam Bersama<br>Cooperative (612 SH)                                       | 180.00                        | 180.00                            | 6,603.87            | 32.57                  | 6,603.87            | 100.00            |
| Bumi Permai Estate   | 1,750.25                      | 1,140.15                          | 19,671.40           | 15.72                  | 19,662.89           | 99.96             |
| • Tanah Sama<br>Cooperative (652 SH)   | 1,365.19                      | 967.11                            | 25,475.64           | 24.19                  | 25,475.64           | 100.00            |
| Prima Estate   | 2,851.16                      | 2,304.25                          | 51,592.13           | 20.33                  | 51,581.16           | 99.98             |
| PT TJA   |                               |                                   |                     |                        |                     |                   |
| Rahayu Estate  | 2,960.07                      | 2,121.85                          | 38,590.71           | 15.54                  | 36,025.50           | 93.35             |
| • Karva Bersama  | 658.58                        | 517.26                            | 9,849.55            | 16.99                  | 9,761.60            | 99.11             |

|  |                  |                  |                   |              |                   |              |
|--|------------------|------------------|-------------------|--------------|-------------------|--------------|
| Cooperative (815 SH)                   |                  |                  |                   |              |                   |              |
| Mahakam Estate                         | 1,359.19         | 861.30           | 17,644.10         | 18.36        | 17,482.73         | 99.09        |
| • Mitra Sejahtera Cooperative (151 SH) | 236.00           | 199.07           | 2,949.08          | 13.53        | 2,942.96          | 99.79        |
| <b>TOTAL</b>                           | <b>20,522.20</b> | <b>14,294.54</b> | <b>300,836.17</b> | <b>18.92</b> | <b>297,688.98</b> | <b>98.95</b> |

*\*Production data source from 13 months before assessment (March 2021 – March 2022)*

*\*A few FFB from estate and plasma is sent to Rahayu Mill*

| 1.7.3   | FFB description from other source (Bumi Permai Mill) |                      |                        |                      |   |
|---|--|----------------------|------------------------|----------------------|---|
| Name of sources/Organization<br>(non-certified) |  | Type of Organization | number of smallholders | Production Area (Ha) | Supplied to Mill<br>FFB<br>(tones/year) |
| PT Kutai Agro Jaya                              |  | Outgrower            |                        |                      | 13,560.44                               |
| PT Putra Bongan Jaya                            |  | Outgrower            |                        |                      | 7,760.14                                |
| <b>Total</b>                                    |  |                      |                        |                      | <b>21,320.58</b>                        |

*\*Production data source from 13 months before assessment (March 2021 to March 2022)*

|       |                    |              |
|-------|--------------------|--------------|
| 1.7.4 | Product categories | FFB, CPO, PK |
|-------|--------------------|--------------|

## 1.8 Tonnage of Product

|       |                                     |   |  |
|-------|-------------------------------------|---|--|
| 1.8.1 | Past Annual Claim Certified Product | Last Year Projected Certified Volume (MT)<br>(03 March 2021 – 25 June 2022) | Actual Production (MT) of previous audit<br>(March 2021 to March 2022) |
|       | FFB Processed                       | 368,234   | 297,688.98   |
|       | CPO Production                      | 92,492  | 70,960.29  |
|       | Palm Kernel (PK) Production         | 19,943  | 14,897.61  |

*\*Bumi Permai Mill*

| 1.8.2                               | Product selling   |  |
|-------------------------------------|---|--|
| Type of selling product             | Actual selling product for last year<br>(March 21 to March 2022) (MT) |  |
| CSPO sold as RSPO certified product | -   |  |
| CSPK sold as RSPO certified product | 14,656  |  |
| CSPO sold under another scheme      | 70,008  |  |
| CSPK sold under another scheme      | -   |  |
| CSPO sold as conventional           | -   |  |
| CSPK sold as conventional           | -   |  |

*\*Bumi Permai Mill*

| 1.8.3 | Estimate of Certified FFB Claim         |                    |                         |                     |                          |
|-------|---|--------------------|-------------------------|---------------------|--------------------------|
|       | Name of Estates                         | Total Area<br>(Ha) | Production Area<br>(Ha) | FFB<br>(tones/year) | Yield<br>(tones/ha/year) |
|       | PT PMM                                  |                    |                         |                     |                          |
|       | Beringin Jaya Estate                    | 3,229.08           | 1,304.73                | 23,500              | 18.01                    |
|       | • Subur Makmur Cooperative<br>(399 SH)  | 468.48             | 401.48                  | 7,000               | 17.44                    |
|       | • Grenseng Indah Cooperative<br>(90 SH) | 149.59             | 149.59                  | 4,000               | 26.74                    |
|       | Kahoi Estate                            | 1,748.96           | 1,407.01                | 29,500              | 20.97                    |
|       | • Mitra Sawit Mandiri                   | 1,106.97           | 949.39                  | 18,000              | 18.96                    |
|       |   |                    |                         |                     |                          |

|   |                  |                  |                |              |
|---|------------------|------------------|----------------|--------------|
| Cooperative (1,087 SH)                    |                  |                  |                |              |
| Lembuswana Estate                         | 1,832.83         | 1,222.71         | 26,000         | 21.26        |
| • Maju Membangun Cooperative (1,184 SH)   | 625.85           | 568.64           | 13,000         | 22.86        |
| • Sawit Etam Bersama Cooperative (612 SH) | 180.00           | 180.00           | 5,500          | 30.56        |
| Bumi Permai Estate                        | 1,750.25         | 1,140.15         | 19,000         | 16.66        |
| • Tanah Sama Cooperative (652 SH)         | 1,365.19         | 967.11           | 23,500         | 24.30        |
| Prima Estate                              | 2,851.16         | 2,304.25         | 48,000         | 20.83        |
| <b>Sub Total</b>                          | <b>15,308.36</b> | <b>10,595.06</b> | <b>217,000</b> | <b>20.48</b> |
| <b>PT TJA</b>                             |                  |                  |                |              |
| Rahayu Estate                             | 2,960.07         | 2,121.85         | 34,000         | 16.02        |
| • Karya Bersama Cooperative (815 SH)      | 658.58           | 517.26           | 9,000          | 17.40        |
| Mahakam Estate                            | 1,359.20         | 861.30           | 17,000         | 19.74        |
| • Mitra Sejahtera Cooperative (151 SH)    | 236.00           | 199.07           | 3,000          | 15.07        |
| <b>Sub Total</b>                          | <b>5,213.85</b>  | <b>3,699.48</b>  | <b>63,000</b>  | <b>17.03</b> |
| <b>Total</b>                              | <b>20,522.20</b> | <b>14,294.54</b> | <b>280,000</b> | <b>19.59</b> |

*\*Projected FFB production for 26 June 2022 – 25 June 2023*

|        |   |                        |                            |                 |                |                 |                |                     |
|--------|---|------------------------|----------------------------|-----------------|----------------|-----------------|----------------|---------------------|
| 1.8.4  | Adjusted FFB production for 20 June 2022 - 20 June 2023 |                        |                            |                 |                |                 |                |                     |
|        | Estimate of Certified Palm Product Claim                |                        |                            |                 |                |                 |                |                     |
|        | Name of Mill  | Capacity (tones/ hour) | FFB Processed (tones/year) | CPO             |                | Palm Kernel     |                | Supply Chain Module |
|        |   |                        |                            | Out put (tones) | Extraction (%) | Out put (tones) | Extraction (%) |                     |
|        | Bumi Permai   | 60                     | 217,000                    | 49,910          | 23.00          | 10,850          | 5              | MB                  |
| Rahayu | 45  | 63,000                 | 13,860                     | 22.00           | 3,150          | 5               | MB             |                     |

*\*Projected CSPO and CSPK production for 26 June 2022 – 25 June 2023*

|            |                             |                             |
|------------|-----------------------------|-----------------------------|
| <b>1.9</b> | <b>Other Certifications</b> |                             |
|            | ISO 9001:2008               | -                           |
|            | ISO 14001: 2004             | -                           |
|            | OHSAS 18001:2007            | -                           |
|            | ISCC                        | EU-ISCC-Cert-DE119-62225724 |
|            | Others                      | MUTU-ISPO/076               |

### 1.10 Time Bound Plan

#### 1.10.1 Time Bound Plan for Other Management Units

| Management Unit |                 | Estate (Supply Base)                      | Time Bound Plan | Location                    | Status    |
|-----------------|-----------------|---|-----------------|-----------------------------|-----------|
| MILL            | Time Bound Plan |   |                 |                             |           |
| Pangkatan       | 2012            | Pangkatan Estate (PT Pangkatan Indonesia) | 2012            | Labuhanbatu, North Sumatera | Certified |
|                 |                 | Sennah Estate (PT Sembada Sennah Maju)    | 2012            | Labuhanbatu, North Sumatera | Certified |
|                 |                 | Bilah Estate (PT Bilah Plantindo)         | 2012            | Labuhanbatu, North Sumatera | Certified |
| Bumi Permai     | 2013            | PT Prima Mitrajaya Mandiri                | 2013            | East Kutai, East Kalimantan | Certified |

|  |           |   |                                       |      |                             |   |
|--|-----------|---|---------------------------------------|------|-----------------------------|---|
|  |           |   | Koperasi Subur Makmur                 | 2013 | East Kutai, East Kalimantan | Certified   |
|  |           |   | Koperasi Sawit Etam Bersama           | 2013 | East Kutai, East Kalimantan | Certified   |
|  |           |   | Koperasi Tanah Sama                   | 2013 | East Kutai, East Kalimantan | Certified   |
|  |           |   | Koperasi Mitra Sawit Mandiri          | 2013 | East Kutai, East Kalimantan | Certified   |
|  |           |   | Koperasi Grenseng Indah               | 2013 | East Kutai, East Kalimantan | Certified   |
|  |           |   | Koperasi Maju Membangun               | 2013 | East Kutai, East Kalimantan | Certified   |
|  |           |   | PT Teguh Jaya Prima Abadi             | 2013 | East Kutai, East Kalimantan | Certified   |
|  |           |   | Koperasi Karya Bersama                | 2013 | East Kutai, East Kalimantan | Certified   |
|  |           |   | Koperasi Mitra Sejahtera Abadi        | 2013 | East Kutai, East Kalimantan | Certified   |
|  | Rahayu    | 2021<br>Non-Certified<br>(Commissioning 2020) | PT Teguh Jaya Prima Abadi             | 2013 | East Kutai, East Kalimantan | Certified<br>(Currently supply FFB to Bumi Permai Mill) |
|  |           |   | Koperasi Karya Bersama                | 2013 | East Kutai, East Kalimantan |   |
|  |           |   | Koperasi Mitra Sejahtera Abadi        | 2013 | East Kutai, East Kalimantan |   |
|  |           |   | Koperasi Maju Membangun II            | 2023 | East Kutai, East Kalimantan | Have not obtained the HGU                               |
|  |           |   | Koperasi Sawit Etam Bersama II        | 2023 | East Kutai, East Kalimantan | Have not obtained the HGU                               |
|  |           |   | Koperasi Tanah Sama II                | 2023 | East Kutai, East Kalimantan | Have not obtained the HGU                               |
|  | Benuang   | 2023<br>Non-Certified<br>(Commissioning 2021) | PT Bumi Mas Agro                      | 2023 | East Kutai, East Kalimantan | Non-Certified<br>(Currently send FFB to outsider mill)  |
|  |           |   | Koperasi Dugai Jaya Mandiri           | 2023 | Kalimantan                  |   |
|  |           |   | Koperasi Marukangan Sejahtera Mandiri | 2023 | Kalimantan                  |   |
|  |           |   | Koperasi Jaya Harapan Bersama         | 2023 | Kalimantan                  |   |
|  | Tengkalat | 2017  | PT Gunung Pelawan Lestari             | 2017 | Bangka                      | Certified   |
|  |           |   | Koperasi Ikhtiar Sejahtera            | 2017 | Bangka                      | Certified   |
|  |           |   | Koperasi Silip Lestari                | 2017 | Bangka                      | Certified   |
|  |           |   | Koperasi Mapur Mandiri                | 2017 | Bangka                      | Certified   |
|  |           |   | Koperasi Gunung Muda Sejahtera        | 2017 | Bangka                      | Certified   |
|  | -         |   | PT Evans Lestari                      | 2023 | Musirawas, South Sumatera   | Currently FFB delivered to outside mill                 |
|  | -         |   | PT Simpang Kiri Plantation Indonesia  | 2023 | Aceh                        | Currently FFB delivered to outside mill                 |

|        |  |
|--------|--|
|        | Note: TBP approved by Evans Group on 08 October 2021   |
| 1.10.2 | <b>Progress of Associated Smallholders and Out growers for Certifiable Standard</b>  |
|        | Smallholder under PT PMM (Koperasi Sawit Etam Bersama – Tahap II, Koperasi Maju Membangun – Tahap II, Koperasi Tanah Sama – Tahap II) currently is in progress of land use title issuance. |

|   |  |
|---|--|
| <b>2.0</b>                                  | <b>ASSESSMENT PROCESS</b>  |
| <b>2.1</b>                                  | <b>Assessment Team</b>   |
| <b>ASA-1.2<br/>Remote Audit</b>             | <ol style="list-style-type: none"> <li><b>Rizliani Apranita Hasibuan (Lead Auditor).</b> Indonesian Citizen. Bachelor and Magister of Agribusiness, Faculty of Agriculture. She had followed training such as RSPO Lead Auditor Training, SCCS training, lead Auditor ISO 9001:2008, ISO 14001:2004, SA 8000, ISPO Auditor training and followed several IHT related to environment, BMP etc. She has been involved in several audit activities related to sustainable palm oil certification since 2015 covering social aspect, health and safety aspect, worker welfare and waste management aspect. During the assessment she assigned to verified worker welfare, social &amp; transparency.</li> <li><b>Briyogi Shadiwa (Auditor).</b> Indonesian citizens. Associate degree of Oil Palm Plantation, Bogor Agricultural University. He has work experience since 2009 in several private oil palm plantation companies in Indonesia as Assistant Agronomy and Agronomy Quality Control. The trainings that have been attended include: RSPO Lead Auditor Course by Checkmark, ISPO Auditor Training by LPP, Lead Auditor ISO 9001: 2015, RSPO Supply Chain Certification Training Course by Checkmark, Lead Auditor ISO 14001: 2015, SMK3 Awareness, OHSAS 18001 Awareness: 2007, SA 8000 Awareness, ISO 45001: 2018 Awareness and General OHS Expert Training. In this audit, he verified the Legal and Supply Chain.</li> <li><b>Septian Maulana (Auditor Trainee).</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 Best Management Practices and OHS Aspect under supervised by Lead Auditor.</li> <li><b>Erika Lucitawati (Auditor Trainee).</b> Indonesian citizen. Bachelor of Engineering with major in Environmental Engineering. The trainings that have been attended include In House Training of ISO 19011: 2018, ISO 17021: 2015, ISO 17065: 2012, ISO 9001: 2015, ISO 14001: 2015, ISO 45001: 2018, and The Supervision of Occupational Health and Safety Training. In this audit, she verified transparency, environmental, conservation and GHG aspects with supervision by Lead Auditor.</li> </ol> <p>Curriculum vitae (CV) of the members and the assessment team is available at the PT Mutuagung Lestari office.</p> |
| <b>ASA<br/>1.2 and 1.3<br/>Onsite audit</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' experience 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, Auditor ISPO, RSPO Lead Auditor Training, ISO 22000 awareness, RSPO SCCS, and Social Auditing by WIRE. Did some audit SPO scheme with aspects best management practices, SCCS, Legal, Social, and worker welfare. During this assessment verified BMP, Legal, FPIC, SCCS, Social, Time Bound Plan &amp; Partial Certification.</li> <li><b>Naila Karima (Auditor Witness).</b> Bachelor of Public Health, Department of Occupational Health and Safety. Faculty of Public Health, University of Indonesia. She had experience working in private oil palm plantation companies in Indonesia. She had followed training such as ISPO Lead Auditor, RSPO P&amp;C Lead Auditor, Training of Occupational Health and Safety Management System (PP No. 50 tahun 2012), Integrated Management System (ISO 45001, ISO 14001 and ISO 9001), HCV Management Training, ISO 14064, HACCP, ISO 19011, SA 8000. During this assessment she verified BMP and OHS aspect under supervision of Lead Auditor.</li> <li><b>Arief Tajalli (Auditor).</b> Indonesian citizen, Bachelor of Forest Resources Conservation and Ecotourism, Faculty of Forestry, Bogor Agricultural University. Has been involved as a researcher at a wildlife laboratory, Faculty of Forestry, IPB. The trainings that have been attended include training for ISO 9001; 2008, ISO 14001; 2004, ISO 17021; 2015, ISO 17065, ISO 19011 and ISPO Auditor training by Mutu Institute and RSPO Auditor Training by Checkmark, also participating in several IHT in the field of environment, BMP, and so on. Has participated in several audit simulation activities related to the sustainable palm oil certification system since 2020 with social, environmental, GHG, and waste management aspect. During this assessment, he verified the</li> </ol>  |



|                                     |  |
|-------------------------------------|--|
|                                     | <p>Environmental, GHG, and Waste management aspects.</p> <p>4. <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, and IHT related RSPO aspect. In this audit activity was verified worker welfare, OHS and transparency.</p> <p>5. <b>Alex Sitio (Observer)</b>. Indonesian citizen, now in the process of studying Doctoral Program at State University of Jakarta in Human Resource Management, Masters in Human Resource Management, University of Jember. Bachelor of Agriculture, Department of Agricultural Socio-Economics, Faculty of Agriculture, University of Lampung. He has 10 years' experience working as operational staff of one of the leading private oil palm plantation companies in Indonesia. The trainings that have been attended include training for ISO 9001; 2008, ISO 14001; 2004, ISO 17021; 2015, ISO 17065, ISO 19011, and participating in several IHT in the field of environment, best management practices, and GHG aspect and social aspect. During this assessment act as observer.</p> <p>Curriculum vitae (CV) of the members and the assessment team is available at the PT Mutuagung Lestari office.</p> |
| 2.2                                 | <b>Assessment Methodology, Assessment Process and Locations of Assessment</b>  |
| 2.2.1                               | <b>Figure of person days to implement assessment</b>   |
| <b>ASA-1.2 Remote Audit</b>         | <p>Number of auditors: 2 auditors and 2 Auditors Trainee.</p> <p>Number of days for <b>ASA-1.1 (Remote)</b>: 2 days.</p> <p>Number of working days for <b>ASA-1.1 (Remote)</b>: 4 Working days.</p>  |
| <b>ASA 1.2 and 1.3 Onsite audit</b> | <p>Number of auditors: 3 auditors and 1 Observer.</p> <p>Number of days for <b>ASA-1.2 &amp; 1.3 Onsite Audit</b>: 6 days</p> <p>Number of working days for <b>ASA-1.2 &amp; 1.3 Onsite Audit</b>: 18 Working days</p>   |
| 2.2.2                               | <b>Assessment Process</b>  |
| <b>ASA-1.2 Remote Audit</b>         | <p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Prima Mitrajaya Mandiri and PT Teguh Jayaprima Abadi (MP Evans Group PLC) to the requirements of <b>RSPO Certifications Systems for Principles &amp; Criteria and RSPO Independent Smallholders Standard (Endorsed by RSPO Board of Governors on 12 November 2020) and Indonesia National Interpretation RSPO Principles and Criteria for the Production of Sustainable Palm Oil 2018 Endorsed by the RSPO Board of Governors on 20<sup>th</sup> April 2020</b></p> <p>The assessment was conducted in two methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information.</p> <p>Some opportunities for improvement of the results <b>ASA-1.2 (Remote)</b> delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (<b>ASA-1.3</b>). Improvement of findings from <b>ASA-1.2 (Remote)</b> findings were observed by auditors at this <b>ASA-1.2 (Remote)</b> assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of <b>ASA-1.2 (Remote)</b>.</p> <p>Opening meeting were attended by auditor and auditee with online method and document sent by online cloud storage. Therefore, closing meeting were attended by same participants. During closing meeting, they were accepted the auditor conclusion</p> <p>The assessment program please find Appendix 2</p>  |



|   |  |
|---|--|
| <b>ASA<br/>1.2 and 1.3<br/>Onsite audit</b> | <p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT PMM and PT TJA to the requirements of <b>Indonesia National Interpretation of Principles and Criteria for Sustainable Palm Oil Production 2018, endorsed on 20th April 2020 and RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.</b></p> <p>The scope of certification of Bumi Permai Mill and Rahayu Mill FFB supplied by seven (7) Estates: 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-1.2 &amp; 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 (Recert). Improvement of findings from ASA-1.2 findings were observed by auditors at this ASA-1.2 &amp; 1.3 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1.2 &amp; 1.3.</p> <p>The opening meeting was held on 18 April 2022. As for the participants who attended the opening meeting included Plantation Controller, General Manager, Estate and Mill Managers, Support Team from Jakarta and other staff at PT PMM &amp; PT TJA. Closing meeting was held on 23 April 2022 attended by the same participants as the opening meeting. Management PT PMM &amp; PT TJA accept all the onsite surveillance 1.2 &amp; 1.3 audit results.</p> <p>In this assessment, there is an extension scope of certification for Rahayu Mill covering an area of 14.90 hectares</p> <p>The assessment program please find Appendix 2.</p>   |
| <b>2.2.3</b>                                | <b>Locations of Assessment</b>   |
| <b>ASA-1.2<br/>Remote Audit</b>             | Will be completed during the onsite audit.   |
| <b>ASA<br/>1.2 and 1.3<br/>Onsite audit</b> | <p>The sampling location consider the issue arose from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p> <p><b>Bumi Permai Mill and Rahayu Mill</b></p> <ul style="list-style-type: none"> <li>• <b>Land Application and Monitoring Well.</b> Observation related to effluent handling and environment aspect etc.</li> <li>• <b>Water Treatment Plant.</b> Observations related work procedure, safety aspect, environment aspect etc.</li> <li>• <b>Water Intake.</b> Observations related work procedure, safety aspect, environment aspect etc.</li> <li>• <b>WWTP.</b> Observation related to effluent handling, work procedure, safety aspect, environment aspect etc.</li> <li>• <b>Composting.</b> Observation related to composting handling, safety aspect, environment aspect etc.</li> <li>• <b>Biogas Plan.</b> Observation related to Methane capture handling, safety aspect, environment aspect etc.</li> <li>• <b>Reservoir pump house.</b> Observation related to safety aspect, environment aspect etc.</li> <li>• <b>EFB, Fiber and Shell disposal area.</b> Observation related to safety aspect, environment aspect etc.</li> <li>• <b>Grading Station.</b> Observations and interviews related work procedure, safety aspect, worker welfare etc.</li> <li>• <b>Loading Ramp Station.</b> Observations and interviews related work procedure, safety aspect, worker welfare etc.</li> <li>• <b>Sterilizer Station.</b> Observations and interviews related work procedure, safety aspect, worker welfare etc.</li> <li>• <b>Engine Room.</b> Observation related work procedure, safety aspect, worker welfare, environment aspect etc.</li> <li>• <b>Boiler Station.</b> Observation and interviews related work procedure, safety aspect, worker welfare etc.</li> <li>• <b>Press Station.</b> Observation and interviews related work procedure, safety aspect, worker welfare etc.</li> <li>• <b>Nut and Kernel Station.</b> Observation and interviews related work procedure, safety aspect, worker welfare etc.</li> <li>• <b>Oil Tank Station.</b> Observation's safety aspect, environment aspect etc.</li> <li>• <b>Workshop.</b> Observation and Interview related to work procedure, OHS and workers welfare aspect.</li> </ul> |

- **Empty Bunch Area.** Observation related to waste management.
- **Hydrant Test.** Simulation related to fire emergency respond.
- **Security post.** Interview with 1 security related to work procedure, emergency response, worker welfare, OHS implementation in mill, and supply chain aspect.
- **Weighbridge station.** Interview with 1 worker related to supply chain aspect and worker welfare.
- **Hazardous waste storage.** Observation about storage condition, hazardous waste stock, emergency response facility, and waste management.
- **Oil storage.** Observation about storage condition, MSDS, OHS implementation, emergency facility, and material stock.
- **General storage.** Observation about storage condition, PPE stock, emergency response and OHS implementation.
- **Chemical material storage.** Observation about storage condition, MSDS, OHS implementation, emergency facility, and material stock.
- **CPO Storage Tank.** Observation about capacity of storage tank

#### Bumi Permai Estate

- **HGU Pole No. PMM 142B and PMM 50.** Observation the conditions and position of legal boundary.
- **HCV area Block T41/T42 and P45/P46.** Observation related to management of environmental aspect.
- **HCV Semelis River Riparian Block S44/S45.** Observation related to management of environmental aspect.
- **Day care facility.** Observation about facility and interview about worker welfare, gender committee, and facility for worker.
- **PPE Storage.** Observation about facility and PPE stock
- **Agrochemical storage.** Observation about storage condition, agrochemical stock, OHS implementation, and interview with 1 worker about worker welfare, OHS implementation, and understanding of work procedure
- **Hazardous waste storage.** Observation about storage condition, hazardous waste stock, emergency response facility, and waste management.
- **Firefighting storage.** Observation about condition the firefighting facilities and equipment.
- **Firefighting simulation.** Observation about condition the firefighting facilities and equipment and preparedness.
- **Firefighting tower.** Observation about condition the firefighting facilities and equipment.
- **Fertilizer storage.** Observation about storage condition, fertilizer stock, and OHS implementation.
- **Spraying Circle & Path, Block M42.** Observation and interviews of spraying mechanism, work tools, chemicals used, doses used, medical examinations, extra Food, PPE, labor aspect and environment.
- **Manuring Activity, Block O39** Observation and interviews of manuring mechanism, work tools, fertilizer used, fertilizer dosage, medical examinations, PPE, labor aspect and environment.
- **Piezometer and Peat Subsidence. Block O40.** Observations and interviews regarding the management and monitoring of peat areas
- **FFB Harvesting and loose fruit picker activity, Division Tengah Block P41.** Observation and interviews with foreman and harvester related FFB quality, harvesting round, OHS, and employment.
- **Landfill Block M42.** Field observation related domestic waste management

#### Prima Estate

- **HGU Pole No. T08, SKG03.** Observation the conditions and position of legal boundary.
- **HCV area Block I24/J24, J31, and K32/K33.** Observation related to management of environmental aspect.
- **Day care facility.** Observation about facility and interview about worker welfare, gender committee, and facility for worker.
- **PPE Storage.** Observation about facility and PPE stock
- **Agrochemical storage.** Observation about storage condition, agrochemical stock, OHS implementation, and interview with 1 worker about worker welfare, OHS implementation, and understanding of work procedure
- **Hazardous waste storage.** Observation about storage condition, hazardous waste stock, emergency response facility, and waste management.

- **Replanting area Block E34 Div 2.** Observation related implementation of soil and water conservation, environmental aspect and potential burning activity.
- **Firefighting storage.** Observation about condition the firefighting facilities and equipment.
- **Firefighting simulation.** Observation about condition the firefighting facilities and equipment and preparedness.
- **Firefighting tower.** Observation about condition the firefighting facilities and equipment.
- **Fertilizer storage.** Observation about storage condition, fertilizer stock, and OHS implementation.
- **Landfill Block D49.** Observation related environmental aspect.
- **Circle and Path Spraying block J32.** Observations and interviews regarding best work practices, environmental aspects, including OHS and Employment aspects
- **Manuring block K40.** Observations and interviews regarding best work practices, environmental aspects, including OHS and Employment aspects
- **Pesticide Warehouse.** Observations and interviews regarding pesticide management including emergency response facilities.
- **Rinse House.** Observations regarding the use of rinse houses and safety aspects for spray and fertilizer workers
- **Material Warehouse.** Observations and interviews regarding the storage of goods including the availability of PPE stock
- **Workshop.** Observations and interviews regarding the management of hazardous and toxic materials and its waste, operator licenses, and emergency response facilities
- **Hazardous Waste satellite shelter.** Observations and interviews regarding the management of hazardous and toxic materials at its shelter
- **Northern Division Housing.** Block K28. Observations and interviews regarding worker welfare facilities including sanitation and domestic waste management
- **Landfills.** Block J 26. Observations on domestic waste management.
- **Daycare.** Observations and interviews regarding the facilities available in child care, clean water facilities, emergency response facilities, and other supporting facilities.
- **Piezometer and Peat Subsidence.** Block E42. Observations and interviews regarding the management and monitoring of peat areas

#### Kahoi Estate

- **HGU Pole No. PMM 120B, 121B and 129B.** Observation the conditions and position of legal boundary.
- **HCV area Block H35.** Observation related to management of environmental aspect.
- **Conservation area Non-HCV Block F32/G32.** Observation related to management of environmental aspect.
- **Day care facility.** Observation about facility and interview about worker welfare, gender committee, and facility for worker.
- **PPE Storage.** Observation about facility and PPE stock
- **Agrochemical storage.** Observation about storage condition, agrochemical stock, OHS implementation, and interview with 1 worker about worker welfare, OHS implementation, and understanding of work procedure
- **Hazardous waste storage.** Observation about storage condition, hazardous waste stock, emergency response facility, and waste management.
- **Firefighting storage.** Observation about condition the firefighting facilities and equipment.
- **Firefighting simulation.** Observation about condition the firefighting facilities and equipment and preparedness.
- **Firefighting tower.** Observation about condition the firefighting facilities and equipment.
- **Fertilizer storage.** Observation about storage condition, fertilizer stock, and OHS implementation.
- **Spraying Circle & Path, Block H30 Division Tengah.** Observation and interviews of spraying mechanism, work tools, chemicals used, doses used, medical examinations, extra Food, PPE, labor aspect and environment.
- **Selective weeding, Block H30 Division Tengah.** Observation and interviews of spraying mechanism, work tools, chemicals used, doses used, medical examinations, PPE, labor aspect and environment.

- **FFB Harvesting and loose fruit picker activity, Division Utara Block E34.** Observation and interviews with foreman and harvester related FFB quality, harvesting round, OHS, and employment.
- **FFB Harvesting and loose fruit picker activity, Division Utara Block D30.** Observation and interviews with foreman and harvester related FFB quality, harvesting round, OHS, and employment.
- **Subsidence pole, water level stick, piezometer logger, Division Utara Block F36.** Observations and interviews regarding the management and monitoring of peat areas
- **Manuring activity, Block G32 Division Tengah.** Observation and interviews of manuring mechanism, work tools, fertilizer used, fertilizer dosage, medical examinations, PPE, labor aspect and environment.
- **Manuring activity, Block C32 Division Utara.** Observation and interviews of manuring mechanism, work tools, fertilizer used, fertilizer dosage, medical examinations, PPE, labor aspect and environment.

#### Lembuswana Estate

- **HGU Pole No. PLM LL13, 17 and PMM 050B.** Observation the conditions and position of legal boundary.
- **HCV area Block N26/O26.** Observation related to management of environmental aspect.
- **HCV area Block O31/P31.** Observation related to management of environmental aspect.
- **Day care facility.** Observation about facility and interview about worker welfare, gender committee, and facility for worker.
- **PPE Storage.** Observation about facility and PPE stock
- **Agrochemical storage.** Observation about storage condition, agrochemical stock, OHS implementation, and interview with 1 worker about worker welfare, OHS implementation, and understanding of work procedure
- **Hazardous waste storage.** Observation about storage condition, hazardous waste stock, emergency response facility, and waste management.
- **Firefighting storage.** Observation about condition the firefighting facilities and equipment.
- **Firefighting simulation.** Observation about condition the firefighting facilities and equipment and preparedness.
- **Firefighting tower.** Observation about condition the firefighting facilities and equipment.
- **Fertilizer storage.** Observation about storage condition, fertilizer stock, and OHS implementation.
- **Harvesting Activity Block N32.** Observation related OHS, BMP, Worker Welfare and Environment Aspects.
- **Manuring Activity Block N30.** Observation related OHS, BMP, Worker Welfare and Environment Aspects.
- **Spraying Activity Block P34.** Observation related OHS, BMP, Worker Welfare and Environment Aspects.
- **Education Facility (School).** Observation related the condition of school facility and support from the company.
- **Clinic.** Observation related work accident, medical waste mangement.
- **Daycare.** Observation related the daycare condition, and worker werfare.

#### Rahayu Estate

- **HGU Pole No. 40.** Observation the conditions and position of legal boundary.
- **Day care facility.** Observation about facility and interview about worker welfare, gender committee, and facility for worker.
- **PPE Storage.** Observation about facility and PPE stock
- **Agrochemical storage.** Observation about storage condition, agrochemical stock, OHS implementation, and interview with 1 worker about worker welfare, OHS implementation, and understanding of work procedure
- **Hazardous waste storage.** Observation about storage condition, hazardous waste stock, emergency response facility, and waste management.
- **Firefighting storage.** Observation about condition the firefighting facilities and equipment.
- **Firefighting simulation.** Observation about condition the firefighting facilities and equipment and preparedness.
- **Firefighting tower.** Observation about condition the firefighting facilities and equipment.
- **Fertilizer storage.** Observation about storage condition, fertilizer stock, and OHS implementation.
- **Landfills. Block F44.** Observations on domestic waste management.



|                                     |   |
|-------------------------------------|---|
|                                     | <ul style="list-style-type: none"> <li>• <b>Northern Housing. Lestari Division. Block C43.</b> Observations and interviews regarding worker welfare facilities including sanitation and domestic waste management.</li> <li>• <b>Daycare.</b> Observations and interviews regarding the facilities available in child care, clean water facilities, emergency response facilities, and other supporting facilities.</li> <li>• <b>HCV Block B40.</b> Observations and interviews on HCV management and monitoring.</li> <li>• <b>HCV Block J48.</b> Observations and interviews on HCV management and monitoring</li> <li>• <b>HCV Block H56.</b> Observations and interviews on HCV management and monitoring</li> <li>• <b>Boundary stake No. 45 Block D38.</b> Observation of the condition and treatment of boundary markers.</li> <li>• <b>Boundary stake No 46 Block D39.</b> Observation of the condition and treatment of boundary markers.</li> <li>• <b>Boundary stake No. 47 Block D39.</b> Observation of the condition and treatment of boundary markers.</li> <li>• <b>Spraying Activity Block F43.</b> Observation related OHS, BMP, Worker Welfare and Environment Aspects.</li> <li>• <b>Manuring Activity Block F44.</b> Observation related OHS, BMP, Worker Welfare and Environment Aspects.</li> <li>• <b>Harvesting Activity Block G42.</b> Observation related OHS, BMP, Worker Welfare and Environment Aspects.</li> <li>• <b>Peat Subsidence Block E46.</b> Observation related peat management.</li> </ul> <p><b>Mahakam Estate</b></p> <ul style="list-style-type: none"> <li>• <b>HGU Pole No. TJA031 and PLM019</b> Observation the conditions and position of legal boundary.</li> <li>• <b>HCV area Block N59.</b> Observation related to management of environmental aspect.</li> <li>• <b>Landfill.</b> Observation related to management of environmental aspect.</li> <li>• <b>PPE Storage.</b> Observation about facility and PPE stock.</li> <li>• <b>Agrochemical storage.</b> Observation about storage condition, agrochemical stock, and OHS implementation.</li> <li>• <b>Hazardous waste storage.</b> Observation about storage condition, hazardous waste stock, emergency response facility, and waste management.</li> <li>• <b>Firefighting storage.</b> Observation about condition the firefighting facilities and equipment.</li> <li>• <b>Firefighting tower.</b> Observation about condition the firefighting facilities and equipment.</li> <li>• <b>Fertilizer storage.</b> Observation about storage condition, fertilizer stock, and OHS implementation.</li> <li>• <b>Diesel fuel storage.</b> Observation about storage condition and OHS implementation.</li> <li>• <b>Spraying Circle &amp; Path, Block M54.</b> Observation and interviews of spraying mechanism, work tools, chemicals used, doses used, medical examinations, extra Food, PPE, labor aspect and environment.</li> <li>• <b>FFB Harvesting and loose fruit picker activity, Block M58.</b> Observation and interviews with foreman and harvester related FFB quality, harvesting round, OHS, and employment</li> <li>• <b>Manuring activity, Block M53.</b> Observation and interviews of manuring mechanism, work tools, fertilizer used, fertilizer dosage, medical examinations, PPE, labor aspect and environment.</li> <li>• <b>Piezometer and Peat Subsidence. Block O50.</b> Observations and interviews regarding the management and monitoring of peat areas</li> </ul> <p><b>Rahayu Bulking</b></p> <ul style="list-style-type: none"> <li>• <b>Weighbridge.</b> Observations regarding product acceptance from BPM and RHM</li> <li>• <b>Administration of production and sales records.</b> Observations and interviews regarding recording production and recording sales volume</li> <li>• <b>CPO Storage Tanks.</b> Observation of CPO storage capacity in bulking.</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-1.2 Remote Audit</b>         | Stakeholders' consultation will be verified on site audit.  |
| <b>ASA 1.2 and 1.3 Onsite audit</b> | Summary of stakeholder consultation process<br>Consultation of stakeholders for PT PMM and PT TJA Mas was held by: <ul style="list-style-type: none"> <li>• Public Notification on website on MUTU Website on 03 March 2022</li> <li>• Public consultation with NGOs (by email) such as WALHI, WWF, and Sawit Watch on 14 April 2022</li> <li>• Public consultation meeting with government institution 18 April 2022</li> </ul>  |

|              |  |
|--------------|--|
|              | <ul style="list-style-type: none"> <li>Public consultation meeting with communities and Worker on 18 – 21 April 2022</li> <li>Public consultation meeting with internal stakeholders and contractor 20 April 2022</li> </ul> |
| <b>2.3.2</b> | <b>Stakeholder contacted</b>   |
|              | <i>Please find appendix 1</i>  |
|              |  |
| <b>2.4</b>   | <b>Determining Next Assessment</b>   |
|              | The next visit ( <b>ASA-1.4</b> ) will be conducted eight (8) months to twelve (12) months after date of annual license.   |

### 3.0 ASSESSMENT FINDINGS

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

MUTUAGUNG LESTARI has conducted an assessment of PT Prima Mitrajaya Mandiri and PT Teguh Jayaprima Abadi, MP EVANS Group PLC operation consisting of *two (2)* mill and *seven (7)* oil palm estates.

During the assessment, there were *zero (0)* Nonconformities were assigned against Major Compliance Indicator(s); *zero (0)* nonconformity(s) were assigned against Minor Compliance Indicators; and *Eight (8)* opportunity(s) for improvement were identified.

MUTUAGUNG LESTARI found that Bumi Permai Mill and Rahayu Mill – PT Prima Mitrajaya Mandiri and PT Teguh Jayaprima Abadi, MP EVANS Group PLC 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 Governor on 12th November 2020**

Therefore, MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is *Continued*

| Ref Std.   | VERIFICATION RESULT of MUTU-Certification |
|--|---|
| <b>PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY</b>   |   |
| <b>1.1</b>   |   |
| <b>The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>   |   |
| <b>1.1.1</b>   |   |
| Management has list of transparent and confidential documents for public is recorded in Appendix of Transparency Documents dated 2 January 2016. Types of documents which is available to the public such as documents are company policies, job description, SOP's, HCV assessment and management plan, GHG monitoring, hazardous materials monitoring, CSR, Guiding Committee of Occupational Safety & Health, list of stakeholders, internal and external complaints, list of employees, company organization chart, OHS Guiding Committee structure, employee agreement. These documents can be accessed by sending a request to management. The document can be provided with the record not abused and in accordance with its designation.   |   |
| <b>1.1.2</b>   |   |
| <b><u>Compliance with Social and Environmental Regulation</u></b>  |   |
| The unit of certification can show evidence that information has been received in an appropriate form and language related to stakeholder involvement, company rights and obligations that are conveyed to all relevant stakeholders, including:   |   |
| <ul style="list-style-type: none"> <li>• Evidence of the RKL-RPL Report of PT PMM and PT TJA Semester 2, 2021 which was reported to the Environment and Forestry Service and the Kutai Kartanegara Regency Plantation Service on 9 February 2022.</li> <li>• Evidence of the RKL-RPL Report of PT PMM and PT TJA Semester 2, 2021 which was reported to the Environment Service and the Plantation Office of Kalimantan Timur Province on February 9, 2022.</li> <li>• Evidence of Semester 2 RKL-RPL Report, 2021 which was reported to the Ministry of Environment and Forestry on 16 February 2022 with TTE ID 1644996848-6804 for PT PMM and 15 February 2021 with TTE ID 1644916069-10628 for PT TJA.</li> <li>• Evidence of Hazardous and Toxic Waste Management Reports of PT PMM and PT TJA Quarter IV, 2021 which was reported to the Environmental Service of Kutai Kartanegara Regency on February 9, 2022.</li> <li>• Evidence of the Land Application Management Report of PT PMM and PT TJA for the fourth quarter of 2021, which was reported to the Environmental Service of Kutai Kartanegara Regency on February 9, 2022.</li> <li>• Evidence of the report on the results of monitoring the existence of protected plants and animals and the management of HCV for Semester 2, 2021 and has been reported to the BKSDA of Kutai Kartanegara Regency on February 15, 2021.</li> </ul> |   |



- Evidence of the report on the results of monitoring the existence of plantation progress report LPUP for Semester 2, 2022 and has been reported to the Plantation Office of Kutai Kartanegara Regency on February 15, 2022.
- Evidence of the report on the results of monitoring the existence of protected plants and animals and the management of HCV for Triwulan 1, 2022 and has been reported to the Department of Manpower and Transmigration of Kutai Kartanegara Regency on April 14, 2022.

#### **OHS and Manpower Aspects**

- Quarter I OHS Committee Report 2022 PT PMM and PT TJA to the Manpower and Transmigration Office of Kutai Kartanegara Regency on April 14, 2022. OHS report of PT PMM and PT TJA Quarter I, 2022 to the Department of Manpower and Transmigration of Kutai Kartanegara Regency on April 14, 2022.
- Proof of sending PT TJA Fire Prevention and Management Report for Semester 2 of 2021 to the Plantation Service of East Kalimantan Province on 11 February 2022.
- Proof of sending PT TJA Fire Prevention and Management Report Semester 2 2021 to the Kutai Kartanegara Regency Plantation Service on 11 February 2022.
- Proof of sending the PT PMM Fire Prevention and Management Report for Semester 2 of 2021 to the Plantation Service of East Kalimantan Province on 11 February 2022.
- Proof of sending the PT PMM Fire Prevention and Management Report for Semester 2 of 2021 to the Kutai Kartanegara Regency Plantation Service on February 4, 2022.
- Proof of Mandatory Reporting for Employment of PT PMM in 2021 on May 21, 2021.
- Proof of Mandatory Reporting for Employment of PT TJA in 2021 on May 21, 2021.
- Proof of registration of Temporary Work Agreement Rahayu Estate PT TJA dated March 18, 2022.

#### **Legal Aspect**

- HGU utilization report for PT PMM and PT TJA Letter No. 021/KKPSPMM/HGU/III/2022 dated 28 March 2022 and No. 022/KKPSTJA/HGU/III/2022 dated 28 March 2022 and received by the Land Office of Kutai Kartanegara Regency on 08 April 2022
- Investment Activity Report for PT PMM (Estate) for the first quarter of 2022 Report number: 1432389 via SPIPISE 08 April 2022
- Investment Activity Report for PT TJA (Mill) first quarter 2022 Report number: 1433020 via SPIPISE 08 April 2022
- Investment Activity Report for PT TJA (Estate) for the first quarter of 2022 Report number 1431096 through SPIPISE 08 April 2022

#### **1.1.3**

The company has shown procedures regarding information responses listed in SOP No. PMM/SOP/General-02 (Revision 1) dated September 16, 2013 concerning Information Transparency, procedures are prepared with the aim of creating good and harmonious communication between the company and the community. Responses to information requests were made 2 weeks after the letter was received.

Based on the results of interviews with village representatives and government agencies, it is known that the relationship between the village and government agencies and the company has been well established, besides that the company quickly responds if there is a request for information addressed to the company.

The company shows a record of requests for information and responses, for example a request for information on BPM Production Data from the Plantation Service on March 28, 2022 during a field visit and has been given the information needed on the same date.

#### **1.1.4**

The company has procedures related to Communication and Consultation which are contained in the document number PMM/SOP/General-22 dated 27 April 2015. In summary, the document describes the following: Mechanisms for communication and consultation between the company and the community, government, NGOs, Disinterested Parties, and women and responsible PIC information.

The procedure has been conveyed to relevant parties, for example, based on the results of interviews with village representatives, government agencies and contractors, it is known that these parties already know the method and the appointed PIC to communicate

with the company.

#### 1.1.5

The company can show a list of stakeholders of PT PMM and PT TJA in 2022 that informs the name of the stakeholder, PIC, contact number, and address. The stakeholders listed include representatives of surrounding villages, community leaders, government agencies, health centers, surrounding companies, NGOs, suppliers and contractors.

During the audit activity, the audit team has conducted consultations by contacting the stakeholder contact numbers listed.

**Status: Comply**

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

#### 1.2.1

The company has a Policy on Sustainability and Business Ethics which was issued on July 19, 2019. Several points that explain the ethical behavior policy include:

- The Group is committed to conducting its business worldwide with the highest level of integrity. The Group will not tolerate any form of bribery or corruption.
- The Group is committed to acting ethically and honestly in the conduct of its business and to implementing and enforcing effective systems and controls to ensure the absence of modern slavery within the Group or its suppliers or business partners.
- Evans Group Indonesia recognizes the importance of creating a healthy and safe work environment for all employees, contractors, consultants and company guests.

Company can show evidence of socialization of policies and business ethics, for example:

- Evidence of socialization on February 16, 2021 at the location in Lembuswana Estate to employees of the northern division of KKPA with a total of 83 participants. .
- Evidence of socialization on February 16, 2021 at the location at Kahoi Estate to staff, supervisors and employees with a total of 50 participants.
- Evidence of socialization on 7 July 2021 at the Kahoi Estate KKPA Division to staff, foreman, and 64 employees.
- Evidence of socialization on January 14, 2021, location in Prima Estate Central Division to all employees with a total of 147 people.
- Evidence of socialization on 29 July 2021 at the location in Bumi Permai Estate to southern employees and KKPA-A with a total of 75 participants
- Evidence of socialization on July 6, 2021, location at the Mahakam estate division office to south and north employees with a total of 97 participants
- Evidence of socialization on June 6, 2021 location at Rahayu Mill to factory employees with a total of 27 participants

The company has also shown the Socialization Report, attendance and photos of the implementation of the socialization. In addition, based on the results of interviews with contractors, it was conveyed that the contractors had brief knowledge of business ethics policies including no acts of fraud, so it can be concluded that the company already has a business ethics policy that has been socialized to stakeholders.

#### 1.2.2

In terms of monitoring compliance and implementing ethical business policies and practices, the company conducts internal audits that have been routinely carried out. For example, the internal audit of the RSPO which is conducted annually and the internal audit of the department which is carried out every semester, which is shown through documents, for example:

- BPE: RSPO internal audit as demonstrated through the RSPO Internal Audit Non-Conformity List document dated 5 February 2022.
- PME: RSPO internal audit as demonstrated through the RSPO Internal Audit Non-Conformity List document dated 5 February 2022.
- KHE: RSPO internal audit as demonstrated through the RSPO Internal Audit Non-Conformity List document dated 7 February 2022.
- MKE: RSPO internal audit as demonstrated through the RSPO Internal Audit Non-Conformity List document dated 4 February 2022.

- LLE: RSPO internal audit as demonstrated through the RSPO Internal Audit Non-Conformity List document dated 7 February 2022.
- BPM: RSPO internal audit as demonstrated through the RSPO Internal Audit Non-Conformity List document dated 4 February 2022.
- RHM: RSPO internal audit as demonstrated through the RSPO Internal Audit Non-Conformity List document dated 8 February 2022.

**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**

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

The Bumi Permai Mill certification unit is under PT Prima Mitrajaya Mandiri and Rahayu Mill is under PT Teguh Jayaprima Abadi. In fulfilling compliance, the company has referred to all relevant laws and regulations, namely by having the following documents:

##### **PT Prima Mitrajaya Mandiri (unit Bumi Permai Mill dan 5 Estate)**

- The results of the environmental assessment in the form of an Environmental Impact Analysis (ANDAL) document in 2008 for an oil palm plantation with an area of  $\pm 21,500$  ha. This document has been approved based on the Decree of the Regent of Kutai Kartanegara number KAKK/27/AMDAL/KELAPA SAWIT/2008 dated 24 September 2008.
- The results of the environmental assessment in the form of an Environmental Impact Analysis (ANDAL) document in 2010 for a palm oil processing mill with a capacity of 60 tons of FFB/hour with an area of  $\pm 46.05$  Ha and Storage Tanks and Special Piers covering an area of  $\pm 28$  Ha. The document has been ratified based on the Decree of the Regent of Kutai Kartanegara number KAKK/33/AMDAL/PARBIK, SPECIAL TANKS AND piers/XII//2010 dated December 13, 2010.
- Hazardous Waste Management Permit for temporary storage activities for Kahoi Estate based on the Decree of DPMPTSP Kutai Kartanegara Regency Number P-660.4/038/DPMPTSP/III.3-1/TPSLB3/03/2019 dated March 26, 2019 and is valid for 5 years.
- Hazardous Waste Management Permit for temporary storage activities for Bumi Permai Estate based on the Decree of DPMPTSP Kutai Kartanegara Regency Number P-660.4/039/DPMPTSP/III.3-1/TPSLB3/03/2019 dated March 26, 2019 and is valid for 5 years.
- Hazardous Waste Management Permit for temporary storage activities for Muara Wis Estate based on DPMPTSP Decree of Kutai Kartanegara Regency Number P-660.4/038/DPMPTSP/III.3-1/TPSLB3/03/2019 dated March 26, 2019 and is valid for 5 years. Currently, Muara Wis Estate is incorporated into the Beringin Jaya Estate.
- Permit for Hazardous Waste Management for temporary storage activities for PT Buana Wiralestari Mas – Bumi Permai Mill based on the Decree of the Regent of Kutai Kartanegara Number P660.1/129/BLHD-I/2016 dated 27 June 2016 and is valid for 5 years. The permit has passed the validity period, but the company can show the official report number 069/KKPS PMM/BPM/V/2021 dated June 21, 2022 regarding the Application for Extension of the Permit for the Hazardous Waste Storage of PT PMM for the Bumi Palma Mill unit.
- Permit for Utilization of Palm Oil Industrial Wastewater on Soil for Bumi Permai Mill based on the decision of the Regent of Kutai Kartanegara Number 660.1/002/B.II.1/SK-LA/BLHD/III/2014 dated March 7, 2014 with the area of land permitted for application an area of 200 hectares. The permit does not include the expiration date of the permit, regarding this, the Department explained that the permit will remain valid until there is a violation or a change in the application area. For now, there have been no violations and changes so there is no need to update.
- Surface Water Utilization Permit based on the Decree of the Minister of Public Works and Public Housing Number 447/KPTS/M/2020 dated May 6, 2020 which is valid for 5 years. The water intake point is located on the Kedang Semilis River with a maximum discharge of 51,300 m<sup>3</sup>/month.

##### **PT Teguh Jayaprima Abadi (unit Rahayu Mill dan 2 Estate)**

- The results of the environmental assessment in the form of an Environmental Impact Analysis (ANDAL) document in 2008 for an oil palm plantation with an area of  $\pm 5,100$  ha. This document has been approved based on the Decree of the Regent of Kutai Kartanegara number KAKK/028/AMDAL/KELAPA SAWIT/2008 dated September 24, 2008.
- The results of the environmental assessment in the form of an Environmental Impact Analysis (ANDAL) document in 2009 for an oil palm plantation with an area of  $\pm 13,550$  ha. This document has been approved based on the Decree of the Regent of Kutai Kartanegara number KAKK/008/AMDAL/KELAPA SAWIT/2009 dated March 16, 2009.

- Results of environmental studies in the form of UKL-UPL documents in 2018 for the construction of a palm oil processing factory with a capacity of 60 tons of FFB/hour. The document has been ratified based on the Decree of the DPMPTSP of Kutai Kartanegara Regency Number P.660.2/042/DPMPTSP/IV.3/REKOM-UKLUPL/09/2018 dated 7 September 2018. Based on the document, the company obtained an Environmental Permit Document Number P.660.2/074 /DPMPTSP/IV.3/IL-UKLUPL/09/2018 which was legalized by DPMPTSP on 17 September 2018.
- Hazardous Waste Management Permit for temporary storage activities for Mahakam Estate based on DPMPTSP Decree of Kutai Kartanegara Regency Number P-660.4/036/DPMPTSP/III.3-1/TPSLB3/03/2019 dated March 26, 2019 and is valid for 5 years.
- Hazardous Waste Management Permit for temporary storage activities for Rahayu Estate based on the Decree of DPMPTSP Kutai Kartanegara Regency Number P-660.4/037/DPMPTSP/III.3-1/TPSLB3/03/2019 dated March 26, 2019 and is valid for 5 years.
- Surface Water Utilization Permit based on the Decree of the Minister of Public Works and Public Housing Number 54/KPTS/M/2017 dated January 31, 2017 which is valid for 5 years. The water intake point is located on the Mahakam River with a maximum discharge of 1,140 m<sup>3</sup>/month. The permit has passed the validity period, but the company can show the Technical Recommendation Submission document number 003/K.DIRTJA/APU/II/2022 dated 24 February 2022 concerning Application for Water Resources exploitation for PT TJA.
- Operational Feasibility Letter for Wastewater Utilization System for Rahayu Mill based on the decision of the Environment and Forestry Office of Kutai Kartanegara Regency Number P-0723/DLHK/BID.III.2/660.31/10/2021 dated October 11, 2021 with the permitted land area for application an area of 200 hectares. The document refers to the technical approval given by the Office with document number P-0655/DLHK/BID-III-2/660.31/09/2021 dated September 21, 2021.

The results of an interview with the Environmental Service of Kutai Kartanegara Regency stated that currently, permit renewal using technical recommendations has been implemented, but a system to accommodate this has not been established, so that permit processing must go through the Ministry of Environment and Forestry, so it takes a relatively longer time. Based on the explanation above, the company is encouraged to ensure the progress of the extension of the two permits.

#### **OFl:**

Based on the results of the verification of regulatory compliance documents, there are 2 documents that have passed the expiration date, including:

- Hazardous Waste Management Permit for temporary storage activities at Bumi Permai Mill Number P660.1/129/BLHD-I/2016 dated 27 June 2016 and is valid for 5 years. The permit has passed the expiration date, but the company can show the official document number 069/KKPS PMM/BPM/V/2021 dated June 21, 2021 regarding the Application for Extension of the Permit for the Hazardous Waste Storage of PT PMM for the Bumi Palma Mill unit.
- Permit for Utilization of Surface Water at Rahayu Mill Number 54/KPTS/M/2017 dated January 31, 2017 which is valid for 5 years. The permit has passed the validity period, but the company can show the Technical Recommendation Submission document number 003/K.DIRTJA/APU/II/2022 dated 24 February 2022 concerning Application for Water Resources exploitation for PT TJA

#### **Best Management Practices**

- Using pesticides that have been registered and have a distribution permit in accordance with the required regulations
- Using high-quality and certified oil palm seeds from registered seed producers

#### **Compliance with OHS Regulation**

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

- The establishment of the P2K3 (OHS Committee) for PT PMM & TJA which were registered by the Manpower and Transmigration Agency of Kutai Kartanegara Province.
- Provision of PPE for free to all workers and arrange the use of PPE according to the type of work based on the free predetermined HIRAC
- Have permits for all factory operating machines such as boiler and sterilizer machines that have been tested for eligibility according to applicable regulations.
- Has a license / competency for some special jobs that require more expertise such as OHS experts, hyperkes, boiler operators, diesel engine operators, welder, wheel loader operators and others in accordance with the requirements contained in the legislation.
- Has carried out a general health check (Medical Check Up) every year for all workers and special checks (cholinesterase,

spirometry and audiometry) according to the level of risk / danger for certain jobs

- Regarding operator training related to the realization that the fulfillment of the adequacy of licensed operators cannot be carried out due to the constraints of the covid 19 pandemic, but the company can show the training program and record communication with PJK3 (Occupational Safety and Health Service Company). This has been explained in indicator 3.6.2

#### **Employment Aspects:**

- The company has complied with the payment of the minimum wage.
- The company already has and implements a pay scale structure.
- The Company has sent regular Employment Reports.
- The company has implemented working hours related to overtime work, rest periods, etc.

#### **Legal Aspect**

Based on the results of the document review, it is known that the scope of RSPO certification for PT PMM and PT TJA is 20,507.30 Ha with main estate and plasma coverage. At the time this assessment was carried out there was an additional area for Rahayu Mill covering an area of 14.90 Ha so that the scope of certification became 20,522.20 Ha. From this area, the area that already has HGU/HGB is 11,158.96 Ha and 9,363.24 Ha does not yet have a land title.

In addition, the company also has a Plantation Business Permit for both plantation and mill. PT PMM has IUP-B for an area of 21,500 Ha while PT TJA has IUP-B for an area of 13,550 Ha. The processing capacity as stated in the IUP-P is 60 Tons of FFB/Hour for PT PMM (Bumi Permai Mill) and 45 Tons of FFB/Hour for PT TJA (Rahayu Mill).

#### **2.1.2**

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. 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
- Regulation of the Minister of Manpower number 4 of 2022 concerning payment procedures and terms for "*Jaminan Hari Tua*"

Evaluation of law registers for contractors is explained in more detail in 2.2.2. In addition, an internal RSPO audit has also been carried out to ensure contractor compliance with regulations on 02 – 08 February 2022

#### **2.1.3**

The company shows a monitoring report on HGU stakes for January 2022. From the report, it is known that there are several conditions of stakes that cannot be ascertained due to broken road access, for example PMM 021B – 027B stakes on Bumi Permai Estate and TJA 40 – TJA 43 on Mahakam Estate. Monitoring and maintenance of these stakes is still in progress because in one year it is targeted to be carried out twice

Based on the results of field visits to stakes No. 45, 46, and 47 of Rahayu Estate, it is known that the conditions of the stakes are in good condition and there is no indication of planting outside these limits. This condition is in accordance with the results of the monitoring of the Rahayu Estate stakes in January 2022 which stated that the conditions of the stakes were in good condition and could be reached.

**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**

The company shows a list of contractors, for example 8 contractors (FFB and Civil Transport), including:

| No. | Name of Business Entity | Agreement Number | Validity period | Scope of work | Unit |
|-----|-------------------------|------------------|-----------------|---------------|------|
|-----|-------------------------|------------------|-----------------|---------------|------|



|   |                                 |                        |  |                     |     |
|---|---------------------------------|------------------------|--|---------------------|-----|
| 1 | Maju Membangun Cooperative      | PMM/LLE/01/2022/001    | 03 January 2022 - 31 March 2022        | FFB Transportation  | LLE |
| 2 | Tanah Sama Cooperative          | PMM/BPE/01/2022/001    | 01 January 2022 - 31 March 2022        | FFB Transportation  | BPE |
| 3 | Maju Membangun Cooperative      | PMM/PME/01/2022/001    | 03 January 2022 - 28 February 2022     | FFB Transportation  | PME |
| 4 | Mitra Sawit Mandiri Cooperative | PMM/KHE/01/2022/001    | 01 January 2022 - 31 March 2022        | FFB Transportation  | KHE |
| 5 | CV Virendra Putra               | TJA/RHE/03/2022/048    | 01 March 2022 - 31 March 2022          | FFB Transportation  | RHE |
| 6 | CV Berkah Anugerah              | TJA/MKE/01/2022/002    | 01 January 2022 - dengan 31 March 2022 | FFB Transportation  | MKE |
| 7 | PT Sri Tanjung Sinar Manis      | TJA/MKE/01/2022/001    | 01 January 2022 - 31 March 2022        | FFB Transportation  | MKE |
| 8 | PT Vysco Indo Pratama           | TJA/HO-RHE/02/2022/030 | 15 February 2022 - 15 Augst 2022       | Housing Development | RHE |

Based on the results of interviews and document review, a list of employees from contractors, for example, PT Vysco Indo Pratama, registered 8 workers.

### 2.2.2

The company can show the regulation compliance clause that has been listed in the MoU, which is briefly as follows:

- Comply with labor laws and regulations
- Include workers in the BPJS Health and BPJS Employment programs
- It is forbidden to employ children with a minimum age limit of 18 years old

For example, based on the results of a document review, the company can show proof of BPJS facilities and the minimum wage has been applied to contractor workers.

### 2.2.3

Clauses related to the prohibition of practices involving child labor, forced labor and workers from human trafficking have been included in the MoU between the company and the contractor. In addition, the contractor also signed the results of the Compliance Assessment related to the Modern Anti-Slavery Policy for Vendors/Suppliers/Contractors carried out by the company which included the fulfillment of which there was no detention of worker identities, no payment of recruitment fees, all workers over 18 years old, and human trafficking.

**Status: Comply**

## 2.3

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

### 2.3.1

Based on the results of the document review, it is known that the direct supplier is only for Bumi Permai Mill with the following identities:

- PT Kutai Agro Jaya: Desa Sukabumi SP VI, Kotabangun, Kutai Kartanegara with coordinates S 00° 20' 29" and E 116° 42' 46" with *HGU* and *IUP*
- PT Putra Bongan Jaya with coordinates Latitude -0.663557 & Longitude 116.335277 with *HGU* and *IUP*

For FFB suppliers, the whole Rahayu Mill is included in the indirect supplier category as described in 2.3.2

### 2.3.2

The scope of certification is 2 mills namely Bumi Permai Mill and Rahayu Mill. BPM only accepts FFB from direct suppliers, while RHM receives FFB from indirect suppliers, for example as follows:

- AK with address in Jambuk Village, Bongan District, Kutai Karta Negara Regency, East Kalimantan Province, coordinate point at S 00° 79' 46.03" E 116° 25' 48.2", land ownership information is *SKT*
- BD with the address on Jl. Meratus RT 003 Sukabumi Village, Kec. Kotabangun, Kab. Kutai Kartanegara, East Kalimantan Province, coordinate point S 00° 20' 30" E 116° 42' 47" land ownership information is *SKT*
- RW with address in Sebulu Village, Kutai Kartanegara Regency, East Kalimantan Province, coordinate point S 00° 14' 27" and

E 116° 59' 47" land ownership information is SKT and

- with the address of the plantation in Resak Village, Bongan District, Kutai Kartanegara Regency, East Kalimantan Province, coordinate point S 00° 42' 55" E 116° 10' 15" land ownership information is SKT that has been completed with address, coordinates and status land ownership

**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 already has a management plan listed in the Projection documents of PT Prima Mitrajaya Mandiri, PT Teguh Jaya Prima Abadi, Bumi Permai Mill for 2021 – 2025. The document briefly informs the following:

| Description          | Unit | 2022      | 2023    | 2024    | 2025    | 2026    |
|----------------------|------|-----------|---------|---------|---------|---------|
| Land Clearing        | Ha   | -         | -       | -       | -       | -       |
| Planting             | Ha   | -         | -       | -       | -       | -       |
| Maintenance Immature | Ha   | 13.9      | -       | -       | -       | -       |
| Maintenance Mature   | Ha   | 14,347.14 | 14,361  | -       | -       | -       |
| FFB Production       | Ton  | 286,123   | 287,449 | 301,395 | 306,022 | 302,796 |
| FFB Process          | Ton  | 286,123   | 287,449 | 301,395 | 306,022 | 302,796 |
| OER                  | %    | 24.50     | 24.00   | 24.00   | 24.00   | 24.00   |
| KER                  | %    | 5.00      | 5.00    | 5.00    | 5.00    | 5.00    |
| CPO Production       | Ton  | 70,100    | 68,988  | 72,335  | 73,445  | 72,671  |
| Kernel Production    | Ton  | 14,306    | 14,372  | 15,070  | 15,301  | 15,140  |
| FFA                  | %    | 5         | 5       | 5       | 5       | 5       |

##### **3.1.2**

Based on the study of the area statement document, it is known that the oldest plant age is 15 years (planting year 2007) so that at least in the next five years the certification unit will not carry out replanting activities. As described in the procedure, replanting will be considered among other things when the plants are between 25 – 30 years old.

##### **3.1.3**

The company can show the recording of the management review meeting held on 25 November 2021, attended by 14 participants. Based on the review of the minutes of the meeting, it is known that the matters discussed include:

- Follow up on internal audit results
- Follow-up on external audit results
- Customer feedback
- 2022 – 2026 program and targets
- Feedback for continuous improvement
- Conclusion

**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 certification unit already has a system to improve existing practices, in accordance with the latest information and techniques as well as a socialization mechanism for all workers following current technological developments. The unit of certification also develops guidelines for farmers by providing systematic training for continuous improvement. Some of the evidence that has been applied for continuous improvement include:

##### **Social and Environmental Aspect**

- The company no longer uses pesticides with the active ingredient paraquat.



- The company has implemented biological pest control in this case by using host plants and barn owls to reduce the use of pesticides, especially insecticides and rodenticides.
- Management and monitoring of fires in company border areas that benefit the community.
- The use of renewable energy accordance to reduce the use of fossil fuels.
- Waste management and monitoring through WWTP pond management, testing the quality of the effluent and reporting it to the Environmental Agency.
- Air quality management and monitoring through several action like road maintenance, air quality testing, routine maintenance of vehicles and machines and vehicle upgrades.
- Management and monitoring of surface and groundwater through testing the quality standard.
- Green House Gas Management and using land clearing with mechanical and zero-burning policy.
- Using reverse osmosis for drinking water supply.
- Utilize renewable energy with the Biogas Plant (Methane Capture) as a source of electrical energy.

The continuous improvement action plans shown by the certification unit include the results of the RSPO, ISPO, and ISCC integration internal audits conducted by the MP Evans group sustainability team from 17 February to 2 April 2022 with the following results:

- Bumi Permai Mill: 19 discrepancies were found, for example, there is no long-term plan for BPM production in the share point, only stating the NR budget for the period 2020-2029; it was found that in the employees' homes there were still fire extinguishers in recharge condition, it was found that employees had not received K3 socialization regarding emergency handling, use of P3 and others for compost employees, biogas plants. All of these non-conformities are declared to have been fulfilled on April 2, 2022
- Rahayu Mill: Found 9 discrepancies, for example, need to update the latest sustainability policy as of October 2021, Installation of MSDS Oil, cleanliness of the PKS area, related to employee housing water that does not flow smoothly and residential roads are damaged, the layout of the emergency response plan at the station is not yet available, K3 facilities not working properly, there is evidence of the eye washer and shower at the WTP not working (no water flow). All non-conformities are declared to have been fulfilled on February 17, 2022
- BPE, KHE, PME, MKE, RHE: 20 discrepancies were found, for example, it is necessary to make adjustments to the material data sheet (MSDS) on all types of materials stored in the pesticide and fertilizer warehouses, some fire extinguishers in the employees' homes have not been equipped with an APAR triangle, there are no available containers sand in the lubricant warehouse, the fertilizer foreman brought a first aid bag but the contents of the bag were incomplete, only 11 items. All non-conformities are declared to have been fulfilled on March 26, 2022

Based on the results of document review and interviews, it is known that the company already has evidence of implementing an action plan for continuous improvement, taking into account the main social and environmental impacts and opportunities faced by the certification unit, including:

- The company has a social and environmental management and monitoring plan document that has been monitored and updated periodically in a participatory manner.
- The company no longer uses pesticides with the active ingredient paraquat

### 3.2.2

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

|   |  |
|---|--|
| Name of RSPO Member                     | : Bumi Permai Palm Oil Mill - PT Prima Mitrajaya Mandiri |
| RSPO Membership Number                  | : 1-0027-06-000-00                                       |
| Name of Certified Unit                  | : Bumi Permai Palm Oil Mill - PT Prima Mitrajaya Mandiri |
| Name of Certification Body              | : Mutu Agung Lestari                                     |
| RSPO PalmTrace ID Number                | : CB115226   |
| Number of Mills                         | : 2  |
| Number of Estates                       | : 7  |
| Production Area (ha) – Estate           | : 14,294.54  |
| Certified Area (ha) – Estate            | : 20,522.20  |
| High Conservation Value (HCV) Area (ha) | : 2,571.92   |
| Peatlands - Planted (ha)                | : 2,724.31   |

Peatlands – Unplanted (ha) : 1,012.98  
Freshwater Usage per PO produced tonne : 2.23

Based on the data above, it shows that there is a difference in the area of the HCV area between the statement area and the matrix template covering an area of 237.82 Ha. This is because in the area statement data, the HCV area of 237.82 Ha is identified as an occupation area. Further explanation regarding the distribution of HCV area is listed in indicator 7.12.2.

The company 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.

**Status: Comply**

### 3.3

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

##### 3.3.1

The unit of certification has procedures (SOP) for oil palm cultivation and processing which are available in Indonesian. The cultivation procedure regulates activities starting from the stage of land clearing, seeding, planting, maintenance, harvesting, delivery of FFB to the factory to replanting, while the processing procedure regulates activities from the stage of receiving FFB to testing the quality of processed products. Details of the list of SOPs include the following:

- Land clearing (PMM/SOP/AGRO-02).
- Water and soil conservation (PMM/SOP/AGRO-05)
- Integrated pest monitoring and control (PMM/SOP/AGRO-07, 1 January 2013)
- Plant maintenance through fertilization (PMM/SOP/AGRO-09, January 1, 2011).
- Procedure for using personal protective equipment (PMM/SOP/K3-13).
- Harvest and Transport (SOP/Agro-10)
- FFB Acceptance (SOP/4.1/02)
- FFB grading guidelines (SOP/4.1/03)
- SOP for processing and monitoring and measuring the quality of CPO number SOP/4.1/01 to SOP/4.1/26
- CPO quality sampling process is described in SOP/4.1/20

The company has palm oil cultivation and processing procedures (SOP) available in Indonesian. Cultivation procedures regulate activities starting from the stage of land clearing, nursery, planting, maintenance, harvesting, sending FFB to the factory until replanting, while the processing procedure regulates activities starting from the FFB acceptance to testing the product quality. SOP has cover the key processes for example harvesting, transportation, manuring, IPM, GAP, and SCCS

##### 3.3.2

The company has an internal control system that aims to monitor operational implementation in accordance with its SOPs, among others, by conducting an annual RSPO internal audit, conducting an internal audit of plantation and mill operations covering aspects of the implementation of procedures/SOPs as well as administration as well as internal monitoring activities. plantations such as field visits to plantations and factories conducted by company leaders (General Manager, Manager and Staff).

Based on interviews and observations to the company's management unit, there has been a mechanism available for checking the implementation of continuous corrective action procedures that are carried out consistently as shown in the Corrective Action document.

##### 3.3.3

The continuous improvement action plans shown by the certification unit include the results of the RSPO, ISPO, and ISCC integration internal audits conducted by the MP Evans group sustainability team from 17 February to 2 April 2022 with the following results:

- Bumi Permai Mill: 19 discrepancies were found, for example, there is no long-term plan for BPM production in the share point, only stating the NR budget for the period 2020-2029; it was found that in the employees' homes there were still fire extinguishers in recharge condition, it was found that employees had not received OHS socialization regarding emergency handling, use of OHS and others for compost employees, biogas plants. All of these non-conformities are declared to have been fulfilled on April 2, 2022
- Rahayu Mill: Found 9 discrepancies, for example, need to update the latest sustainability policy as of October 2021, Installation

of MSDS Oil, cleanliness of the Mill area, related to employee housing water that does not flow smoothly and residential roads are damaged, the layout of the emergency response plan at the station is not yet available, OHS facilities not working properly, there is evidence of the eye washer and shower at the WTP not working (no water flow). All non-conformities are declared to have been fulfilled on February 17, 2022

- BPE, KHE, PME, MKE, RHE: 20 discrepancies were found, for example, it is necessary to make adjustments to the material data sheet (MSDS) on all types of materials stored in the pesticide and fertilizer warehouses, some fire extinguishers in the employees' homes have not been equipped with a Fire Extinguisher triangle, there are no available containers sand in the lubricant warehouse, the fertilizer foreman brought a first aid bag but the contents of the bag were incomplete, only 11 items. All non-conformities are declared to have been fulfilled on March 26, 2022
- Related to the inspection of contractor work, one of which is checked at the time of submission of payment.

Based on the results of document review and interviews, it is known that the company already has evidence of implementing an action plan for continuous improvement, taking into account the main social and environmental impacts and opportunities faced by the certification unit.

Status: Comply

### 3.4

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

#### 3.4.1

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

#### Social and Environmental Impact Assessment (SEIA)

The company has conducted environmental and social studies prior to land clearing by Environmental Consultants (Charlie Ross) in February - March 2007, with the final document in April 2007. The study aims to provide a framework of Terms of Reference for environmental, social, health and safety management, as required on the RSPO P&C, 2005. The scope of the study is based on the Location Permit which is divided into 2, including:

- PT Prima Mitrajaya Mandiri (PMM) which is located in 2 locations with a total area of 20,000 ha.
- PT Teguh Jayaprima Abadi (TJA) which is located in 3 locations with a total area of 17,400 ha.

Based on the results of the study, information was obtained that PT PMM and PT TJA do not have Primary Forest, but there are areas with High Conservation Value, namely Riparian Forest and Swamp Forest near the Mahakam River. Therefore, the company is recommended to set aside about 10% of the concession area for conservation, which will protect the Swamp Forest area and other representative vegetation types. The results of the study also provide recommendations related to environmental and social management for the period before, during and after development.

#### Environmental Impact Assessment (EIA)

The Bumi Permai Mill certification unit is under PT PMM and Rahayu Mill is under PT TJA, the company already has an Environmental Impact Assessment (EIA) document that covers all areas that fall within the scope of certification and can be proven based on the following documents:

#### **PT Prima Mitrajaya Mandiri (unit Bumi Permai Mill and 5 Estate)**

- The results of the environmental assessment in the form of an Environmental Impact Analysis (ANDAL) document in 2008 for an oil palm plantation with an area of  $\pm 21,500$  ha. This document has been approved based on the Decree of the Regent of Kutai Kartanegara number KAKK/27/AMDAL/KELAPA SAWIT/2008 dated 24 September 2008.
- The results of the environmental assessment in the form of an Environmental Impact Analysis (ANDAL) document in 2010 for a palm oil processing mill with a capacity of 60 tons of FFB/hour with an area of  $\pm 46.05$  Ha and Storage Tanks and Special Piers covering an area of  $\pm 28$  Ha. The document has been ratified based on the Decree of the Regent of Kutai Kartanegara number KAKK/33/AMDAL/PARBIK, SPECIAL TANKS AND piers/XII/2010 dated December 13, 2010.

#### **PT Teguh Jayaprima Abadi (unit Rahayu Mill and 2 Estate)**

- The results of the environmental assessment in the form of an Environmental Impact Analysis (AMDAL) document in 2008 for an oil palm plantation with an area of  $\pm 5,100$  ha. This document has been approved based on the Decree of the Regent of Kutai Kartanegara number KAKK/028/AMDAL/KELAPA SAWIT/2008 dated September 24, 2008.
- The results of the environmental assessment in the form of an Environmental Impact Analysis (AMDAL) document in 2009 for an oil palm plantation with an area of  $\pm 13,550$  ha. This document has been approved based on the Decree of the Regent of Kutai Kartanegara number KAKK/008/AMDAL/KELAPA SAWIT/2009 dated March 16, 2009.
- Results of environmental studies in the form of UKL-UPL documents in 2018 for the construction of a palm oil processing factory with a capacity of 60 tons of FFB/hour. The document has been ratified based on the Decree of the DPMPTSP of Kutai Kartanegara Regency Number P.660.2/042/DPMPTSP/IV.3/REKOM-UKLUPL/09/2018 dated 7 September 2018. Based on the document, the company obtained an Environmental Permit Document Number P.660.2/074 /DPMPTSP/IV.3/IL-UKLUPL/09/2018 which was legalized by DPMPTSP on 17 September 2018.

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

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

The certification unit is under the company PT PMM and PT TJA, because of this, the certification unit has 2 forms of Social Impact Assessment (SIA) documents which were both carried out simultaneously by the Malaysian Environmental Consultant (MEC) on 12 April - 25 April 2021 with the final document in the form of Social Impact Assessment Report (SIA) of PT PMM and PT TJA for May 2021. This study is an upgraded version of the previous SIA study document conducted in 2012 and 2017, so that for the Surveillance 1.3 period, the results of the latest assessment have been referred to. The social impact assessment has also been carried out based on the RSPO - INANI 2018 principles and criteria standards so that it can be used for other certification schemes that require a social impact assessment report.

This study explains the impacts arising from plantation activities, including population, education, livelihoods, income, health, facilities and infrastructure, customs and culture of the villagers around the company, environmental management efforts in the social, economic and cultural fields as well as community perceptions about the existence and benefits of the company. The assessment involved all affected parties, both internal and external stakeholders, including employees, trade unions, heads of surrounding villages, local NGOs and smallholders. Evidence of participation with affected parties is shown in the form of attendance at FGD meetings and photos during interviews. In addition, the SIA study has also been disseminated to villagers and stakeholders in the affected area with documentary evidence Public Consultation Report for High Conservation Value (HCV) and Social Impact Assessments conducted on 6 December 2021 and attended by 54 participants. The report also contains a matrix of Social Management Plan and Social Monitoring Plan which contains recommendations for managing identified social impacts.

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

#### **High Conservation Value Assessment (HCVA)**

The unit of certification has also conducted several studies related to areas with high conservation values which are described in full in indicator 7.12.2. The latest HCV management reference is based on the 2022 HCV Assessment Report conducted by the Malaysian Environmental Consultant (MEC). The report also contains a matrix of High Conservation Value Area Management and Monitoring Plans which contains recommendations for the management of all identified HCV areas.



Based on the results of the 2022 HCV document review, information was obtained that the impact assessment on HCV, biodiversity and RTE species carried out also included areas outside the concession boundary. HCV areas consist of protected areas for flora and fauna, riverbanks and other high conservation value areas. Based on the verification of these documents, it can be concluded that all areas with high conservation potential and protected areas have been identified and their management recommended with reference to the relevant environmental management guidelines.

### **3.4.2**

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

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

Based on the verification results of each RKL-RPL document for Semesters 1 and 2 of 2021 for the scope of PT PMM and PT TJA, it can be concluded that all the management and monitoring parameters requested in the environmental document matrix have been implemented. The certification unit has also evaluated every parameter of significant impact monitoring carried out as required in KepmenLH 45 of 2005, which includes evaluation of trends, evaluation of critical levels, and evaluation of compliance. Based on the results of the evaluation, it is known that there are several parameters that are not in accordance with the applicable Quality Standards, but the results of interviews, document analysis and observations there are no indications of environmental pollution in the area around the company, this is explained in each related indicator. The effectiveness of environmental management and monitoring can be seen from the results of the analysis and the compatibility between the management and monitoring plans and their implementation in the field. Several things can be concluded from the results of the document review, including:

- Preventing soil, water and air pollution by reducing the use of chemicals, managing waste properly and complying with proper waste disposal in each area.
- Carry out efforts to save the environment by protecting areas important for environmental sustainability such as river borders, swamp forests and secondary forests.
- Manage and monitor the impact of potential land fires.
- Manage and monitor the quality of soil, air, water and other disturbances.
- Utilize palm oil waste as a substitute for fertilizers and fossil fuels.

This can also be proven from the results of field visits to EFB storage areas, WWTP areas and Land Application areas as well as river border conservation areas. The results of interviews with the community around the company also stated that they did not feel any environmental impacts related to the company's operational activities. The company has also carried out environmental management in accordance with the RKL-RPL by installing signboards for conservation areas, markings in the form of stakes and red paint for limits for other chemical applications. Based on the results of interviews with sprayer and fertilization officers, they also stated that they were aware of the prohibition on the use of chemicals in the buffer zone marked in red. In addition, they do not use chemicals when they are close to water bodies such as canals, reservoirs or artificial ponds.

The unit of certification has also made an RKL-RPL report every semester which refers to the environmental management and monitoring matrix. Environmental management reports are carried out every 6 months and submitted to the relevant agencies, for example the RKL-RPL Report for Semester 2 of 2021 which is sent to the Environmental Agency of Kutai Kartanegara Regency with proof of receipt dated February 9, 2022, which is accompanied by a stamp, signature and name of the recipient. as well as proof of document delivery notes. Based on the results of interviews with the Environmental Service regarding reporting on the implementation of RKL-RPL, the certification unit routinely does this and up to the time the audit was conducted there were no complaints or conflicts related to the environment from NGOs or local communities around the company.

For the scope of PT PMM which has 2 environmental documents, namely ANDAL 2008 for plantations and ANDAL 2010 for factories as well as Storage Tanks and Special Piers, the company already has RKL-RPL report documents for semesters 1 and 2 of 2021 which are prepared to fulfill the obligations of the two environmental documents issued by PT PMM. owned. Likewise for the scope of PT TJA which has 3 environmental documents namely ANDAL 2008 for an area of 5,100 Ha, ANDAL 2009 for an area of 13,500 Ha and UKL-UPL for the scope of the factory, the company also has a report document RKL-RPL semester 1 and 2 of 2021 which compiled to fulfill the obligations of the three environmental documents that can be proven from the management activities that have been carried out for the entire scope, for example environmental parameter testing, impact analysis, and waste management. However, in the RKL-RPL document PT TJA has not explained the scope of the factory, and the management and monitoring components carried out are not yet specific as requested in the 2018 UKL-UPL matrix. RKL-RPL reports per semester, as well as

compiling documents as requested in each matrix owned. (OFI).

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

The document on the results of the 2021 SIA study as described in indicator 3.4.1 is used as a guide in the preparation of the social impact management program which is an updated document from the results of previous studies conducted in 2012 and 2017. In the document there are several social programs, including the provision of assistance routine social services for the surrounding community, economic improvement through cooperation with companies, job openings, and improvement of community welfare through plasma partnerships. Program planning is carried out based on the results of the Focus Group Discussion in April 2021 conducted with stakeholders including the village community around the company as well as the results of the potential and risk analysis with evidence of documentation and attendance attached. The program is a general plan that will be implemented by the company based on the analysis of stakeholder needs and stakeholder mapping related to the company, either directly or indirectly. Thus, the planned program is directed as far as possible to strengthen the company's relationship, communication and cooperation with all stakeholders.

The company also evaluates the Management Plan every year to monitor the progress of program management, for example, there are programs that need to be stopped, continued or added. The evaluation of the last management plan was carried out in conjunction with the 2021 SIA study, the evaluation activity was also a reference in the preparation of the program for the 2022-2023 period. Based on the results of the verification of the results of the SIA study document in 2021, it can be concluded that all activities listed in the previous Social Impact Management Plan have been carried out. The document also includes social programs to avoid/mitigate negative social impacts, partnership programs for farmers, human rights, CSR programs, gender equality, education and public health. When referring to the 2021 SIA Report document for PT PMM and PT TJA, it can be concluded that the study has been carried out in depth and comprehensively. All aspects requested in the 2018 RSPO P&C have been covered in the study. This can be proven from the identification of positive and negative impacts obtained, as well as analysis of root causes, mitigation actions and their management have also been explained in the document.

Based on the results of consultations with workers' representatives, there is no form of discrimination against workers, no underage workers were found, the company has also fulfilled the rights of its employees, several important facilities for employees have been provided by the company such as housing, water, electricity, places of worship, public facilities, educational infrastructure (schools), and other facilities. The company also allocates resources for the maintenance of the entire facility. The resource persons also stated that they can voice their views through their own representative institution or a spokesperson they choose in the evaluation activities to review and develop mitigation plans, as well as monitor the success of the implemented plans. Based on the results of field visits and external stakeholder interviews related to the management of social impacts carried out by the company for the period of 2021, it can also be concluded that there are no issues related to social impacts that have not been identified by the company. all potential social impacts have been managed and included in the management plan, which is still being managed.

#### **3.4.3**

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

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

The company involves the Environment Agency and the Ministry of Environment and Forestry to monitor the results of environmental management that has been carried out by the company in the form of presenting RKL-RPL reports and other environmental management documents sent every certain period which can be proven in indicator 1.1.2. The company also does not block access to all environmental agencies if they are going to carry out field verification to their management areas. It aims to obtain advice and advice in carrying out environmental management in accordance with the government's vision, mission and programs so that it can run synergistically. This can be proven based on the results of interviews with the Environmental Service of Kutai Kartanegara Regency who conducted a field visit on December 2021 to conduct supervision related to environmental management. Monitoring and updating related to environmental impact management is also carried out in conjunction with an evaluation of HCV management in 2021 which is described in more detail in indicators 7.12.2 and 7.12.4. However, in general, all recommendations from the evaluation of HCV management carried out in a participatory manner will be carried out in line with the management and monitoring of environmental impacts.

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

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

The SIA Management Plan has also been evaluated and updated every 2 years by involving affected stakeholders. The company can show evidence that it has carried out an evaluation through the Social Impact Assessment Report document for PT PMM and TJA with a document date of May 2021 which was carried out by an external party. Based on the results of the verification of the document, it shows that all social management and monitoring plans that have been implemented and monitored are then updated periodically in a participatory manner by accommodating the aspirations of stakeholders. The evaluation activity was also carried out to prepare the SIA program which will be carried out for the next 2 years, namely the 2022-2023 period. In addition, for annual activities, a review is also carried out to determine whether there is a possibility of additional programs for the next 1 year. For the 2022 review period, it still refers to the results of the 2021 SIA study mentioned above.

In the review activity, the assessment team has referred to the 2018 RSPO P&C regarding plantation development that is responsible for social and environmental aspects by referring to the Free, Prior, Informed and Consent (FPIC) Principles. The principle of FPIC which is the basis for the company in carrying out the process of developing oil palm plantations, among others, involves women's representatives, customary leaders, land owners around the company's area, plasma and independent smallholders, as well as all affected parties. The document also contains recommendations and plans for implementing activities in overcoming social issues that need to be carried out by the company, including:

- The company immediately disseminates company regulations to workers.
- The company immediately fulfills the target of plasma land planting of at least 20% and facilitates plasma cooperatives to immediately obtain land legalities.
- The company immediately develops policies and strategies for social management, which are the basis and basic framework for developing social management programs.
- In the context of preparing the company's social management plan, immediately carry out social mapping and mapping of community social issues in villages around the plantation area in a more in-depth and comprehensive manner.
- Ensure that all workers in the company receive health insurance.
- Completing infrastructure in the plantation area (road facilities, sanitation and solid and liquid waste disposal) for a healthy environment and child care.
- PT PMM and PT TJA should use the information from the 2021 SIA review to develop a 5-year social management plan but this plan must be revised at least every 2 years.

Based on the explanation above, it can be concluded that the company has made efforts to update the social and environmental management program periodically with clear and accountable evidence.

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

### 3.5

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

##### 3.5.1

The company has procedures related to human resources, including:

- Recruitment Procedure No. IDN-HRD-SOP01-01 dated February 1, 2021. The procedure explains the procedures for accepting SKU, PKWT, MDP and staff employees.
- Promotion Procedure No. IDN-HRD-SOP06-01 dated February 1, 2021. The procedure explains that promotions are based on the presence of vacant positions, company needs, skills, achievements, years of service, and certification/training.
- Job appraisal procedure No. IDN-HRD-SOP05-01 February 1, 2021
- In addition, the Company Regulations for the period 2021 – 2023 also contain related systems for recruitment, selection, acceptance, promotion, retirement and termination of employment.

The company shows proof of delivery to workers, for example:



- Record of socialization of Company Regulations dated March 16, 2022 to BPE Middle Employees.
- Record of socialization of Company Regulations dated April 18, 2022 to the Foreman and North and South employees of MKE.
- Record of socialization of the Company Regulations dated March 10, 2022 to the Foreman and North and South RHE employees.

### 3.5.2

The company shows records of the implementation of employment procedures, for example:

- Recruitment
  - One of the job vacancies is BPM compound workers on 27 July 2021.
  - Job application letter for prospective compound BPM employees with the initials INA equipped with other administrative completeness.
  - Medical Check Up Report No. 387/KEI/MCU/VIII/2021 dated August 31, 2021 from PT Prima Mitra Jaya Mandiri Clinic.
  - Employee Master Listing with Date Joined September 1, 2021.
- Promotion
 

SKU Employee Performance Assessment Form – Monthly, for example for LLE employees for the 2020-2021 assessment period with assessment aspects including: Discipline, Work Quantity, Work Quality, Cooperation, Work Attitude and Responsibility.
- Work termination
 

Decree No. 149/PMM-HR/Int/XI/2021 dated December 13, 2021 concerning Determination of Termination of Employment (PHK) of employees with NIK 20009030770 which informs that the worker has previously been given Warning Letters 1 to 3 due to intentional absenteeism.

Based on the explanation above, it can be concluded that the company already has a record of the implementation of employment procedures.

Status: Comply

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

### 3.6.1

The company can show the results of the risk identification document and its implementation plan for all Estate and Mill units (PT Primatama Mitrajaya Mandiri and PT Teguh Jaya Prima Abadi), contained in the Occupational Safety and Health Hazard Identification and Risk Assessment (IBPR) document dated January 16, 2021. The document describes the following: Activity Stages; Description of activities; Type of activity; Identification of Potential Hazards (Potential Hazards; Types; Hazards); Current Controls (Types of Controls; Description of Controls); Legal; Risk Assessment (Probability; Severity; Outcome); Determination of Control (Conclusion; Program Code)

Based on the results of the study of the Hazard Identification and Risk Assessment document that the company has identified all work activities in factories and plantations listed in the HIRAC document, namely

- PT. PMM, Bumi Permai Estate with form no: F-OSH-19-001 which was legalized on January 16, 2021 by the OSH Manager
- PT. PMM, Bumi Permai Bulking with form number: F-OSH-19-001 which was ratified on January 16, 2021 by the OSH Manager
- Bumi Permai Mill HIRAC document with form number: F-OSH-19-001 which was ratified on January 16, 2021 by the OSH Manager
- PT. TJA Estate with form number: F-OSH-19-001 which was legalized on January 16, 2021 by the OSH Manager

### 3.6.2

Health checks include cholinesterase, audiometry and spirometry with the following details:

- MCU LLE, the inspection will be conducted on December 13 -17, 2021 with a total of 173 employees
- MCU BPE, inspection will be conducted on December 13-17, 2021 with a total of 129 employees
- MCU BPM, inspection will be conducted on December 14 -17, 2021 with a total of 138 employees
- MCU PME, inspection will be conducted on December 14-18, 2021 with a total of 129 employees
- KHE MCU, the inspection will be conducted on 15-18 December 2021 with a total of 115 employees
- MCU MKE, the examination was conducted on December 17, 2021 with a total of 62 employees
- MCU RHE, inspections were carried out on December 16 and 18 2021 with a total of 144 employees
- RHM MCU, the inspection was conducted on December 13, 2021 with a total of 129 employees

Monitoring the effectiveness and evaluation of realized programs, monitored and carried out through OHS meetings which are held every month. Health and safety inspection plans are available to the public. Based on information from OHS secretary for factories and plantations, it is explained that if there are programs that are not achieved according to the set targets, this will be used as an evaluation material in regular monthly meetings to determine new programs in the following year.

#### OFI

The company has improvement opportunities to ensure the adequacy of licensed operators in accordance with applicable requirements by realizing the operator certification training plan and the PPE storage mechanism has been implemented by all workers.

- Based on the results of field visits at BPM, there is 1 Boiler unit with a capacity of 45 TPH (Ton Per Hour) with 2 Shift operations per day with sufficient operators according to Permenaker 1/1988 according to Boiler Capacity, namely 1 Class 1 Operator and 2 Class 2 Operators in each shift, but licensed operators The ones that are already available are SIO Steam Aircraft Class 1 as many as 1 person and SIO Steam Aircraft Class 2 as many as 6 people.
- Based on the results of field visits at BPM, there is 1 Boiler unit with a capacity of 30 TPH (Ton Per Hour) with 2 Shift operations per day with sufficient operators according to Permenaker 1/1988 according to Boiler Capacity, namely 1 Class 1 Operator and 1 Class 2 Operator in each shift, but licensed operators The ones that are already available are SIO Steam Aircraft Class 1 as many as 1 person and SIO Steam Aircraft Class 2 as many as 3 people.
- The results of the study of the list of tools and machines at RHM revealed that there are Genset and Turbine units that are operated but have not yet been shown an operator license.
- The company shows the 2022 OSH Work Plan documents for PT PMM and PT TJA which includes the operator certification training plan.
- The company shows a record of communication with PJK3 on April 18, 2022 regarding the plan to implement operator certification which will be carried out in May – June 2022 covering 2 Boiler Operators and 3 Genset Operators.

There is a company OHS organization that is responsible for monitoring and implementing OHS in the company environment. The company can show records of the delivery of PPE to employees. The results of field observations in both the plantation and the factory are known that every employee has used PPE according to their respective jobs and the results of interviews with plantation and Mill employees it is known that PPE is given free of charge and will be replaced immediately if it is damaged

Status: Comply

### 3.7

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

#### 3.7.1

The company shows a training program for 2021 which contains a training plan for all workers, plasma farmers and contractor workers, while the training programs are prepared for example:

- SOP Spraying Training
- Harvesting SOP Training
- Whistleblower System Socialization
- OHS training
- Socialization of the Prohibition of Employing Children Under 18 Years Old
- Socialization to Farmers
- Safety Induction Socialization
- Socialization of Handling Covid-19
- First Aid Socialization
- Policy Outreach
- Etc

#### 3.7.2

The company can show a record of the realization of the training, for example:

- Record of socialization of human rights policies to Southern Employees of BPE and KKPA on 29 July 2021 which was attended by 75 participants.
- Record of socialization of the Company's Policy and Vision and Mission to RHM Employees on January 11, 2021, which was

attended by 27 Participants.

- Records of anti-slavery and human trafficking training for FFB transport contractors dated July 15, 2021.

Based on the results of interviews with company employees and representatives of contractors, it is known that workers are aware of policies that have been socialized such as policies related to OHS and anti-slavery and human trafficking. Based on the description above, it can be concluded that the company has a documented record of the realization of the training.

### 3.7.3

Bumi Permai Mill demonstrated supply chain training on April 12, 2022, which was attended by 15 employees from security guards, weighbridges, sorting and grading divisions, staff, to administration. For Rahayu Mill, the training will be held on April 18, 2022 with a total of 14 participants. Based on the results of interviews with RHM and BPM weighing officers as well as security guards from the two factories, it is known that the resource persons can explain their duties and understanding related to the supply chain well.

**Status: Comply**

## 3.8

### Supply Chain Requirements for Mills

#### 3.8.1 & 3.8.2

Based on the results of document review, the company does accept FFB from outside parties such outgrowers and collecting agents. Based on the objective evidence, the company applies the MB module.

#### 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 of 03<br>March 2021 to 25 June 2022 | Actual Production (MT) of<br>previous audit<br>(March 2021 to March 2022) | Estimate Production of 12 month (MT) |
|---------|--|---|--------------------------------------|
| FFB     | 368,234  | 297,688.98  | 315,877.98                           |
| CSP0    | 92,492   | 70,960.29   | 71,928                               |
| CSPK    | 19,943   | 14,897.61   | 15,795                               |

\*The license period used is 03 March 2021 – 25 June 2022

#### 3.8.4

Unit management shows the registration and reporting requirements for the supply chain including:

- Member ID: RSPO\_PO 1000001488
- Member Name: PT Prima Mitrajaya Mandiri
- RSPO member number: 1-0027-06-000-00 (M.P. Evans Group PLC)
- License ID: CB 115226

#### 3.8.5

The company has a mechanism or procedure in the Standard Operating Procedure (IDN-SUS-SOP05-01, 25 January 2021). This procedure aims to explain in general terms the requirements regarding control system implemented to control certified palm products Roundtable on Sustainable Palm Oil (RSPO) throughout its supply chain, including material flows and claims regarding the product. Scope of the procedures are all activities related to supply chain, from FFB receiving, FFB process, administration recording, product claim, bulking traceability, palm trace usage, complain procedure, and training. The document also informs competent officers and their responsibilities, including:

- Head/Group Manager/Senior Manager: Overall responsibility for supervising the implementation of this procedure in all the regions he leads and ensuring that it does not conflict with company regulations.
- Administration Head : Reporting Mass Balance stock to the Marketing Dept. every week and reporting to the Mill Manager/GM/SM if there are deviations from this procedure.

The procedure already referred to latest SCCS standard (RSPO Supply Chain Certification Standard endorsed by the RSPO Board of Governors on 1 February 2020). The procedure also regulates handling non-conforming oil palm product from customers

**3.8.6**

SUS-SOP07-01) dated 22 June 2021 covering all audit for sustainable palm oil including SCCS. The scope of this SOP is all activities related to internal audit sustainability starting from the effectiveness of the RSPO, ISPO, SCCS and other certification systems that determined by companies operating in the plantation, Oil Palm, Bulking and the Dept. which is related in the work area of Evans Indonesia Group. In the SOP mentioned that internal audit is done annually, at least once a year. Internal audit of SCCS conforms to the requirements in the RSPO SCCS and the RSPO market communications and claims documents and effectively implements and maintains the standard requirements. Sustainability Department responsible for establish an Audit Programs for every year.

Latest internal audit has conducted on 02 February 2022, which also resulting there is no non conformities identified towards SCCS indicators. Summary report of internal audit on last year becomes one of many aspects which discussed on latest management review meeting on 17 February 2022, including supply chain aspect.

**3.8.7**

Bumi Permai Mill has maintain the record of FFB and its product shown as follows :

| Product | Estimate Production period of<br>03 March 2021 to 25 June 2022 | Actual Production (MT) of previous audit<br>(March 2021 to March 2022) |
|---------|--|--|
| FFB     | 368,234  | 297,688.98   |
| CSPO    | 92,492   | 70,960.29  |
| CSPK    | 19,943   | 14,897.61  |

Based on the table above, it is known that there has been no overproduction between the license quota and the actual production.

Related for handling non-conforming oil palm products, has been set in Standard Operating Procedure (IDN-SUS-SOP05-01, 25 January 2021 in handling complaint section

**3.8.8**

Based on document verification and interview with management representative obtained information in last 13 months before audit (March 2021 – March 2022) it was known if the certified product sold under RSPO as described in the table below:

|                              | Dispatch period (MT)           |
|------------------------------|--------------------------------|
|                              | March 21 to March 2022 (Total) |
| CSPO sold under RSPO Scheme  | -                              |
| CSPO sold under other scheme | 70,008                         |
| CSPO sold as conventional    | -                              |
| CSPK sold under RSPO Scheme  | 14,656                         |
| CSPK sold under other scheme | -                              |
| CSPK sold as conventional    | -                              |

| Product | Actual Production (MT)<br>of previous audit<br>(March 21 – March 22) |
|---------|--|
| FFB     | 297,688.98   |
| CSPO    | 70,960.29  |
| CSPK    | 14,897.61  |

Based on the data, there is no over sales of certified products or any non-certified products that are claimed to be certified products

Based on the data, there is no over sales of certified products or any non-certified products that are claimed to be certified products. Selling document has inform about RSPO certificate number and unique ID The sales documentation shown for example Sale and Purchase Contract No. PMM-CPO /SC/0a22/0001 between PT PMM and PT SMART Tbk for CPO/ISCC in the amount of 2,500,000 Kg using the FOB Dermaga Rahayu method for transportation on January 25, 2022. In addition, shipping instructions No. PMM-CPO/IP/0122/001 to Rahayu Bulking for this transaction. 6221572.

**3.8.9 & 3.8.10**

All product processing handled by company. Outsource for certified product handling has only for PK transportation activities, with agreements presented such as PK transportation agreement with CV Muso Salim Group through Agreement No.:

PMM/BPM/07/2021/046 dated 5 July 2021. Clauses that mention contractor commitment towards several regulation compliance which required by Indonesian Laws and Regulations from RSPO Procedures are presented in Article 10 (9). All the agreement can be extended if needed. For CPO transportation, it handled directly by buyers

### 3.8.11

There is no new contractor from previous assessment

### 3.8.12

Bumi Permai Mill has record of all Certified FFB, CSPO and CSPK as presented in the table below:

- FFB  
(March 21 – March 22) : 297,688.98 MT
- CSPO

| Period              | CPO production (MT) |          | Total  | Cert CPO Dispatch (MT) |              |          | Total | Stok CPO  |               |
|---------------------|---------------------|----------|--------|------------------------|--------------|----------|-------|-----------|---------------|
|                     | Cert                | Non Cert |        | RSPO                   | Other scheme | Non Cert |       | Certified | Non Certified |
| March 21 – March 22 | 70,960.29           | 5,384    | 76,344 | -                      | 70,008       | -        |       | 952.29    |               |

- CSPK

| Period              | CSPK production (MT) |          | Total  | Cert PK Dispatch (MT) |              |          | Total | Stok PK   |               |
|---------------------|----------------------|----------|--------|-----------------------|--------------|----------|-------|-----------|---------------|
|                     | Cert                 | Non Cert |        | RSPO                  | Other scheme | Non Cert |       | Certified | Non Certified |
| March 21 – March 22 | 14,897.61            | 1,048    | 15,945 | 14,656                | -            | -        |       | 241.61    |               |

Based on the mass balance calculation, it is known that:

- CSPO production is 70,960.29 Mt and sold as other scheme amounting to 70,008 Mt without any other sale so that CSPO stock is 952 Mt
- CSPK production is 14,897.61 Mt and sold as RSPO product amounting to 14,656 Mt without any other sales so that the CSPK stock is 241.61 Mt

### 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 23.73 %, while KER is 5.05 %.

### 3.8.15

Based on interview and FFB receipt record verification, Bumi Permai Mill and Rahayu Mill has applied MB module

### 3.8.16

Based on document verification and interview with management representative obtained information in last 13 months before audit (March 21 to March 22) it was known if the certified product sold under RSPO as described in the table below:

|                                | Dispatch period (MT)            |
|--------------------------------|---------------------------------|
|                                | March 21 to March 2022<br>Total |
| CSPO sold under RSPO Scheme    | -                               |
| CSPO sold under another scheme | 70,008                          |
| CSPO sold as conventional      | -                               |
| CSPK sold under RSPO Scheme    | 14,656                          |
| CSPK sold under other scheme   | -                               |
| CSPK sold as conventional      | -                               |

| Product | Actual Production (MT) of previous audit<br>March 21 – March 22 |
|---------|---|
| FFB     | 300,836.17  |
| CSPO    | 70,960  |
| CSPK    | 14,897  |

For the CSPO product sold as other scheme has been remove from stock for example as table below:

|                     |            |      |              |                             |          |
|---------------------|------------|------|--------------|-----------------------------|----------|
| ST-TR-c0c3ebc4-70ec | 08-11-2021 | CSPO | Mass Balance | Remove From Certified Stock | 3.000,06 |
| ST-TR-c98b9839-6adf | 17-01-2022 | CSPO | Mass Balance | Remove From Certified Stock | 3.000,18 |
| ST-TR-596fcae1-86d9 | 17-01-2022 | CSPO | Mass Balance | Remove From Certified Stock | 2.500    |
| ST-TR-882c872b-e58d | 17-01-2022 | CSPO | Mass Balance | Remove From Certified Stock | 2.500,26 |
| ST-TR-45e477ba-b970 | 27-01-2022 | CSPO | Mass Balance | Remove From Certified Stock | 3.000,11 |
| ST-TR-3a60912a-6987 | 16-04-2022 | CSPO | Mass Balance | Remove From Certified Stock | 2.500,1  |
| ST-TR-eee32434-b4d5 | 16-04-2022 | CSPO | Mass Balance | Remove From Certified Stock | 1.000,13 |
| ST-TR-d8297525-f5bd | 16-04-2022 | CSPO | Mass Balance | Remove From Certified Stock | 2.503,8  |
| ST-TR-3680627d-575f | 16-04-2022 | CSPO | Mass Balance | Remove From Certified Stock | 3.000,29 |
| ST-TR-7fb9f5b0-9562 | 16-04-2022 | CSPO | Mass Balance | Remove From Certified Stock | 2.500,31 |
| ST-TR-6b816eba-e63a | 22-06-2022 | CSPO | Mass Balance | Remove From Certified Stock | 3.000,01 |
| ST-TR-d482630b-699f | 22-06-2022 | CSPO | Mass Balance | Remove From Certified Stock | 1.500,21 |
| ST-TR-49b4697f-6925 | 22-06-2022 | CSPO | Mass Balance | Remove From Certified Stock | 3.000,29 |

\*Volume in MT

The company has shown sales documents that match those listed in Palmtrace for example Sale and Purchase Contract No. PMM-CPO /SC/0a22/0001 between PT PMM and PT SMART Tbk for CPO/ISCC in the amount of 2,500,000 Kg using the FOB Dermaga Rahayu method for transportation on January 25, 2022. In addition, shipping instructions No. PMM-CPO/IP/0122/001 to Rahayu Bulking for this transaction. 62215724. The shipping announcement carried out not more than 3 month after dispatch for example transaction number TR-f1fd14ef-00c0 date April 16, 2022

### 3.8.17

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

**Status: Comply**

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

### 4.1

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

#### 4.1.1

The company has a policy of respecting human rights which is contained in the Policy document on Sustainability and Business Ethics and the Policy on Sustainability of the local community. Some policies related to human rights such as:

- The group respects the rights of indigenous peoples and the rights of customary institutions and will not interfere or violate the way they organize themselves.
- Never use force, threats of violence or deployment of military forces or mercenaries to enforce decisions of disputes with local communities.
- The Group will systematically respond to requests for information (including complaints) that are not yet available through the group's website, annual report, or other publications, while taking into account its obligation not to violate privacy or personal confidentiality.
- And others.

#### 4.1.2

Based on the results of field visits to the plantations and factories, there is no visible presence of mercenaries in the company's operational areas, only security officers who are assigned by the company.



The results of interviews with the gender committee, bipartite, village representatives, and related agencies revealed that there were no issues of violence and no indication of the use of mercenaries.

**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 shows the SOP for Internal and External Complaints No. HRD-SOP2-01 dated October 1, 2019, briefly the procedure explains:

- Each complaint or complaint, both internal and external, must first be entered into the complaint book available at the office before being processed further.
- Within a period of 2 (two) weeks, each unit leader must seek a settlement in advance by considering the facts and all related factors.

The company also has a whistleblower system policy No. 001/PD-WBS/08/2017 which aims to accommodate all complaints and reports owned by staff and employees as well as the community living around the plantation. Activities related to WBS are specifically recorded and documented by a party appointed by the company. Based on the results of interviews with workers' representatives, it is known that if no agreement is found, the complaint can be brought to the RSPO Complaint system.

The company can show a record of socialization, for example a record of socialization of complaints to LLE Employees on April 14, 2022.

### 4.2.2

The company has a procedure number PMM/SOP/General-22 2<sup>nd</sup> Revision, dated 27 April 2015 regarding Communication and Consultation. The procedure describes the mechanism for communication and consultation between the company and internal and external stakeholders. Stakeholders can submit complaints or communicate with the company through a PIC that has been appointed by the company. Thus, stakeholders who cannot read and write can submit complaints to the PIC to be recorded by the PIC.

### 4.2.3

Complaints, both internal and external, have been recorded in the complaint book, both external and internal, where the book informs the date of the complaint/complaint, the type of complaint and the recording of the resolution. Based on the results of the review of the document for 2021 – 2022, there are only external complaints at BPE regarding damage to the access road to the crossing and this has been responded to by the company by stockpiling stones.

Based on the results of interviews with village representatives, so far it is felt that there are no complaints or conflicts between the company and the surrounding community that have not been resolved, in addition, based on the results of interviews with employees, it was stated that employees already know how to submit complaints and so far, the response from the company in responding to complaints has been sufficient.

### 4.2.4

The company demonstrates the conflict acceptance procedure No. HRD-SOP15-01 dated 03/02/2020 to be a reference in managing conflict both in terms of conflict mapping, conflict analysis, settlement planning, mediation to mentoring at various management levels.

In the conflict resolution process, the complainant has the freedom to choose people or groups who can support and/or act as observers.

Conflict resolution is carried out with the negotiation stage (perhaps alone, may use a third party) → if an agreement is reached, it is written in a collective agreement with a letter of agreement form. If not successful, enter the mediation stage (involvement of third parties) → if an agreement is reached, it is written in the collective agreement with the agreement letter form.

**Status: Comply**

## 4.3

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

**4.3.1**

The company's contribution to community development is indicated by CSR. Based on the CSR report for the 2021 period, it is known that several target areas are as follows:

- Donations for orphans for the Continental Village of Puhun
- Donation of Sacrificial Animals for Benua Puhun Village, Rantau HEMPANG, and Bukit Jering
- PHBI Assistance and National Holidays
- BPJS Health assistance for Rantau HEMPANG Village
- Food assistance for Lebak Mantan Village and Bukit Jering

Based on management's explanation, it was stated that the CSR program was prepared with the participation of parties, for example village representatives, including considering the identification of community needs. Evidence of participation is shown by the absence of representatives of Villages Around the Company in the December 2021 Social Impact assessment document

**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**

Based on the results of the document review, it is known that the scope of RSPO certification for PT PMM and PT TJA is 20,507.30 Ha with main estate and plasma coverage. At the time this assessment was carried out there was an additional area for Rahayu Mill covering an area of 14.90 Ha so that the scope of certification became 20,522.20 Ha. From this area, the area that already has HGU/HGB is 11,158.96 Ha and 9,363.24 Ha does not have a land title.

In the RSPO notification regarding the latest Cultivation Rights dated April 1, 2020, among others, it states:

- For Initial Certification, the Unit of Certification must have HGU and IUP or other acceptable legal alternatives as defined in the National Interpretation; and
- For Recertification audits, Certification Units can continue their certification as long as there is sufficient tangible evidence that the company has taken steps to obtain HGU and must comply with all requirements at that time.
- The surveillance audit can be continued as stated in the previous announcement

These requirements are effective from the date of publication and the BoG will review the implementation of this decision and provide further guidance in the future. Based on this, the company has the opportunity to continue to show positive progress in obtaining HGU for all areas within the scope of certification that do not yet have HGU. **(OFI)**

In addition, the company also has a Plantation Business Permit for both cultivation and processing. PT PMM has IUP-B for an area of 21,500 Ha while PT TJA has IUP-B for an area of 13,550 Ha. The processing capacity as stated in the IUP-P is 60 Tons of FFB/Hour for PT PMM (Bumi Permai Mill) and 45 Tons of FFB/Hour for PT TJA (Rahayu Mill).

**4.4.2 & 4.4.4**

Land compensation is conducted through process calculation of "Ganti Rugi Tanam Tumbuh (GRTT)" or compensation on land and any living plants above. Summary of land compensation on surrounding villages is presented in the following Table:

| No.                                | Village          | Total Area of GRTT (ha) |
|------------------------------------|------------------|-------------------------|
| 1                                  | Benua Puhun      | 848.95                  |
| 2                                  | Bukit Jering     | 487.95                  |
| 3                                  | Lebaho Ulaq      | 1,894.82                |
| 4                                  | Lebak Mantan     | 814.73                  |
| 5                                  | Loleng           | 2,754.75                |
| 6                                  | Muara Kaman      | 1,864.00                |
| 7                                  | Muara Kaman Ilir | 30.31                   |
| 8                                  | Rantau HEMPANG   | 321.21                  |
| <b>Total Land Compensated (ha)</b> |                  | <b>9,016.71</b>         |

Based on the table above, it was known that total compensation through GRTT process was about 9,016.71 ha. According to information from unit of certification and Plantation Agency, as well as representative from Village of Benua Puhun and Lebak Mantan

it was known that process of land compensation had settled up since 2018. For example, several evidences related to land compensation is presented in documents as follows:

- Official Report of Field Checking and Physical Survey No. 012/590/18/2001/MW/III/2017 dated 20 February 2017 on area covers  $\pm 20,000 \text{ m}^2$  (2.00 ha), where situated on Muara Wis Beringin Jaya Estate. Compensation agreed by both parties was IDR 20,000,000.- and had paid on 07 February 2018. The report acknowledges by government representatives.
- Official Report of Field Checking and Physical Survey No. 019/590/18/2001/MW/III/2017 dated 20 February 2017 on area covers  $\pm 212,300 \text{ m}^2$  (1.23 ha), where situated on Dusun Tanjung Linung in Sub District of Muara Wis. Compensation agreed by both parties was IDR 12,300,000.- and had paid on 07 February 2018. The report acknowledges by government representatives.

The results of interviews with representatives of Lebak Mantan, Bukit Jering, and Benua Puhun Village revealed that the land acquisition process was preceded by socialization and then negotiations and after an agreement was reached, a compensation process would be carried out. The company also respects the people who do not want to give their ownership rights to the land. Therefore, in the company HGU there is actually still ownership of other parties

#### 4.4.3

Unit of certification shows Operational map with scale varies from 1:50,000 to 1:120,000. The map has clearly informed coordinate line, legal boundary, as well as location of conservation area, smallholder's area, rivers distribution, mill, building and infrastructures, etc. Based on interview with BPN and Plantation Agency of Kutai Kartanegara, as well as with representatives from Village of Loleng, Rantau Empang and Lebahu Ulak, it was known there were no occupation and/or overlapped with another business activities on the estate operational areas. Furthermore, based on field observation, it was known that the map has giving actual situation on unit certification areas

#### 4.4.5

Based on the land acquisition documentation shown by the company, it is known that the land owner acts for himself without being represented by any party. External parties are more like witnesses to ensure the transaction goes according to the agreement. The results of an interview with one of the previous land owners from Benua Puhun Village, Lebak Mantan Village, and Bukit Jering Village, it was found that the socialization process from the company related to land release was carried out individually or jointly involving village officials and community leaders. There is no coercion or intimidation when the process is carried out

#### 4.4.6

Based on the results of interviews with representatives of Lebak Mantan, Benua Puhun, and Bukit Jering Village who understand the process and agreement for land acquisition, it is known that the company has fulfilled the commitments and agreements submitted, such as:

- Development of plasma plantations
- Labor recruitment
- Realization of CSR

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

#### 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

Based on the results of the document review and interviews with stakeholders including village representatives from Lebak Mantan, Bukit Jering, and Benua Puhun it is known that until now there has been no additional permit or expansion of the company operational area. GRTT process were carried out in the past time. The company has Land Acquisition Procedure Number PMM/SOP/Umm-19 dated January 1, 2011 that to identifying legal, customary or user rights, and for identifying people entitled to compensation. Based on public consultation with village representatives from Benua Puhun and Bukit Jering known that they know about the procedure through the socialization given and they agree with the procedure.

##### 4.5.2

As explained in Indicator 4.5.1, was known that there is no new compensation and new planting

##### 4.5.4

Based on interview with representative of previous land owners of Benua Puhun, Lebak Mantan, and Bukit Jering Village and surrounding communities, it was known that process of compensation has been carried out smoothly, transparent, voluntary and fair through participative and FPIC approach. Process of compensation or acquisition has conducted through FPIC manners and did not diminish any legal rights and/or customary rights. Previous land owner also informs during the acquisition the process is transparent and inform the planning for oil palm plantation development in their area.

#### 4.5.6

Interview with representative of previous land owners and surrounding communities from Bukit Jering, Benua Puhun, and Lebak Mantan 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.

**Status: Comply**

#### 4.6

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

##### 4.6.1 & 4.6.2

Procedure of land compensation and identification of land owners is presented in document No. PMM/SOP/Umum-19 dated 01 January 2009. Procedure mentioned that unit of certification will conduct socialization on plantation operational activities, included planting of oil palm. During socialization, Land Verification Team will identify and looking information directly from village representative and cross check with the land owner. Measurement, land survey and mapping later on to be conducted by both parties, witnessed by village representatives and land owners of surrounding compensated objects. Final map as result of FPIC process will be used as reference for compensation calculation. Land owner has a right to reject the value of compensation.

The results of interviews with representatives of Lebak Mantan, Bukit Jering, and Benua Puhun Village revealed that the land release process was preceded by socialization and then negotiations and after an agreement was reached, a compensation process would be carried out. The company also respects communities who do not want to relinquish land ownership rights. There was never intimidation and coercion in the whole process

#### 4.6.3

Based on the results of interviews with representatives of Lebak Mantan, Bukit Jering, and Benua Puhun Village, it was stated that both men and women have the same rights to own land. This can be seen, for example, from the realization of land compensation that does not differentiate gender, including during the development of plasma plantations

#### 4.6.4

According to information from unit of certification and Plantation Agency, as well as representative from Village of Benua Puhun and Lebak Mantan it was known that process of land compensation had settled up since 2018. For example, several evidences related to land compensation is presented in documents as bellows:

- Official Report of Field Checking and Physical Survey No. 012/590/18/2001/MW/III/2017 dated 20 February 2017 on area covers  $\pm 20,000 \text{ m}^2$  (2.00 ha), where situated on Muara Wis Beringin Jaya Estate. Compensation agreed by both parties was IDR 20,000,000.- and had paid on 07 February 2018. The report acknowledges by government representatives.
- Official Report of Field Checking and Physical Survey No. 019/590/18/2001/MW/III/2017 dated 20 February 2017 on area covers  $\pm 212,300 \text{ m}^2$  (1.23 ha), where situated on Dusun Tanjung Linung in Sub District of Muara Wis. Compensation agreed by both parties was IDR 12,300,000.- and had paid on 07 February 2018. The report acknowledges by government representatives.

The results of interviews with representatives of Lebak Mantan, Bukit Jering, and Benua Puhun Village revealed that the land acquisition process was preceded by socialization and then negotiations and after an agreement was reached, a compensation

process would be carried out. The company also respects the people who do not want to give their ownership rights to the land. Therefore, in the company HGU there is actually still ownership of other parties

**Status: Comply**

#### 4.7

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

##### 4.7.1 & 4.7.2

Procedure of land compensation and identification of land owners is presented in document No. PMM/SOP/Umum-19 dated 01 January 2009. Procedure mentioned that unit of certification will conduct socialization on plantation operational activities, included planting of oil palm. During socialization, Land Verification Team will identify and looking information directly from village representative and cross check with the land owner. Measurement, land survey and mapping later on to be conducted by both parties, witnessed by village representatives and land owners of surrounding compensated objects. Final map as result of FPIC process will be used as reference for compensation calculation. Land owner has a right to reject the value of compensation.

Based on information from representative of Lebak Mantan, Benua Puhun, and Bukit Jering Village it was known that compensation process has conducted properly through fair and transparent approach, without any pressure from other parties. Furthermore, there is no issue related with land conflict and occupation within unit of certification operational areas.

Land compensation is conducted through process calculation of "*Ganti Rugi Tanam Tumbuh* (GRTT)" or compensation on land and any living plants above. Based on GRTT record, it was known that total compensation through GRTT process was about 9,016.71 ha. According to information from unit of certification, BPN and Plantation Agency, as well as representative from Village of Loleng, Rantau Empang and Lebahu Ulak, it was known that process of land compensation had settled up since 2018. For example, several evidences related to land compensation is presented in documents as follows:

- Official Report of Field Checking and Physical Survey No. 012/590/18/2001/MW/III/2017 dated 20 February 2017 on area covers  $\pm 20,000 \text{ m}^2$  (2.00 ha), where situated on Muara Wis Beringin Jaya Estate. Compensation agreed by both parties was IDR 20,000,000.- and had paid on 07 February 2018. The report acknowledges by government representatives.
- Official Report of Field Checking and Physical Survey No. 019/590/18/2001/MW/III/2017 dated 20 February 2017 on area covers  $\pm 212,300 \text{ m}^2$  (1.23 ha), where situated on Dusun Tanjung Linung in Sub District of Muara Wis. Compensation agreed by both parties was IDR 12,300,000.- and had paid on 07 February 2018. The report acknowledges by government representatives

##### 4.7.3

Based on the results of a document review and interviews with representatives of the communities of Bukit Jering, Lebak Mantan, and Benua Puhun Village, it is known that the benefits obtained by people who have lost their land rights include:

1. Opening of road access
2. Recruitment of workers from the surrounding village community
3. The realization of plasma plantation development is managed in a full managed m
4. Realization of CSR programs as described in 4.3.1

**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

Based on the document verification and field visits as well as interviews with representatives of Lebak Mantan, Bukit Jering, and Benua Puhun Village, it is known that so far there has never been a land dispute between the community and the company. Actually, within the company HGU area, there are still areas controlled by other parties with the following details:

| Estate                      | Area (Ha) |
|-----------------------------|-----------|
| Lembuswana Estate           | 216.82    |
| Koperasi Sawit Etam Bersama | 32.81     |
| Bumi Permai Estate          | 41.09     |
| Koperasi Tanah Sama         | 343.91    |
| Prima Estate                | 219.49    |
| Kahoi Estate                | 177.84    |



|                              |                 |
|------------------------------|-----------------|
| Koperasi Mitra Sawit Mandiri | 132.16          |
| Beringin Jaya Estate         | 670.17          |
| Koperasi Grenseng Indah      | 48.62           |
| Rahayu Estate                | 172.06          |
| Koperasi Karya Bersama       | 121.86          |
| Mahakam Estate               | 126.91          |
| Koperasi Mitra Sejahtera     | 30.36           |
| <b>Total</b>                 | <b>2,334.10</b> |

These areas are areas whose ownership is not willing to be relinquished to the company during the GRTT process so that the company does not force the community to relinquish their land rights and are categorized as enclaves. For the current condition, the company has mapped the area and extent of the enclave area. Based on field visits to the enclave area which is directly adjacent to the plantation area, it is known that there is no conflict with the company. Boundary markings are estate roads CR and MR

**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 document review, field observations and interviews with staff and management, it is known that the company obtains FFB supplies from third parties/FFB suppliers such as plasma, and FFB middleman suppliers. For cooperation with Plasma, the applicable FFB price refers to the decision of the Plantation Office per month and is routinely informed every month via email and communication media to the plasma/cooperative management. The company shows an example of a payment for the March 2022 period which was paid directly to the cooperative's account at the current price. The company can also show the Minutes of Meeting Results of the FFB Purchasing Pricing Team for that period.

For cooperation with middlemen, the price of FFB is determined in a work agreement agreed by both parties, several considerations in determining the price of FFB such as the price of CPO, PK, transportation costs, and proposed prices from suppliers. Before making a payment, the verification of the correctness of the payment calculation has been checked by both parties in the FFB sale and purchase calculation document, so that all complaints and confirmations related to payments have been completed before the payment is made. The pricing mechanism has been explained in the FFB sale and purchase agreement signed by both parties. Interviews with the management unit and FFB suppliers also stated that the FFB price that had been determined could be accessed by the supplier, and was informed every day via email, online communication media and telephone from the PIC to the supplier.

**5.1.2**  
As explained in indicator 5.1.1, the plasma FFB price refers to the price determined by the Plantation Service, while the FFB price for middlemen uses the calculated price for CPO and PK which is updated daily. The company also has a mechanism for conveying prices which is done using email and communication media. Based on the results of interviews with plasma farmers, stated that the price set by the company was in accordance with the price set by the local Plantation Service, where if there was an update on the price, the company immediately conveyed it through communication media and posted it on the notice board at the Cooperative's office.

The company can also show proof of plasma management transparency by showing details of production and costs for the period March 2022 where in the document there is a table that explains FFB production data and details of management costs from discounted fees, maintenance costs, fertilization costs and others. This is conveyed to the plasma managing cooperative and has received approval from the cooperative management with proof of stamp before making payment. The results of interviews with the plasma administrators of the Karya Bersama and Tanah Sama Cooperatives also stated that the price distribution was quite clear and there were no complaints regarding payments, the value paid was divided into 80% for plasma, and 15% for the maintenance and management of the cooperative and 5% for planned savings. replanting with a monthly payment system. This is in accordance with the agreement letter agreed upon by both parties.

### **5.1.3**



The company has determined the fair price that has been agreed with the plasma management cooperative as outlined in the Cooperation Agreement, in the document there is a statement that the price set for the determination of the selling price of FFB is the price set by the Plantation Service, so the parties hereby declare that they will comply with the price fixing so that one party and the other are not entitled to ask for a price increase or decrease. Meanwhile, the determination of prices with outside FFB suppliers refers to the calculation results of fluctuations in CPO and PK prices. There are also specifications and implementation requirements as well as sanctions that must be met by all parties, for example those contained in the Cooperation Agreement with FFB suppliers on behalf of PT Imaira Harapan and CV Bumi Gatah, are as follows:

- The first party has the right to refuse FFB if the quality does not meet the criteria for ripe fruit set.
- If there is a difference in weighing between the seller and the buyer's books, the settlement will be carried out on the day of delivery/delivery to avoid discrepancies in the weighing results when payment is made.
- FFB sold does not come from partnership plasma plantations built by companies/groups of companies, and is not stolen and/or from criminal activities.

Based on document review and interviews with suppliers of FFB and Plasma Cooperatives, it can be concluded that the company has determined a fair price which explains all components including the determination of premium value, savings, treatment cost discounts and others, all of which have been agreed upon by all related parties and are documented in the form of a letter. cooperation agreement and proof of payment.

#### **5.1.4**

The company can show evidence that representatives from FFB suppliers and cooperatives as plasma administrators are involved in drafting the contract. For example, the Letter of Cooperation Agreement with the cooperative is as follows:

- MoU with Karya Bersama Cooperative Number 001/SPK/KOP-KB/IV/2010 dated April 23, 2010 valid until April 23, 2040.
- MoU with Tanah Sama Cooperative Number 001/SPK/KTS/12/2011 dated December 2, 2010 valid until December 2, 2041.

The document contains agreements such as maintenance financing, loans/credits, repayments through FFB deductions for the replanting program and/or other support mechanisms that have been signed by all representatives of the cooperative, witnesses and the company. This shows that all relevant parties have been involved in the decision-making process and understand the contents of the contract.

The development of plasma plantations is also carried out to improve the welfare of the community around the plantations where currently management related to plantations is still carried out entirely by the company's management by assigning Managers and Assistants to help manage plasma within their management area. Cooperatives play a role in managing the finances obtained from the sale of FFB and distributing them to all members. Cooperative members consist of people around the company who want to be involved, not limited to men or women. Regarding the involvement of women in decision-making, it can also be proven from the results of interviews with the head of the cooperative which stated that plasma land was given to all communities living in the designated village, not limited to men or women. The informant stated that the contract was made with the agreement of both parties without any coercion, intimidation and discrimination.

#### **5.1.5**

As explained in indicators 5.1.1 - 5.1.4 related to Cooperation Agreements with Cooperatives and independent smallholders, the results of the verification of the Cooperation Agreement Letter document indicate that all existing contracts have been made fairly, in accordance with applicable laws, are transparent and have a predetermined time period. agreed together. The results of the interview with the Cooperative Management stated that all members have understood the stipulated provisions such as the determination of FFB prices, management fees, management fees, loans, disputes, and others. The agreement has also been made in accordance with applicable laws in a fair, transparent, and has a clear time frame.

In addition, the company can also show a Statement of Cooperation for the purchase of FFB from the middleman supplier FFB, for example, a statement letter on behalf of CV Bumi Gatah which was made on September 1, 2021 with Number 39/MKT-TJA/IX/2021 and is valid for 1 year. In the statement made, it was stated that several conditions for FFB were mentioned, including FFB source location, FFB criteria, FFB repatriation, fines and delivery of FFB to the mill. Based on this explanation, it is known that the management unit already has a contract that is made fairly, in accordance with applicable law, and is transparent, and has an agreed term.

**5.1.6**

The Cooperation Agreement Letter explains the procedure / system for paying for the net sales of FFB, both for independent FFB suppliers, collectors and plasma. Payment is made based on the Minutes of FFB sale and purchase which has been agreed and signed by all parties. Based on the results of the study of the proof of FFB payment documents to the Karya Bersama Cooperative as well as the minutes of the presentation of the results and an explanation of the operational costs for the March 2022 period, it shows that the payment has been made on time and can be proven through a receipt for payment. The plasma fruit payment is valid for the period 1-31 March 2022. The payment has been completed with income from each farmer group, fruit tonnage, and price according to the period. Based on the results of the verification of the Plasma FFB price and proof of calculations from the payment recapitulation data, it is known that the payment has been in accordance with the price set by the Plantation Service. The proof of payment document also explains the details of production and monthly period costs, FFB production data and details of management costs, maintenance costs and fertilization costs. The document is also submitted to the cooperative through a meeting attended by representatives of the cooperative and has been approved with proof of stamp.

As for examples for payment of fruit for external FFB suppliers, for example, proof of payment of FFB to CV Bumi Gatah dated April 8, 2022 for the FFB delivery period on April 2-5 2022. The invoice is explained in the form of the amount of FFB received, the price applicable on the date of delivery, and total payment after withholding tax PPH22. Each payment data has been equipped with weighing data, grading reduction data and proof of transfer. Based on this explanation, it is known that the management unit has made fruit payments to plasma and the middleman supplier FFB in accordance with the contract they have, either the payment period or the specified price.

**5.1.7**

The company has tested the electronic weigh bridge for PT PMM and PT TJA by the Head of UPT Metrology legal, Kutai Kartanegara Regency Government with evidence, among others:

- Test Result Certificate for Bumi Permai Mill which was carried out on March 14, 2022 and valid until March 13, 2023, number 510.63/ 214/ DISPERINDAG/ METROLOGI/ III/ 2022 with serial number 103950243 and maximum capacity 60,000 Kg.
- Test Result Certificate for Rahayu Mill which was carried out on September 13, 2021 and valid until September 12, 2022, number 510.63/ 311/ DISPERINDAG/ METROLOGI/ IX/ 2021 with serial number 194550490 and maximum capacity 60,000 Kg.
- Test Result Certificate for Rahayu Bulking which was carried out on March 14, 2022 and valid until March 13, 2023, number 510.63/ 212/ DISPERINDAG/ METROLOGI/ III/ 2022 with serial number 200750769 and maximum capacity 60,000 Kg.

The results of observations and interviews with weigh bridge operators obtained information that the certification unit has routinely performed the calibration of weighing equipment by third parties.

**5.1.8**

The company has conducted socialization related to RSPO certification to independent smallholders and plasma farmers through regular meetings. The company shows the Minutes of the annual meeting on September 9, 2021 which was submitted to FFB suppliers attended by 9 participants about the benefits of the RSPO, and the recommendation to register for the RSPO. From the results of the meeting, it was stated that independent smallholders would follow the company's initiation to include their land in RSPO certification and would follow all existing requirements and regulations. In this socialization activity, the certification unit also promoted the RSPO. Based on the results of the socialization conducted to FFB suppliers, it was concluded that the certification activities had not been realized. This is due to difficulties in establishing cooperatives and farmer groups to coordinate certification activities. The results of interviews with the company stated that they are currently assisting in the socialization phase to all suppliers who cooperate with the company. The informant stated that he was very interested in participating in the RSPO certification because the benefits were quite a lot, in addition to the increase in FFB prices, market demand would also be higher because of the status of the certified fruit.

**5.1.9**

The company also has procedures related to communication, consultation and coordination contained in the SOP document for Handling Complaints and Dissatisfaction Number PMM/SOP/General-05 which is valid on January 1, 2011 and SOP for Communication and Consultation number HRD-SOP02-01 which is valid on October 1, 2019. The procedure explains technically the guidelines for receiving various complaints submitted by stakeholders or other parties and the process for resolving them. Companies through their respective departments have recorded requests for information and responses. The deadline for responses to requests for information or conflicts is 1 week after the letter is received (from the Unit Head to the relevant Department). Responses are made

no later than 3 weeks after the letter is received. In addition, there is a clause that guarantees the confidentiality of the whistleblower and the reporting witness. Based on the results of the document review, it is known that for the 2021 period there were only requests for information and assistance, and there were no complaints from farmers or the surrounding community. The company has also appointed officers who act as communicators between the company and the community so that people who cannot read/write can be informed by the relevant communicators.

In addition, to accommodate complaints, a suggestion box is also provided as a means of submitting complaints that can be submitted anonymously. The complaint flow is that the employee writes down the problem in the complaint book available at the estate office, then at least 2 weeks the unit leader must seek a resolution first. If it cannot be resolved, it is forwarded in writing to the head of the representative. Each stage of completion is documented and kept by the head of the representative. Based on the results of interviews with Cooperatives and FFB suppliers regarding the complaint handling mechanism, they stated that complaints can be submitted through letters or direct submissions through communication media and/or in regular meetings. The informant also stated that for the 2021 period there were no complaints, the entire cooperation process that had been going on so far was going well.

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| <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 certification unit has conducted consultations with FFB supplying smallholders as shown by evidence of socialization related to RSPO certification to independent smallholders and plasma smallholders through annual meetings between the company and FFB suppliers. The company shows the Minutes of the annual meeting on September 9, 2021 which was submitted to FFB suppliers attended by 9 participants about the benefits of the RSPO, and the recommendation to register for the RSPO. In addition, there is also evidence of consultation activities with representatives of plasma farmers regarding technical aspects of field work through socialization of BMP, handling of pesticides and sprays on March 13, 2022 to 30 participants and March 29, 2022 to 18 participants. From the results of the meeting, it was stated that independent smallholders would follow the company's initiation to include their land in RSPO certification and would follow all existing requirements and regulations.

In this socialization activity, the certification unit also promoted the RSPO. Based on the results of the socialization conducted to FFB suppliers, it was concluded that the certification activities had not been realized. This is due to difficulties in establishing cooperatives and farmer groups to coordinate certification activities. The results of interviews with the company stated that they are currently in the stage of socialization to all independent farmers. The results of interviews with FFB suppliers stated that they were very interested in participating in RSPO certification because of the many benefits, but they still did not know about the certification system and its fulfillment because the socialization provided was not deep and comprehensive enough. Based on this, the Company has the opportunity to ensure that efforts to support independent smallholders to participate in RSPO certification have been carried out thoroughly and are documented. **(OFI)**.

#### 5.2.2

The company has made improvements to the welfare of the communities around the plantations by developing and fully managing plasma plantations and regularly conducting socialization related to RSPO certification. Currently, the management of Plasma is fully managed by the cooperative management, while the company only provides assistance to ensure that the management of oil palm cultivation is in accordance with RSPO standards. In addition, companies can also show socialization documents about best practices in oil palm cultivation, work safety, the environment, fires, benefits of RSPO, and recommendations to register for the RSPO which will be carried out on September 9, 2021, which were submitted to FFB suppliers attended by 9 participants. In addition, there is also evidence of consultation activities with representatives of plasma farmers regarding technical aspects of field work through socialization of BMP, handling of pesticides and sprays on March 13, 2022 to 30 participants and March 29, 2022 to 18 participants.

However, based on the explanation in indicator 5.2.1 which states that there are no independent smallholders who can participate in RSPO certification due to several obstacles, so far, the company has only implemented programs to improve the standard of living for farmers, only providing socialization. The results of the interview with the middleman supplier of FFB on behalf of CV Bumi Gatah stated that the farmers who supply FFB to them already know about RSPO from the results of the socialization by the company, but the obstacles experienced are difficulties in establishing cooperatives and farmer groups to coordinate certification activities.

#### 5.2.3

Based on the explanation in indicator 5.2.1 which states that there are no independent smallholders who can participate in RSPO certification due to several obstacles, so far, the company has only implemented programs to improve the standard of living for farmers, limited to providing socialization. Regarding support to farmers to encourage the legality of FFB production only for Plasma farmers, all farmers already have legal documents where all document control is carried out in full by PT PMM and PT TJA. As for independent smallholders, support is only done indirectly in the form of data collection on the legality status of land owned by all FFB suppliers in compliance with indicator 2.3.2 where companies are required to obtain FFB from legal sources.

#### 5.2.4

When the audit was conducted, the collaboration between the certification unit and plasma was carried out with a full managed management system where the management of plasma plantations was fully managed by the Company. Because the management is carried out by the Company, all employees working on plasma plantations are workers who have been trained by the company in handling pesticides, treatments, fertilization and others. The company also continues to provide assistance in plantation management in accordance with RSPO standards. The training activities can be proven based on the minutes of pesticide training to the Agrochemical Application Officer and Cooperative management on January 28, 2022, which was attended by 26 participants.

#### 5.2.5

The unit of certification can show evidence that it has publicly reported the support program for smallholders, especially plasma farmers regarding its development which is carried out regularly. The evidence shown is based on the receipt of the 2021 LPUP Semester 2 submission document to the Agriculture Office of Kutai Kartanegara Regency on February 9, 2022 as well as the 2021 CSR Report which is publicly accessible.

**Status: Comply**

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

#### 6.1

#### **Any form of discrimination is prohibited.**

##### 6.1.1

Policies related to non-discrimination have been included in the policy document on sustainability and business ethics in October 2021 which briefly on Equal Opportunity and Anti-Discrimination points explain "The company intends to provide fair and equal opportunities to all its employees. The company seeks to prevent discrimination in the workplace."

Based on the results of interviews with workers, it was conveyed that there was no discriminatory treatment carried out by the company where female and male workers were given equal rights in obtaining work and were not differentiated based on ethnicity and religion. In addition, based on the results of a review of the labor register document, it is known that the workers in the company consist of various ethnicities and religions.

Thus, the company has a non-discrimination policy that has been implemented.

##### 6.1.2

In the policy on sustainability and business ethics in October 2021, one of them states that the company prohibits the collection of recruitment fees for work. This is in line with the results of interviews with workers, it was stated that there were no incidents of discrimination in the company such as differentiating the right to get a job and the imposition of recruitment fees.

Thus, the company has shown evidence that workers and groups including local communities, women and migrant workers are not discriminated against.

##### 6.1.3

Based on the results of interviews with representatives of the Manpower Office of Kutai Kartanegara Regency, LKS Bipartite and Estate and Mill Employees, it is known that there are no acts of discrimination committed by the company in which all workers get equal opportunities to access work and training.

Companies can demonstrate implementation, for example:

- Recruitment
  - One of the job vacancies is BPM compound workers on 27 July 2021.

- Job application letter for prospective compound BPM employees with the initials INA equipped with other administrative completeness.
- Medical Check Up Report No. 387/KEI/MCU/VIII/2021 dated August 31, 2021 from PT Prima Mitra Jaya Mandiri Clinic.
- Employee Master Listing with Date Joined September 1, 2021.
- Promotion  
SKU Employee Performance Assessment Form – Monthly, for example for LLE employees for the 2020-2021 assessment period with assessment aspects including: Discipline, Work Quantity, Work Quality, Cooperation, Work Attitude and Responsibility.

Based on the explanation above, it can be concluded that the company has shown evidence that recruitment selection, employment, access to training, and promotion are carried out on the basis of skills, abilities, quality, and medical eligibility as required for the available jobs.

#### 6.1.4

Based on the results of interviews with female workers in the Estate and representatives of the gender committee, it is known that the company does not carry out pregnancy tests as a form of discrimination in employment but only to ensure that no workers who are pregnant work by handling chemicals.

#### 6.1.5

The company has a gender committee in each Estate and Mill unit which aims to address women's issues. The structure of the gender committee consists of a coach, chairperson, empowerment, service and administration and research and development section, the management of the gender committee in the company consists of men and women. Thus it can be concluded that the company already has a gender committee that involves all genders.

#### 6.1.6

Based on the results of interviews with employees, it is known that workers have received equal wage payments for the same work coverage in addition to being added with other benefits such as (premiums, THR/Bonuses, Jamsostek, BPJS Health, Pension Security) and discounts (such as Jamsostek, Taxes, Others, BPJS Health and Pension Security) have been paid equally.

In addition, the company has also prepared the SKU Worker Wage Scale Structure for PT PMM and PT TJA for 2022 as follows:

- PT Prima Mitrajaya Mandiri
  - Decree No. 001/SK.UPAH/PMM-HR/XII/2021 dated December 24, 2021 regarding PT PMM's casual daily wage (BHL) in 2022 in Kutai Kartanegara Regency in the amount of Rp. 127,987/day.
  - Decree No. 002/SK.UPAH/PMM-HR/XII/2021 dated December 24, 2021 regarding PT PMM's 2022 Permanent Daily Employee Wage (SKU-H) in Kutai Kartanegara Regency in the amount of Rp. 3,199,655/month.
  - Decree No. 003/SK.UPAH/PMM-HR/XII/2021 regarding the 2022 PT PMM Monthly & Contract Employees Wages in Kutai Kartanegara Regency amounting to 3,199,655/Month (contracted employees) and SKU-B employees based on class, namely the lowest wage of Rp 3,306 .906/Month (P1) and the highest is Rp. 4,081,906/Month (EL6).
- PT Teguh Jayaprima Abadi
  - Decree No. 004/SK.UPAH/TJA-HR/XII/2021 dated December 24, 2021 regarding PT PMM's casual daily wage (BHL) in 2022 in Kutai Kartanegara Regency in the amount of Rp. 127,987/day.
  - Decree No. 005/SK.UPAH/TJA-HR/XII/2021 dated December 24, 2021 regarding PT PMM's 2022 Permanent Daily Employee Wage (SKU-H) in Kutai Kartanegara Regency in the amount of Rp. 3,199,655/month.
  - Decree No. 006/SK.UPAH/PMM-HR/XII/2021 concerning the 2022 PT PMM Monthly & Contract Employee Wages in Kutai Kartanegara Regency amounting to 3,199,655/Month (contracted employees) and SKU-B employees based on class, namely the lowest wage of Rp 3,306 .906/Month (P1) and the highest is Rp. 4,081,906/Month (EL6).

**Status: Comply**

**6.2**  
**Pay and conditions for staff and workers and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).**

**6.2.1**  
The company can show documentation of payment of wages every month that informs details of Basic Wage, Premium, Overtime, Rapel, THR/Bonus, Rice Allowance, PPh and BPJS Deductions. Based on the results of interviews, employees can explain the basic wages and benefits and deductions received every month.



The company shows a record of socializing the 2022 payslips to employees, for example:

- Record of socialization to employees of the Central Division of BPE on January 7, 2022
- Record of socialization to KHE North Division employees on January 11, 2022
- Record of socialization to LLE and KKPA Northern Division employees on 16 February 2022

Based on the results of interviews with workers, it was conveyed that the workers had understood the points contained in the salary slips received.

Thus, the company can show evidence that it has documentation of wages and work requirements in accordance with the applicable labor regulations for workers in the national language, along with explanations for workers in a language that is understood.

#### **6.2.2**

Work agreement and related documents detailing wages and work requirements (eg regular working hours, deductions, overtime, sick leave, right to vacation (leave), maternity leave, reasons for dismissal, notification period before dismissal, etc. according to the provisions national regulations), etc. have been contained in the PT PMM and PT TJA Company Regulations for the period 2021 – 2023 which have been ratified by the Manpower and Transmigration Office. In addition, the company can show examples of salary details documents that provide accurate information on compensation for work performed, for example: Salary Slip for BPM workers with NIK 2017090315 for March 2022 informing Overtime Hours, Income Details and Deduction Details.

Based on the results of field visits and interviews with workers at both the Mill and Estate, it was not found that there were workers who did not have work ties with the company where all workers had a copy of the work agreement. In addition, there has been a warning regarding the prohibition of workers who do not have work agreement.

#### **6.2.3**

Companies can show evidence of legal compliance for example:

- Based on the results of the review of the wage list document, it is known that the company has determined and paid the lowest basic wage according to the minimum wage of IDR 3,199,655/month. This is in accordance with the determination of the minimum wage for Kutai Kartanegara Regency in 2022 based on the Decree of the Governor of East Kalimantan number 561/K.598/2021.
- Provision of leave after giving birth to KHE employees with NIK 2020072894 for the period February 11 – March 27, 2022. Based on a review of the employee's salary slip document in March 2022, it is known that the worker gets the basic salary in full.
- The company has provided weekly rest periods, for example, based on interviews with workers at the Estate and Mill, it is known that the working day is Monday to Saturday with rest days on Sundays.
- The results of interviews and review of salary slip documents for example BPM Boiler workers, it is known that the company has implemented the calculation of overtime wages in accordance with applicable regulations.

#### **6.2.4**

Based on the results of field visits, it is known that the company has provided employee welfare facilities including housing equipped with sanitation facilities, worship facilities, child care, health facilities, sports facilities, and kiosks selling basic goods.

Based on the results of interviews with workers, it was stated that the employee welfare facilities provided by the company were adequate, in addition, if there was damage, for example to housing, the company responded quickly for repairs.

Thus, it can be concluded that the company has provided welfare facilities for employees with proper conditions.

#### **6.2.5**

Based on the results of field visits and interviews with employees, it was stated that the company has provided kiosk facilities in each unit that provide basic needs for workers at affordable prices.

#### **6.2.6**

The company can show the results of the calculation of the in-kind benefits provided by the company for 2022 (PT PMM & PT TJA), benefits that are taken into account include: housing, electricity and water, education, child care, and health which are all in accordance



with the prevailing prices general amount of Rp 323,048 per worker. The minimum wage received by workers is IDR 3,199,655 so that the total in-kind benefits received per worker per month is IDR 3,522,703.

#### 6.2.7

Based on the results of the review of employee list documents and interviews, it is known that there are no workers with temporary status or casual daily workers who are employed for the main job. As for the use of PKWT in RHE for fertilization. For main jobs, such as harvesting workers, workers first go through a probationary period of 3 months before being appointed as permanent employees.

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

Companies can show policies related to freedom of association which are listed in the Policy document on Sustainability and Business Ethics for October 2021, including in the rights of workers, one of which is freedom of association, briefly explaining as follows:

- The company respects workers' rights to freedom of association and organization with other individuals and collectively expresses, encourages, seeks and defends common interests.
- The Group provides an opportunity for all workers to establish a free, open, independent, democratic and responsible trade union and to register the union with the relevant legal authorities.
- The Group gives all workers the choice to join a trade union or not, without coercion from any party.
- The Group recognizes the rights of employees to freedom of association and assembly.

The company can show proof of delivery to workers, for example:

- Minutes of socialization related to LKS Bipartite to BPE Central Division employees on March 16, 2022.
- Minutes of socialization related to Bipartite LKS to employees of the BPM Process on April 6, 2022.
- Minutes of socialization related to LKS Bipartite to employees of the North and South Division of MKE on April 14, 2022.

One of the points of socialization is related to the membership structure of the bipartite cooperation institution consisting of elements of entrepreneurs/companies and elements of workers who are democratically appointed by workers to represent the interests of the workers of the company concerned.

##### 6.3.2

the company shows the minutes of the Bipartite LKS meeting, for example the minutes of the 13 November 2021 meeting at Evans Indonesia Junior High School which was attended by representatives from PT PMM and PT TJA. The discussion points include:

- PME "Kedai Ransum" progress
- Principal savings and cooperative mandatory savings
- KHE employee cooperative
- Ban on fishing in BJE

##### 6.3.3

The company shows the PT PMM and PT TJA Bipartite LKS recording documents to the Kutai Kartanegara Regency Transmigration and Manpower Office for the 2022-2024 management. Based on the results of interviews with representatives of LKS Bipartite, it was conveyed that the company gave freedom and there was no intervention in determining the management who represented the workers element.

Status: Comply

#### 6.4

**Children are not employed or exploited.**

##### 6.4.1

Policies related to child protection have been included in the Policy on Sustainability and Business Ethics in October 2021, including explaining:

- The Company recognizes that children who are forced to work, or who choose to work, are children who are deprived of their rights to childhood and education and are at risk of endangering their physical, mental and social well-being.

- The company prohibits the use of child labor in all of its operational activities, whether it is run by itself or by its suppliers;
- The minimum age to work for the Company is 18 years, with the exception that the work is part of the school curriculum;
- Employers allow workers aged 14-17 only if approved by legal authorities and become part of the school curriculum, or their participation in a certified vocational orientation or training program;
- Contractors, contract workers and volunteers working for the Company are subject to a minimum age limit;
- To prove age, the prospective employee must present to the Company one of the following documents at the time of recruitment; namely birth certificate documents, family cards, school diplomas, identity cards or passports.
- The company will provide access to good child care for employees' children and will extend the operating hours of child care facilities according to workers' overtime and weekends.
- The company will provide access to school, or transportation to school, for employees' children under the age of 18.
- The company will ensure that residential areas in the garden are safe for children and away from work-related hazards such as chemicals and work tools.
- The Company strives to prevent sexual harassment, domestic violence and other forms of abuse against children in housing, and will implement intervention and remediation measures in the context of its operations which protect the anonymity of complainants and victims when such cases occur.

#### **6.4.2; 6.4.3; 6.4.4**

Based on the results of the review of the labor list document as of March 2022, it is known that there are no workers under the age of 18 years. This is in accordance with the results of interviews with representatives of the Bipartite Cooperation and employees, who stated that there were no issues related to the use of workers under the age of 18. In addition, the company also posted warnings in several locations regarding the prohibition of the use of child labor.

**Status: Comply**

#### **6.5**

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

##### **6.5.1**

The company already has a policy regarding the prevention of sexual harassment which is contained in the Policy document on Sustainability and Business Ethics for October 2021, which briefly explains as follows: Sexual harassment is unwanted sexual behavior that violates the dignity of a person so that the person concerned feels intimidated, humiliated or humiliated, or create hostility and environmental unrest. The Group is strongly committed to creating and maintaining a work environment free from sexual harassment.

Based on the results of interviews with employees, it was stated that the company already has a complaint facility in the event of an incident of harassment, namely through the Gender Committee, but so far there have been no incidents of harassment within the company.

##### **6.5.2**

Policies related to reproductive rights are contained in the Policy document on Sustainability and Business Ethics for October 2021. Briefly as follows:

- The Group will protect women's reproductive rights in accordance with the laws of the countries where they work.
- The Group will provide special dispensation to female workers who suffer from menstrual pain, who are pregnant or breastfeeding in accordance with the rules and regulations of the country where they work.
- The Group will provide guidance and education on reproductive health and fertility to workers and their families with the assistance of professional medical staff.
- The Group will not allow employees who are pregnant, breastfeeding women or employees with medical limitations to carry out high-risk work that threatens the safety of the mother/person and/or child such as lifting heavy loads, operating heavy equipment and handling chemicals such as pesticides, herbicides, fertilizers and pesticides. laboratory chemicals
- The Group will assign pregnant employees to suitable temporary jobs; it will not use employee reproductive rights such as pregnancy, childbirth, miscarriage, breastfeeding and other reproductive conditions, as an excuse for demotion or termination of employment.
- The Group will not allow the use of pregnancy tests as an act of discrimination.

Based on the results of field visits and interviews, it is known that the company has implemented women's reproductive rights including

by providing rest periods H-1 (menstrual leave) and H-2 (maternity leave) in addition to providing a place to breastfeed and time for female workers to be able to breastfeed their children.

### 6.5.3

Based on the results of interviews with workers and representatives of the gender committee, it was stated that the company has provided facilities for pregnant women and mothers who have just given birth, including: pregnancy and maternal health checks and babies at posyandu activities, baby room and breastfeeding mothers in Daycare, as well as special times for mothers to breastfeed her baby. In addition, the needs of new mothers are also assessed directly to mothers who have just given birth and mothers who are pregnant at the time of posyandu activities.

### 6.5.4

The company already has a mechanism for submitting complaints and employee complaints, which are listed in the SOP for internal and external complaints with No. HRD-SOP02-01 document dated 01/10/2019. The procedure contains objectives, scope, responsibilities, references, and procedures.

The complaint flow is that the employee writes down the problem in the complaint book available at the garden office, then at least 2 weeks the unit leader must seek a resolution first. If it cannot be resolved, it will be forwarded in writing to the head of the representative. Each stage of completion is documented and kept by the head of the representative.

There is also a whistle blower system policy, where one of the procedures is to continue to process reports submitted without an identity as long as the report is accompanied by evidence and can be evaluated.

In the Policy on Sustainability and Business Ethics in October 2021, one of them explains about Transparency and Complaints which briefly includes the Group's approach to transparency based on its integrity value. The Group discloses information about itself in full and in a timely manner except for commercially sensitive information. Therefore:

- The Group will systematically respond to requests for information that are not yet available through the group's website ([www.mpevans.co.uk](http://www.mpevans.co.uk)), annual reports, or other publications, while taking into account its obligation not to violate privacy or personal confidentiality.
- The Group will sympathetically and timely respond to complaints or complaints.

Status: Comply

## 6.6

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

### 6.6.1

The Policy on Sustainability and Business Ethics in October 2021 contains the prohibition of forced labor, among which the Group will ensure that its operational activities do not create or support modern slavery or human trafficking. Therefore:

- The Group prohibits forced or compulsory labor and illegal overtime. All working time, including overtime, for each Group employee will be recorded and wages paid
- The Group prohibits the use of corporal punishment, mental or physical coercion, physical restraint, excessive verbal abuse, intimidation, harassment by management or employees.

Based on the results of the review of the worker list document, it is known that there is no use of foreign workers. The workers in the company include permanent workers and PKWT. Based on the results of interviews with representatives of the Labor Union, it is known that there were no forced labor acts carried out by the company.

### 6.6.2

Based on the results of the review of the worker list document, it is known that there is no use of foreign workers. The workers in the company include permanent workers and PKWT. Based on the results of interviews with representatives of the Labor Union, it is known that there were no forced labor acts carried out by the company.

Procedures related to the use of PKWT workers have been contained in the Recruitment SOP document No. IDN-HRD-SOP01-01 dated February 1, 2021, briefly explains as follows:

- The acceptance of new PKWT employees in the company is adjusted to the needs of the company whose type of work is one-time (project) or seasonal.

- The company provides equal opportunities to work according to the needs and requirements that have been set (without distinction of ethnicity, religion, race, class, age, caste, nationality and gender).
- PKWT employees who can be accepted must meet the requirements set by the company:
  - Candidates who can be accepted must be at least 18 years old
  - Prospective employees must pass the selection, interview, and medical test organized by the company
  - Prospective employees who have passed the selection and health test are declared accepted as PKWT employees
- The contract period (PKWT) cannot require a probationary period
- Each employee appointment must obtain approval from the Head
- Every employee recruitment and appointment must be made at the beginning of the month, namely the 1 (one) day of each month.
- Each recruitment of employees with PKWT status must be accompanied by an Employment Agreement and prior approval from the Senior Manager or Group Manager and Head.

Status: Comply

## 6.7

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

### 6.7.1

- The company already has the OHS Committee validation document PT Prima Mitrajaya Mandiri – Bumi Permai Mill from the Manpower and Transmigration Office of East Kalimantan Province number: KEP.566/2192/P2K3/PPK/DTKT/2021 dated 14 July 2021. The OHS Committee secretary is Sepri Manerson Sinaga. The Decree on the Appointment of the Occupational Safety and Health Expert in question is still in the process of being extended in accordance with the statement letter from Occupational Safety and Health Service Provider Number: 080/SKT/V/2021 dated 31 May 2021.
- Application for OHS Committee Ratification of PT Prima Mitrajaya Mandiri (PME, BPE, LLE, BJE and KHE) number: KEP 566/2774/P2K3/PPK/DTKT/2021 dated 30 August 2021 with OHS Committee secretary Rinna Istiqomah. The Decree on the Appointment of the Occupational Safety and Health Expert is still in the process of being transferred according to the statement letter from Occupational Safety and Health Service Provider Number: 090/SKT/VIII/2021 dated August 23, 2021.
- Application for OHS Committee Ratification of PT Teguh Jaya Abadi (Rahayu Mill) number: KEP.566/3205/P2K3/PPK/DTKT/2021 dated 30 August, 2021 with OHS Committee secretary Ella Wulandari. The personnel already has a Decree on the Appointment of Occupational Safety and Health Experts number: 5/4375/AS.02.04/IV/2021 dated April 2, 2021 and is valid for 3 years.
- Application for OHS Committee Ratification of PT Teguh Jaya Abadi (RHE and MKE) number: KEP.566/2776/P2K3/PPK/DTKT/2021 dated 30 August 2021 with OHS Committee secretary Ella Wulandari. The personnel already has a Decree on the Appointment of Occupational Safety and Health Experts number: 5/4375/AS.02.04/IV/2021 dated April 2, 2021 and is valid for 3 years.
- The OHS Committee Approval Letter has been received by the East Kalimantan Province Manpower and Transmigration Office on 14 April 2022.

Based on the explanation above, it is concluded that companies are encouraged to ensure the process of ratifying the latest OHS Committee letter with the agency and the Decree on the Appointment of the General OHS Expert secretary for OHS Committee. (OFI)

The company shows records of OHS Committee meetings which are held once every 1 (one) month, for example:

- The BPE OHS Committee Meeting on 28 March 2022, which was held at the BJE Estate Office, was accompanied by minutes and documentation.
- The RHM OHS Committee Meeting on 31 March 2022, which was held at the RHM Estate Office, was accompanied by minutes and documentation.
- The BPM OHS Committee Meeting on 18 March, 2022, which was held at the BPM Office, was accompanied by minutes and documentation.
- The RHE OHS Committee Meeting on 24 March 2022, which was held at the RHE Estate Office, was accompanied by minutes and documentation

### 6.7.2

The company shows procedures related to Emergency Management number: OSH-SOP07-01 dated October 1, 2019, which briefly explains the handling of emergencies (Mill, housing, office and warehouse fires; Land and forest fires; Explosions; Natural Disasters; Civil commotions; Exposed to chemical hazards; accidental leakage and spillage of waste; and other emergencies).

The company can show a monitoring record of the completeness of the contents of the first aid kit every month, for example BJE first aid kits are available at daycare centers, estate offices and division offices, in addition, the company also equips the field foreman with a first aid bag.

The company already has paramedics who have received training and certificates of hyperkes, for example:

- Yurri Erri Wardhana with certificate No. 013/HD/VIII/2020 dated August 14, 2020.
- Dr. Andhini Afiani Putri F with certificate No. 33,546/DH-X/14 month of May 2020.
- Dr. Suchrisman with certificate No. 33,546/DH-X/14 month of May 2020
- Dr. Hilda Ade Patria, with certificate No. 29.775 / DH - VII / 12, Desember 2012

First aid workers training in the workplace (Permenakertrans No. 15 of 2008), for example:

- Training and Socialization of First Aid Officers of PT PMM and PT TJA (BJE, KHE, RHE, RHB, MKE, PME, BPE, LLE, BPM) to the foreman and assistants on 15-18 June 2021 in the hall of SD Evans Indonesia with a total of 65 participants
- Training and Socialization of First Aid Officers of PT TJA Rahayu Mill to the foreman and assistants on 25 – 27 October 2021 at the PT PMM and PT TJA Training Centers with a total of 19 participants

Based on information from document review and field observations, emergency response simulations are carried out periodically to ensure the readiness of emergency response equipment in the certification unit. Simulations were carried out on hydrants located at the factory and water pumps in the Estate, from the simulation results it was concluded that the emergency equipment owned by the certification unit was ready to be used. It is also known that the company has provided evacuation routes at the mill, office and work area.

### 6.7.3

The Company can show records of handing over PPE to employees. The results of field observations at Bumi Permai Mill, Estate Bumi Permai and Estate Lembuswana it was found that every employee had used PPE according to their respective jobs and the results of interviews with plantation and Mill employees found that PPE was provided free of charge and would be replaced immediately if damaged and the Company kept PPE handover documents to each employee.

The company socializes every month about safe working methods and proper and correct use of PPE. The results of auditor interviews with sample employees at PT PMM and PT TJA show their understanding of this matter. From the auditor's observations during audit activities, it is concluded that every worker uses the appropriate PPE when working.

Pesticide storage warehouses at PT PMM, PT TJA for example in Bumi Permai Estate, Lembuswana Estate and Rahayu Estate, Mahakam Estate have MSDS for pesticides in warehouses. each worker is given PPE in accordance with the results of the identification of hazard sources and risk control carried out by the P2K3 secretary of the company. From observations made to rinse houses in the Bumi Permai Estates, Lembuswana Estates and Rahayu Estates, it is known that sanitation facilities for spray workers are available, such as bathing, changing clothes and others. Wastewater from flushing is stored in a permanent place to prevent contamination of water sources or soil bodies.

Based on information from field observations and interviews with employees, it shows that the company has provided sanitation facilities for workers who use chemicals so that employees can take a shower before returning home and that each sanitation facility such as bathrooms has an adequate quantity with the number of workers already working. provided by the company.

The company has sent proof of proper handover of PPE, especially PPE with a short service life to employees, some examples of handover of PPE at PT. PMM & TJA include:

- Workers at the RHM who were given the handover of Buff Full masks on December, 2021 to 7 employees of the processing station
- Workers at the RHM who were given the handover of Buff Full masks on Maret, 2022 to 17 employees of the processing station
- Workers at the RHM who were given the handover of rubber gloves on December, 2021 to 6 employees of the processing station
- Workers at the RHE who were given the handover of masks on januari, 2022 to 15 employees of fertilizer worker
- Workers at the RHE who were given the handover of rubber gloves January, 2022 to 15 employees of manuring worker
- Workers at the RHE who were given the handover of rubber gloves February, 2022 to 9 employees of manuring worker



- Workers at the RHE who were given the handover of rubber gloves February, 2022 to 12 employees of harvest worker
- Workers at the RHE who were given the handover of rubber gloves February, 2022 to 14 employees of lost fruit picker worker
- Workers at the RHE who were given the handover of rubber gloves February, 2022 to 14 employees of lost fruit picker worker at the KKPA Rahayu Estate
- Workers at the Prima Estate who were given the handover of rubber gloves January, 2022 to 15 employees of lost fruit picker worker
- Workers at the Prima Estate who were given the handover of rubber gloves February, 2022 to 15 employees of harvest worker
- Workers at the BPE who were given the handover of rubber gloves February, 2022 to 7 employees of manuring worker
- Workers at the Prima Estate who were given the handover of rubber gloves February, 2022 to 15 employees of harvest worker
- Workers at the BPE who were given the handover of rubber gloves and Mask February, 2022 to 6 employees of manuring worker

Based on information from interviews with employees and a review of documents related to PPE, especially PPE with a short service life that has been damaged used by employees, that the company has replaced damaged PPE according to the replacement procedure for employees with proof of PPE handover.

Based on information from field observations and interviews with employees, it shows that the company has provided sanitation facilities for workers who use chemicals so that employees can take a shower before returning home and that each sanitation facility such as bathrooms has an adequate quantity with the number of workers already working. provided by the company.

#### 6.7.4

PT Prima Mitrajaya Mandiri has a policy to include employees in the Employment Social Security program as stated in:

- The Evans Group Indonesia Policy on Sustainability and Business Ethics issued in July 2019 explains that the company will provide work accident insurance for all employees to cover the costs of treating injuries that occur as a result of work-related incidents.
- In the PT Prima Mitrajaya Mandiri Company Regulation Document for the 2019-2021 Period, especially in Chapter III concerning Social Security. The document explains that in accordance with applicable laws and government regulations, the company includes its workers in the BPJS Employment program which includes Work Accident Insurance, Death Insurance, Old Age Security, Pension Security and BPJS Health for Health Insurance.

Every worker who has a work accident has received medical treatment; the company provides a clinic in the unit/estate as well as a central clinic. The company provides referrals to partner hospitals if further treatment is needed. Any accident that gets medical treatment (due to accident), claims and compensation under the insurance policy can be made.

From the results of document verification, the amount of paid labor is in accordance with the employee data for that month. Auditors also verify employee pay slips, where there are BPJS Employment and Health deductions in accordance with government regulations.

#### 6.7.5

The company already has a work accident record contained in the OHS Performance Report Form for each Estate and Mill unit, for example the following BPE and MKE units as of March 2022:

| Description         | PT PMM<br>Agro | PT TJA<br>Agro | RHM    |
|---------------------|----------------|----------------|--------|
| Work Hours          | 384,645        | 397,152        | 60,856 |
| LTI                 | 11             | 10             | 4      |
| Number of employees | 2,166          | 805            | 77     |
| IFR                 | 4.16           | 9.90           | 6.57   |
| SR                  | 7.62           | 15.11          | 13.15  |

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 has documented the implementation of pest monitoring and control which consists of:

### **Census and Early Warning System**

The company has identified plant-disturbing organisms such as rats and caterpillars that eat oil palm leaves. Companies can show documentation of an early detection system against pest attacks to all estate units, for example for BJE as of July 2021 as follows:

- The results of the BJE Rat Pest census during the year 2021-2022, it was found that there were no pest attacks that exceeded the threshold.
- The results of the census of BJE's Oil Palm Leaf-eating Caterpillar Pests during 2021-2022, it was found that there were no pest attacks.

### **Pest control**

The company has used biological control agencies as biological pest control, for example:

- Based on a review of the BJE Born Owl Box Location Map document for February 2022, it is known that the company has installed 15 units with details on the position of the northern division of Blocks E21, E09, D21, E11 (inactive Born Owl Box condition), the middle division of block position F28, F21, F23, G15 (Born Owl Box condition 3 is inactive, 1 is active), KKPA Division is in block F10, G12 (inactive condition is Born Owl Box), Mawar Division is at block J14, I08, I09, K09 (Born Owl Box is inactive) in addition, the company can also show monitoring results condition periodically.
- Based on a review of the BPE Born Owl Box Location Map document in February 2022, it is known that the company has installed 6 units with details on the position of blocks R38, R39, R40, N37, K47 (3 Born Owl Box conditions are inactive and 2 active) in addition the company can also show the results of monitoring its condition periodically.
- Based on a review of the BJE Born Owl Box Location Map document in February 2022, it is known that the company has installed 15 units with details on the position of the northern division of Blocks B42, D41, E48, F44, F49 (inactive Born Owl Box condition), the southern division position of blocks G38, G39, G40, G48, F42, F43 (inactive Born Owl Box condition), KKPA Division position block I49, J46 (inactive Born Owl Box condition), besides that the company can also show the results of monitoring its condition on a regular basis.

### **Beneficial Plant**

Based on the results of field observations, and interviews with the company's management unit, it was explained that the Company had planted and cared for useful plants of *Antigonon leptopus* and *Turnera subulata* species as hosts for UPDKS predators.

Based on the information on the results of the document review and Field Observations at PT. PMM & PT TJA that the company has carried out Census and Early Warning System activities and pest control by having Born Owl Boxes located at BJE, BPE, Prima Estate, RHE in well-maintained condition, and useful plants including *Antigonon Leptopus*, *Turnera Subulata* are also in good condition.

#### **7.1.2**

The company has used beneficial plants, including the type *Turnera Ulmifolia* which is grown naturally and maintained by the company. Vetiver grass (erosion-retaining plant) which is classified as an invasive species based on the Regulation of the Minister of Environment and Forestry No.P. 94/MENLHK/SEKJEN/KUM.1/12/2016 concerning Invasive Types. Companies can show Beneficial Plant monitoring records in monitoring their spread.

Based on document review information, the company does not use any invasive species introduced in accordance with government regulations in force in the managed area. The company grows useful plants, namely eight o'clock flowers with the type *Turnera Ulmifolia*. In addition, based on the results of interviews with company management, it is known that the company also uses plants that grow naturally and are maintained by the company.

Based on the results of interviews and document review, it is known that there is no use of species that are classified as invasive species according to the LHK Ministerial Regulation No.P. 94/MENLHK/SEKJEN/KUM.1/12/2016.

#### **7.1.3**

Based on information from management unit interviews, document review and field observations, procedures for pest control policies at PT PMM and PT TJA have been available as well as results from interviews with workers in the field during the assessment activities, it is known that the company does not use fire in pest control.

**Status: Comply**
**7.2**
**Pesticides are used in ways that do not endanger health of workers, families, communities or the environment.**
**7.2.1; 7.2.5**

The company can show a list of pesticides used for all units, including:

| Pesticides  | Active Ingredients            | WHO Class | Target                  | Content<br>Active ingredients |
|-------------|-------------------------------|-----------|-------------------------|-------------------------------|
| Starane     | Fluroxypyr                    | U         | broadleaf weeds, shrubs | 290                           |
| Penta Up    | Isopropilamina Glyphosat      | U         | narrow leaf weed        | 480                           |
| Erkafuron   | Methyl metsulfuron            | U         | broadleaf weeds, shrubs | 20                            |
| Prima Furon | Methyl metsulfuron            | U         | broadleaf weeds, shrubs | 20                            |
| Garlon      | Triclopyr Butoksil etil ester | III       | broadleaf weeds,        | 670                           |

**7.2.2**

PT PMM and PT TJA can show the total pesticide use for the March 2022 period, which is contained in a monthly active ingredient usage analysis document that contains information on the type of pesticide used, active ingredient content, unit of use, period of use and LD-50. For example, the use of pesticides in Bumi Permai Estate for the March 2022 period is as follows:

| Product name | Active Ingredients             | LD50 (rat) (mg/kg) | % Active Ingredients (B.a) | Number of Applications (Ltr or Kg) | Large (Ha) | Active Ingredients /Ha |
|--------------|--------------------------------|--------------------|----------------------------|------------------------------------|------------|------------------------|
| Starane      | Fluroksipir                    | 2000               | 20                         | 19.70                              | 1,365.19   | 0.0144                 |
| Penta up-Z   | Isoprophyl Amina Glyphosate    | 5000               | 48                         | 115.60                             | 1,365.19   | 0.0846                 |
| Prima Furon  | Methyl Mestulfuron             | 8000               | 20                         | 1.30                               | 1,365.19   | 0.0009                 |
| Garlon       | Triclopyr Butoksi Ethyl Esther | 1581               | 67                         | 0                                  | 1,365.19   | 0                      |
| Matador      | Lamda Cyhalothrin              | 923                | 25                         | 0                                  | 1,365.19   | 0                      |

**7.2.3**

The IPM plans that have been implemented include planting beneficial plants as a place to perch for predators of caterpillars that eat oil palm leaves and developing owl populations as natural enemies of rats. In addition, the company has also carried out routine early detection which is listed in the monthly early warning system report.

Based on the pesticide use data shown, the use of pesticides for pests has been minimized because the application will only be carried out if the census results are above the control threshold. Based on data on pesticide use for the past 1 year, it is known that the use of chemicals is only intended for pest control which from the census results are known to be above the threshold.

**7.2.4**

There is no way of prophylaxis in the use of pesticides by the company. The company only controls using pesticides if the pest attack census shows results above the threshold.

**7.2.5**

Based on information from interviews, field observations, document verification of PT PMM and PT TJA such as Bumi Permai Estate, Lembuswana estate and Rahayu estate, Mahakam estate no longer uses pesticides with the active ingredient paraquat and in the last 1 year did not use pesticides with WHO class 1A or 1B. Evans Group Indonesia has a Sustainability and Business Ethics policy issued in July 2019 where the Occupational Safety and Health section at point VIII states that the Group will not use paraquat. Physical verification was carried out in the chemical warehouse of 3 plantations and it can be concluded that the stock records correspond to the actual physical in the chemical warehouse and there is no stock of pesticides (WHO groups 1A and 1B) or paraquat.

**7.2.6**

Technical training on pesticide application in 2021 has not been carried out due to the Covid-19 disease outbreak at PT PMM and TJA which is included in the red zone so it cannot be carried out. Technical training on planned and realized pesticide applications was carried out on April 26 – May 17, 2022 according to letter no: 001/CRTV/PKT/III/2022, which was conducted at the PT PMM training center using the Live Virtual Training Zoom Meeting method. Technical training on the application of pesticides planned and

realized by PT TJA was carried out on April 26 and May 19, 2022 at the PT PMM training center using the Live virtual Training Zoom Meeting method.

Companies can show certificates of personnel who have received pesticide training related to Technic Application, Safety Use & Product Stewardship from Corteva Agriscience which will be held virtually on April-May, 2022.

The pesticide applicator is a special person who has been equipped with competence regarding the handling of pesticides carried out by a resource person from PT Corteva Agriscience Indonesia. Evidence of this can be seen from:

**PT PMM**

- PME spray team training report on 17 May 2022 which was attended by a total of 17 people
- LLE spray team training report on 10 May 2022 which was attended by a total of 31 people
- KHE spray team training report on 10 May 2022 which was attended by a total of 22 people
- BJE spray team training report on 26 April 2022 which was attended by a total of 15 people
- BPE spray team training report on 28 April 2022 which was attended by a total of 29 people

**PT TJA**

- MKE spray team training report on 26 April 2022 which was attended by a total of 10 people
- RHE spray team training report on 19 May 2022 which was attended by a total of 40 people

In the minutes of note, the material provided included pesticide regulations and licensing, understanding of MSDS, prevention of poisoning, and how to handle pesticides and the principles of pesticide application. The guest speaker was the Evans Indonesia RnD team. Companies can show certificates of personnel who have received pesticide training related to Technic Application, Safety Use & Product Stewardship from PT Corteva Agriscience

**7.2.7**

The company has standard procedures related to the storage of all pesticides in accordance with best practices, including the SOP for Storage and Mixing of Chemicals No. TJA/SOP/General-17 and PMM/SOP/General-17 dated January 1, 2011. The procedure explains, among others, the following:

- Chemicals are stored and organized neatly in the chemical warehouse.
- Chemical warehouses should be well ventilated and locked when not in use.
- There must be a record of chemical data contained in the storage warehouse.
- Chemical name labels must be printed on each package.
- There must be signs or signs such as "Toxic", "Flammable" and others posted on the walls of the chemical storage warehouse.
- There should be an MSDS or CSDS in the chemical storage area.
- There must be a fire extinguisher and a first aid kit.
- Must wear PPE when entering the warehouse.
- Only officers and interested persons may enter the warehouse.
- Must be equipped with a chemical spill reservoir.

Pesticide storage warehouses at PT PMM and PT TJA for example in Bumi Permai estate, Lembuswana Estate and Mahakam Estate, Rahayu Estate for all pesticides stored are in accordance with best practice use, pesticide storage has been adjusted according to type, liquid pesticides are stored at the bottom, each pesticide saved according to the group.

**7.2.8**

Companies can show documents for recording and monitoring used pesticide containers using a logbook. In addition, the company also has an SOP for the Management of Hazardous and Toxic Waste No. SUS-SOP08-01 which was ratified on October 1, 2019. The SOP describes the pesticide storage mechanism that is carried out according to the recommendations provided in the MSDS, the placement of chemicals that have non-toxic characteristics. similar types must be separated according to MSDS recommendations, preparation and release of chemicals is carried out first in first out (FIFO), chemical containers must have labels, chemicals are only issued on request approved by the authorities and records of storage and release of agrochemicals (including pesticides) are well documented. The company has also socialized to agrochemical application officers regarding the ban on the use of hazardous waste packaging including used pesticide packaging on February 24, 2022.

Based on field observations in agrochemical warehouses and hazardous waste storage areas in Bumi Permai and Mahakam Estate, it is known that the pesticide storage area is well managed, oil traps are available, adequate air ducts are isolated. Used pesticide packages classified as Hazardous Waste were also found stored in a well-monitored Hazardous Waste storage warehouse which was then handed over to licensed collectors.

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

### 7.2.9

Based on the document review and interviews with company representatives, it is known that the application of pesticides by air has never been carried out. In addition, the certification unit also does not have the facilities and infrastructure to apply pesticides through the air.

### 7.2.10

Records of the results of the annual special health checks of PT PMM and PT TJA for pesticide operators and documented evidence of follow-up on the results of their inspections in 2021, for example, among others

- Lembuswana Estate, A special medical examination for the type of cholinesterase was carried out to 41 workers on December 13, 2021 with overall normal results.
- Bumi Permai Estate, A special medical examination for the type of cholinesterase was carried out to 32 workers on December 13, 2021 with overall normal results.
- Rahayu Estate, A special medical examination for cholinesterase was conducted on 27 workers on December 16, 2021, with overall normal results.
- Mahakam Estate, A special medical examination for cholinesterase was conducted on 62 workers on December 17, 2021, with overall normal results.
- Rahayu Mill, A special medical examination for cholinesterase was conducted on 79 workers on December 16 and 18, 2021, with overall normal results.

The examination was carried out by the Kumala Clinic, which is located in Samarinda. Based on the results of interviews with spray workers in LLE, BPE and RHE, all workers admitted that they had received health checks (blood checks and others) with overall normal results.

### 7.2.11

The company has Circular No. SE/HoO-A/03/2012/002 dated March 1, 2012 from the Head of Operational Agronomy (Sivabalan Subbiah) to all managers, staff and employees of PT. PMM and PT TJA explaining the dangers of spraying work for health, prohibition for pregnant and lactating women to carry out spraying activities and divert work to other safer places.

From the results of interviews with spray workers at BPE, LLE and RHE, it is known that there are no female workers who carry out chemical spraying activities.

**Status: Comply**

## 7.3

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

### 7.3.1

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

- SOP for Management of Hazardous and Toxic Waste number SUS-SOP08-01 dated October 1, 2019.
- SOP for Polyclinic Waste Handling number PMM/SOP/K3-09 dated January 1, 2011.

- SOP for Residential and Office Waste Management number PMM/SOP/K3-10 dated January 1, 2011.
- SOP for Compost Application number AGR-SOP14-01 dated March 3, 2020.
- SOP for Palm Oil Mill Liquid Waste Application number AGR-SOP15-01 dated March 3, 2020.
- Mill SOP for boiler station and engine room number SOP/41/11 which has been in effect since March 2011. The document explains that fiber and shells are used as boiler fuel.
- SOP Biogas Plan number SOP/4.1/019 dated October 1, 2012, describes the microbiological process carried out to capture biogas that appears so that it can be converted into an energy source (methane capture).

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

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

In the management of hazardous and toxic waste, the company does not reuse it but only temporarily stores it located in the Mill and Estate. The company also has a hazardous waste storage area that has permits, including:

- Hazardous Waste Management Permit for temporary storage activities for Kahoi Estate based on the Decree of DPMPTSP Kutai Kartanegara Regency Number P-660.4/038/DPMPSTP/III.3-1/TPSLB3/03/2019 dated March 26, 2019 and is valid for 5 years.
- Hazardous Waste Management Permit for temporary storage activities for Bumi Permai Estate based on the Decree of DPMPTSP Kutai Kartanegara Regency Number P-660.4/039/DPMPSTP/III.3-1/TPSLB3/03/2019 dated March 26, 2019 and is valid for 5 years.
- Hazardous Waste Management Permit for temporary storage activities for Muara Wis Estate based on DPMPTSP Decree of Kutai Kartanegara Regency Number P-660.4/038/DPMPSTP/III.3-1/TPSLB3/03/2019 dated March 26, 2019 and is valid for 5 years. Currently, Muara Wis Estate is incorporated into the Beringin Jaya Estate.
- Hazardous Waste Management Permit for temporary storage activities for Mahakam Estate based on DPMPTSP Decree of Kutai Kartanegara Regency Number P-660.4/036/DPMPSTP/III.3-1/TPSLB3/03/2019 dated March 26, 2019 and is valid for 5 years.
- Hazardous Waste Management Permit for temporary storage activities for Rahayu Estate based on the Decree of DPMPTSP Kutai Kartanegara Regency Number P-660.4/037/DPMPSTP/III.3-1/TPSLB3/03/2019 dated March 26, 2019 and is valid for 5 years.
- Permit for Hazardous Waste Management for temporary storage activities for PT Buana Wiralestari Mas – Bumi Permai Mill based on the Decree of the Regent of Kutai Kartanegara Number P660.1/129/BLHD-I/2016 dated 27 June 2016 and is valid for 5 years. The permit has expired, and has become OFI on indicator 2.1.1.

The waste stored in the temporary storage warehouse will then be transported by a licensed party every 3 months. The latest transportation is proven through the Electronic Manifest document and the official report of the transportation carried out on March 22, 2022 by PT Karunia Lumasindo Pratama which is a licensed party. The company can show a cooperation agreement with the carrier, which is based on the MoU document Number 006/K.DIR.PMM/LB3&MEDIS/III/2021 dated March 22, 2021 and is valid for 2 years. The company can also show the legality documents of the carrier, such as a valid transportation permit from the Ministry of Environment and Forestry, a valid permit for special goods transportation from the Ministry of Transportation, a valid Business Identification Number and a Cooperation Agreement between the carrier and the licensed processor and/or beneficiary.

Companies can also show documents for storing and handling Hazardous Waste in accordance with their SOPs and Government Regulation Number 101 of 2014. These documents include Manifest, balance sheet, and logbook. Based on the results of the document review by comparing the manifest, the balance sheet and the logbook, it can be seen that the data on waste transported on March 22, 2022 was in accordance with the data recorded in the balance sheet and logbook for the period before the transportation was carried out. Similarly, the comparison between the months after the transportation was carried out (April 2022) starting from empty. The company records all waste that enters and leaves the storage warehouse properly so that waste management data can be tracked easily and there are no recording differences. The company has also reported the results of hazardous waste management which is carried out every quarter with evidence of the PT PMM and PT TJA Hazardous Waste Management Reports for the Quarter IV 2021 period which was reported to the Environmental Service of Kutai Kartanegara Regency on February 9, 2022.

The results of field visits to hazardous waste storage warehouses at Bumi Permai Mill, Bumi Permai Estate, and Mahakam Estate also show that the company has carried out hazardous waste management quite well. All obligations listed in the waste storage permit have been fulfilled, such as the availability of fire extinguishers, showers, eyewash, coordinates, alarms, first aid kits, oil traps and appropriate labeling. In addition to good lighting and air ventilation, the company also has drainage channels on the outside of the warehouse to anticipate pollution to the surrounding environment. Regarding OFI on surveillance 1.1 regarding infectious waste



management (storage procedures) in accordance with the regulation of the Minister of Environment and Forestry No. P.56 of 2015. The company has carried out infectious waste management as stipulated in the regulation by providing a refrigerator, this can be proven based on field observations at Kahoi Estate where the refrigerator is in a special room in the clinic area.

Based on this, it can be concluded that the company has carried out waste management quite well, although domestic waste and hazardous waste are still found that are not placed in proper storage areas. Based on this, companies are encouraged to implement comprehensive domestic and hazardous waste management. **(OFI)**.

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

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

The results of field observations in the landfill and emplacement area showed that there were no traces of combustion, all domestic waste was disposed of in waste collection tanks scattered throughout the building with the classification of organic and inorganic waste types. The results of interviews with residents of the emplacement also stated that the company routinely carried out socialization related to domestic waste management, either directly through meetings, or indirectly by installing signboards prohibiting burning trash and littering.

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

Solid waste from the FFB processing process in the form of shells and fiber is reused by the company as a substitute for fossil fuels (Solar) for power generation in boilers, while for empty fruit bunches, composting is used to substitute fertilizer for the land. Some of the solid waste in the form of shells is also sent or sold, while for the empty bunch, some is given to the community as plasma plantation management to be used as fertilizer. Data on solid waste utilization is explained in more detail in indicator 7.9.1.

The company also uses POME to be applied to the Land Application for fertilizer substitution. The regulation and management of Land Application are explained in more detail in indicator 7.8.3. As for air waste, the company has made use of it using Methane Capture (Biogas Plan). In addition, this management is related to air waste, namely by measuring air quality originating from waste-producing sources such as WWTP, Boilers and Gensets.

#### **7.3.2**

Based on interviews with the Managers and Officer of the Bumi Permai Mill and Estate Hazardous Waste Warehouse, it is known that they have an understanding of the handling of waste disposal, especially hazardous waste and domestic waste, as well as hazardous waste management in accordance with company procedures. The results of interviews with workers living in the company's area also stated that the waste management carried out by the company was very good and regular. Trash cans are provided properly, all waste disposal facilities have also been provided by the company such as organic and non-organic waste bins that will be replaced if damaged, hazardous waste warehouses and landfills. The resource persons also understand very well how to separate the types of waste they produce and what types of waste should not be reused. The respondent's understanding of waste management is the result of routine and consistent socialization and training as evidenced by the minutes that were held on 7 November 2021 to all staff and employees of Bumi Permai and Kahoi Estate. Field observations in the residential area of Kahoi Estate also showed that the housing conditions were quite clean and there was not a lot of garbage lying around.

#### **7.3.3**

The company does not carry out open burning to destroy waste, this can be proven from field observations in residential areas and Landfills in Mahakam Estate that there are no traces of burned waste. The results of interviews with employees also stated that they had never burned waste, because they were aware of the prohibition on burning activities and the sanctions they would receive if they burned them. Organic waste from housing and inorganic waste is disposed of in the bins that have been provided, then transported every 2 times a week and disposed of in landfills and then buried when it is full. The results of field observations in employee housing areas also show many warnings to prohibit waste burning activities as well as the dangers that can arise from burning activities.



Interviews with management also explained that the regulations regarding the prohibition of burning have been understood by all workers and strict action would be taken if they violated them.

**Status: Comply**

#### 7.4

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

##### 7.4.1

The company already has a soil fertility management strategy, including:

- Fertilization Procedure, document number AGR-SOP09-01, effective date March 3, 2020. This procedure explains, among other things, that fertilizer recommendations are determined by considering the nutrient status in the leaves, the ability of the soil to provide nutrients, nutrients lost due to washing, plant conditions, climate and implementation of the previous year. Recommendations for Mature Upkeep fertilization are made based on leaf sample analysis (Leaf Sampling Unit) set out in the Technical Manual for Oil Palm Cultivation and fertilization recommendations issued by the Agronomist.
- Leaf and soil analysis and nutrient recycling strategy.

##### 7.4.2

The company can show the leaf and soil analysis records as follows:

##### **BJE**

##### Leaf Analysis

The results of leaf analysis number :085/RD/EXT/L/JUN/21 dated 2 June 2021 a total of 28 samples. The parameters analyzed include: Ash; N; P; K; Mg; Ca; B; Cu; Zn.

##### **LLE**

##### Leaf Analysis

The results of leaf analysis number: 069/RD/EXT/L/MEI/21 dated 19 May 2021 a total of 48 samples, number: 085/RD/EXT/L/JUN/21 dated 2 June 2021 a total of 28 samples. The parameters analyzed include: Ash; N; P; K; Mg; Ca; B; Cu; Zn

##### **BPE**

##### Leaf Analysis

The results of leaf analysis number: 083/RD/EXT/L/JUN/21 dated June 2, 2021, a total of 47 samples. The parameters analyzed include: Ash; N; P; K; Mg; Ca; B; Cu; Zn.

##### **KHE**

##### Leaf Analysis

The results of leaf analysis number: 084/RD/EXT/L/JUN/21 dated June 2, 2021, a total of 58 samples. The parameters analyzed include: Ash; N; P; K; Mg; Ca; B; Cu; Zn.

##### **MKE**

##### Leaf Analysis

The results of leaf analysis number: 065/RD/EXT/L/MEI/21 dated 17 May 2021 a total of 25 samples. The parameters analyzed include: Ash; N; P; K; Mg; Ca; B; Cu; Zn.

##### **MKE**

##### Leaf Analysis

The results of leaf analysis number: 089/RD/EXT/L/MEI/21 dated 02 June 2021 a total of 75 samples. The parameters analyzed include: Ash; N; P; K; Mg; Ca; B; Cu; Zn.

##### **Soil Analysis**

The company can show records of soil analysis results Number: 126/LHU/LAB.T/XII/2021 dated November 27, 2021, a total of 18 samples from Center for Environmental and Natural Resources Research (P2LH-SDA)

##### 7.4.3

##### **Composting Empty Fruit Bunch Application January – December 2021**

| No | Estate | Application (Ton) |
|----|--------|-------------------|
|----|--------|-------------------|

|              |     |                   |
|--------------|-----|-------------------|
| 1            | BJE | 153,202.170       |
| 2            | BPE | 9,417.150         |
| 3            | KHE | 252,234.120       |
| 4            | LLE | 105,973.77        |
| 5            | PME | 141,696.710       |
| 6            | RHE | 288,932.360       |
| 7            | MKE | 33,071.580        |
| <b>TOTAL</b> |     | <b>984,527.86</b> |

### Composting Empty Fruit Bunch App

Based on the Composting Report to Date 2021 document, it is known that 984,527.86 tons have been realized

### POME Application

Based on the LA Report document to Date January – December 2021, PT. PMM is known to have realized 51,130,709 m<sup>3</sup>. And PT. TJA has realized 15,593,755 m<sup>3</sup>

#### 7.4.4

Soil fertility management strategies carried out by the certification unit include implementing fertilization in 2021, for example:

#### LLE

Based on the Fertilizer Report To Date 2021 document, it is known that the types of Urea, RP, TSP, MOP, Kieserite, Borate, Dolomite, NPK and Compost fertilizers have been realized 100.40%.

#### BPE

Based on the Fertilizer Report To Date 2021 document, it is known that the types of Urea, RP, TSP, MOP, Kieserite, Borate, Dolomite, NPK and Compost fertilizers have been realized 75.49%.

#### KHE

Based on the Fertilizer Report To Date 2021 document, it is known that the types of fertilizers Urea, RP, TSP, MOP, Kieserite, Borate, Dolomite and NPK have realized 88.13%.

#### MKE

Based on the Fertilizer Report To Date 2021 document, it is known that the types of fertilizers Urea, RP, TSP, MOP, Kieserite, Borate, Dolomite, NPK and Compost have been realized 54.40%.

#### RHE

Based on the Fertilizer Report To Date 2021 document, it is known that the types of fertilizers Urea, RP, TSP, MOP, Kieserite, Borate, Dolomite, NPK and Compost have realized 78.17%.

Records that prove that the fertilization program is in accordance with the agronomic report can be seen from the program document and fertilization realization contained in the manager's physical monthly report which is made every month.

From the verification results of the fertilizer realization documents for Bumi Permai Estate and Lembuswana Estate, it was concluded that the fertilization realization was appropriate and for the 1-year program the company as a whole had completed based on the fertilizer recommendations set

**Status: Comply**

### 7.5

#### Practices minimize and control erosion and degradation of soils.

##### 7.5.1

The company can show PT PMM and PT TJA land maps from the 2009 semi-detailed soil survey conducted by PT Earth Line with a scale of 1:90,000 and land suitability maps of PT PMM with a scale of 1:40,000 and PT TJA with a scale of 1:35,000. Based on the map study, it can be concluded that there is no land with a slope of > 20°. The potential for fragile soils is peat soil (Sapric Haplohemists) covering an area of 17.79% of 15,308.36 ha or 2,723.58 ha in the PT PMM area and 19.50% of 5,198.94 or 1,013.71 ha in the PT TJA area.

##### 7.5.2

Based on the distribution of planting years, it is known that the oldest plant age is 15 years (planting year 2007) so that at least in the next five years the certification unit will not carry out replanting activities. As described in the procedure, replanting will be considered

among other things when the plants are between 25 – 30 years old.

### 7.5.3

During the audit activity, there were no new planting activities in the company's management area. Based on the map study, it can be concluded that there is no land with a slope of  $> 20^\circ$ . The potential for fragile soils is peat soil (Sapric Haplohemists) covering an area of 17.79% of 15,308.36 ha or 2,723.58 ha in the PT PMM area and 19.50% of 5,198.94 or 1,013.71 ha in the PT TJA area.

**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 certification unit has the Evans Indonesia Semi Detailed Soil Survey Report document dated 3 June until 5 July 2009 and 24-25 November 2009 conducted by PT Earthline covering PT PMM 18,207.70 ha and PT TJA 7,290.44 ha. Documents explained and presented include land suitability map documents both physical conditions (topography and slope) and soil types.

### 7.6.2

Based on general field observations on harvesting, spraying and fertilizer activities, it is known that the existing areas in PT PMM and PT TJA consist of peat areas (with a depth of below 3 meters) that are suitable for planting and mineral areas that are predominantly flat.

PT PMM and PT TJA have no areas of high steepness planted with oil palm and no planted areas on marginal soils. However, there is a planting area on peat soil. The company has a management plan for the peat area. Peat area management is described in indicators 7.7.3 and 7.7.4. The plan has been implemented. It is clearer in indicators 7.7.3 and 7.7.4

### 7.6.3

Based on information from management unit interviews and field observations at PT. PMM and PT. TJA in the peat area has water channels and irrigation facilities for water management. The company can show topographic maps and land surveys in the management of planting areas. This information has been used by the company in the construction of oil palm plantations which are now underway, such as the construction of roads, bridges, sluice gates, ditches and others.

**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

Based on the results of the study of the area statement document and interviews with management, it was found that the company did not plant in peat areas after November 15, 2018.

### 7.7.2

The company again sent a peat inventory report to the RSPO ([ghg@rspo.org](mailto:ghg@rspo.org)) on Januari 27, 2021 which has explained the entire peat area in PT PMM and PT TJA including planted area, unplanted area and HCV. The total peat area is 3,737.29 Ha, of which 2,724.31 Ha planted area, 479.91 Ha unplanted and 533.06 Ha HCV. The reported area is planted area while unplanted area is not included. In addition, when referring to the 2009 soil survey, the area of peat reported by PT PMM is larger than the results of the soil survey. The attached maps of peat planting areas do not yet have information on the area. Thus, the unit of certification has the opportunity to complete information on the area of peat in the management area, including which documents are used as a reference for calculating the area of peat.

The unit of certification has sent a peat inventory report to the RSPO ([ghg@rspo.org](mailto:ghg@rspo.org)) on 15 November 2019. The reported area is planted area while unplanted area is not included. In addition, when referring to the 2009 soil survey, the peat area reported by PT PMM is larger than the results of the soil survey. The attached maps of peat planting areas do not yet have information on the area. Thus, the unit of certification has the opportunity to complete information on the area of peat in the management area, including which documents are used as a reference for calculating the area of peat.

### 7.7.3

The company can show a monitoring record of peat subsidence, for example the results of measurements of BJE and BPE in 2021

as follows:

**Prima Estate, June 2021**

| Locations | No Peat Subsidence | Conditions | Cm  | Descriptions |
|-----------|--------------------|------------|-----|--------------|
| M40       | 1                  | Good       | 4   | Decrease     |
| M40       | 2                  | Good       | 0   | No decrease  |
| M41       | 3                  | Good       | 0   | No decrease  |
| M41       | 4                  | Good       | 0   | No decrease  |
| M42       | 5                  | Good       | 2   | Decrease     |
| M42       | 6                  | Good       | 1   | Decrease     |
| M43       | 7                  | Good       | 1.7 | Decrease     |
| M43       | 8                  | Good       | 1.5 | Decrease     |

**MKE dated 31 December 2021**

| Locations | Conditions | Cm  | Descriptions |
|-----------|------------|-----|--------------|
| I50       | Good       | 1.5 | Decrease     |
| I51       | Good       | 1   | Decrease     |
| I52       | Good       | 1.5 | Decrease     |

Based on information from the results of the document review that monitoring of subsidence stakes is carried out by the company once a year. Thus, based on the data in the table above, there is a decrease in peat soil level in PME as much as 1-4 cm per year and in MKE 1 -1.5 cm per year.

**7.7.4**

Based on the results of the document review, it is known that the company has carried out water management and has installed a piezometer and water level stakes to measure the groundwater level and the water level in the canal/trench. As an example of the measurement results as follows:

**Piezometers:**

- MKE:  
Based on the results of the document review, it is known that the company has installed 3 piezometer stakes which are monitored every 1 week. During 31 March 2022, the results of the measurement of the ground water level were 25-44 cm, the piezometer condition was good and the area was not flooded.
- BPE:  
Based on the results of the document review, it is known that the company has installed 3 piezometer stakes which are monitored every 1 week. During 23 February 2022, the results of the measurement of the groundwater level were 44-72 cm, the piezometer condition was good.

**Water Levels:**

- Prima Estate  
Based on the results of the study of water level monitoring documents in 8 February 2022, it is known that the water level is between 40-50 cm below the ground surface
- MKE:  
Based on the results of the study of water level monitoring documents in 13 February 2022, it is known that the water level is between 20-40 cm below the ground surface.
- BPE:

Based on the results of the study of water level monitoring documents in 23 February 2022, it is known that the water level is between 10-30 cm below the ground surface. Based on the results of field visits at BPE in Blocks 0-40 that the piezometer is in a well-maintained condition and the actual height of the TMAT is 79 cm.

**7.7.5**

Based on the document review of the area statement document, it is known that the oldest plant age is 15 years (planting year 2007) so that at least in the next five years the certification unit will not carry out replanting activities.

#### 7.7.6

The company regulates the groundwater level and lowers the peat soil surface to prevent carbon emissions from peatlands. Companies can show water level monitoring documents and piezometers for the period February - March 2022 which are carried out regularly every week at all compliance points. The results of monitoring the water level vary from week to week. For example, Bumi Permai Estate 02 January 2022 Block N39 shows an average water level of 20 cm from the ground surface and 23 February 2022 shows an average water level of 30 cm from the ground surface. The company has a water management system using a water gate to always maintain the water level in the range of 20-40 cm from the ground. The company also conducts routine monitoring of daily rainfall as supporting data in the water management system in peat areas.

The company shows the results of monitoring the subsidence stake from June 2020 to June 2021. Monitoring of the subsidence stake is carried out once a year. From the results of this monitoring, various results were obtained. For example, in the M43 Bumi Permai Estate block there is a 1.7 cm subsidence of the land surface. In general, the results of subsidence stake monitoring concluded that there was no significant land subsidence. The results of the auditor's field observations in the M43 Bumi Permai Estate block, it is known that the company has installed a subsidence stake.

#### Land Fire Monitoring

The company has a team of firefighters who have been trained with the aim that if a land fire occurs in the conservation area, it can be immediately addressed and has been monitored regularly to prevent land fires in the conservation area

#### 7.7.7

Based on the hectare statements of PT PMM and PT TJA shown, of the total areas managed by the company, there are areas that are not planted with oil palm. The area consists of roads, buildings, factories, reservoirs, reserved areas, occupations and conservation areas. From the area that is not planted with oil palm, there is a peat area that is a conservation area and the company has managed this area to become a HCV. Based on field observations of the company's HCV area, it appears that the area is naturally preserved and overgrown with natural vegetation.

#### Land Fire Monitoring

The company already has a team of trained firefighters with the aim that if there is a land fire in the conservation area, it can be immediately addressed and monitoring has been carried out regularly to prevent land fires in the conservation area.

**Status: Comply**

#### 7.8

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

##### 7.8.1

Based on the 2008 ANDAL, the results of the identification of HCVs 2007, 2011, 2012 and 2022, as well as maps of river flows and water sources, it can be seen that there are several points of water sources in the operational area, among others:

- PT PMM: Tebalai River, Bukit Jering tributary, Loleng River, Upper Mahakam River, Mahakam Hilir River, Kedang Semilis Hilir River, Canal 1, Canal 2, Upper Kedang Semilis River, Middle Mahakam River, Upper Keham River and Keham Hilir River.
- PT TJA: Paseban River and Mahakam River.

Based on this document, it is also known that the water source management plan is to test the quality of surface water in all the rivers every 6 months, monitoring wells every 6 months and drill wells every 1 year. All tests were carried out by a KAN accredited laboratory (LP-060-IDN). Related to this, the company shows the results of testing the quality of surface water for the period of semester 2 of 2021 which was carried out on October 15, 2021. The company carried out surface water tests with 26 indicators carried out at all of the sample points mentioned above. Based on the analysis of the test results for all these locations, it shows that there are test results parameters that are not in accordance with the applicable quality standards, namely the East Kalimantan Provincial Regulation Number 02 of 2011 class 2. Parameters that are not in accordance with the average quality standards are COD and DO. This is because the value originating from the upstream of the river is not in accordance with the quality standard. Based on the analysis of the Landsat map, it can be seen that the upstream part of the river has been dominated by oil palm plantations and community settlements. In addition, the type of river that flows in the company's area is a river originating from peat swamps, so the water quality is already low. The company's location is also in a coastal area that is heavily affected by the tidal activity of a large river (the Mahakam River), making it difficult to control water quality.



The unit of certification also does not limit access to clean water, and all workers also have access to adequate clean water. Based on the results of field observations in the housing area of 6 Estate as well as interviews with workers, information was obtained that clean water facilities for housing were obtained from drilled wells and Reverse Osmosis (RO). Drinking water testing is also carried out by the company to see the quality of drinking water taken from drilled wells carried out by a KAN accredited laboratory (LP-060-IDN) on September 23, 2021. The results of testing the quality of drinking water also show that all parameters of the test results are still in accordance with the standards. The applicable quality is the Regulation of the Minister of Health Number 492 of 2010. Meanwhile, the results of the monitoring well test will be explained in indicator 7.8.3.

The company also has a river border management plan which is described in the SOP for Water and Soil Conservation number AGR-SOP05-01 and the SOP for Management and Monitoring of HCV number SUS-SOP01-01 dated October 1, 2019. For those with river and tributary status, follow the rules, namely the width of the border: river 50 meters to each side of the river. Based on the results of document verification and field observations to several sampling locations, it shows that the company has carried out activities in an effort to improve water quality, including:

- Management of river borders and water sources in the form of reservoirs and canals.
- Waste water management using WWTP and its utilization in licensed application areas as well as monitoring the quality of wastewater and monitoring wells.
- Monitoring of water use for palm oil processing and evaluation of its use.
- Planting of plant species on river borders such as Bamboo, Gelam, and Verifier Grass.

#### **7.8.2**

The company has procedures related to identification, management and maintenance of water sources and quality which are listed in the SOP for Water and Soil Conservation number AGR-SOP05-01 and SOP for Management and Monitoring of HCV number SUS-SOP01-01 dated October 1, 2019. The SOP describes several matters related to the management of river borders and other water sources, for example in order to protect water resources, determining the width of river borders following Presidential Decree No. 32 of 1990, carrying out border protection, conducting outreach to all parties involved in plantation operational activities to participate in carrying out water protection activities, making boundary markings, as well as monitoring water resources. The company also has an identification of a surface water flow map in the form of a map with a scale of 1: 110,000 which includes the scope of certification, namely PT PMM and PT TJA. All river boundaries within the company's scope are designated as conservation areas.

In addition, the company also explained the efforts to manage river borders and other water sources that have been carried out such as periodically monitoring the condition of river borders from potential pollution and fires every month, testing surface water quality standards to ensure river water quality is still within normal limits every semester, as well as marking the boundary of the chemical application area in red. In addition, the company also conducts socialization to employees and the surrounding community in conservation efforts which can be proven based on the minutes of socialization to workers on January 18 and September 10, 2021 and to the community on March 10, 2021, while for the 2022 period it will be held in June 2022 based on the 2022 HCV Management Plan document. Interviews with spraying and fertilizing workers in all sample locations also stated that they were aware of the rules regarding chemical application limits, prohibition of washing chemically contaminated goods in rivers and other activities that have a negative impact on water sources.

The company has also planted woody plants along the Semelis River border, including types of Bamboo and Waru with a total of 400 seedlings. Based on the results of field observations in the Semelis River HCV area, as well as the HCV areas of Block T41/T42, Block P45/P46 in Bumi Permai Estate, it shows that several activities have been carried out by the company as a form of protection for the river border area, such as:

- Placing warnings on no hunting, HCV areas, no chemical application and logging and burning of land.
- Do not apply chemicals in the HCV area with a distance of  $\pm 50$  meters on each side of the river.
- Marking management area boundaries (chemical application) with red markings on oil palm trees and HCV area markers.
- Carry out enrichment by planting local plants.

#### **7.8.3**

The unit of certification has facilities for the management of POME produced from both factories (BPM and RHM) using WWTP. POME that has been managed at WWTP will then be used as a fertilizer substitution in Land Application (LA). Before being distributed to the Land Application, all POME is entered into the WWTP with a single-feeding system which is then processed to reduce pollutant elements so that it is suitable for application to land. Waste treatment facilities owned by each factory include:

- Bumi Permai Mill: 1 cooling pond, 2 methane capture ponds, 1 reservoir for composting, 1 anaerobic pond, and 1 final pond, the outlet is in the final pond.
- Rahayu Mill: 1 Cooling Pond, 1 methane capture pond, 1 reservoir for composting, 2 anaerobic ponds, and 1 final pond, the outlet is in the final pond.

All liquid waste produced by the factory is reused to produce electrical energy through methane capture (biogas plan), after going through the methane capture process, the waste is reused for the EFB composting process so that it does not require many ponds to achieve the ideal value applied to the land.

The company also has a Permit to Utilize Palm Oil Industrial Wastewater on Soil in Oil Palm Plantations, including:

- PT PMM: Permit for Utilization of Palm Oil Industry Wastewater on Soil for Bumi Permai Mill based on the decision of the Regent of Kutai Kartanegara Number 660.1/002/B.II.1/SK-LA/BLHD/III/2014 dated March 7, 2014 with a land area of allowed for an application area of 200 Ha. The permit does not include the expiration date of the permit, regarding this, the Department explained that the permit will remain valid until there is a violation or a change in the application area. For now, there have been no violations and changes so there is no need to update.
- PT TJA: Operational Feasibility Letter for Wastewater Utilization System for Rahayu Mill based on the decision of the Environment and Forestry Office of Kutai Kartanegara Regency Number P-0723/DLHK/BID.III.2/660.31/10/2021 dated 11 October 2021 with a land area of allowed for an application area of 200 Ha. The document refers to the technical approval given by the Office with document number P-0655/DLHK/BID-III-2/660.31/09/2021 dated September 21, 2021.

The permit also includes an obligation to monitor groundwater quality using monitoring wells at 3 locations respectively. There is an obligation in the permit document, namely to monitor potential environmental impacts at any time and ensure the quality of POME that will be applied to the land is in accordance with applicable quality standards. The company can show the results of the recapitulation of the POME application to the Land Application, for example at the Bumi Permai Mill, which is a total of 166,044 m<sup>3</sup> for the period 2021, or the equivalent of 455 m<sup>3</sup>/day.

To determine the feasibility of POME quality, the company conducts monthly testing using quality standards that refer to the Ministry of Environment Decree No. 28 of 2003 concerning Technical Guidelines for Assessment of Wastewater Utilization in Palm Oil Plantations. The company can show evidence regarding the results of POME quality measurements in the form of test results documents carried out by a laboratory accredited by KAN (LP-258-IDN). Based on the results of the analysis of the test results for the period January - December 2021, it shows that all parameters are in accordance with the applicable quality standards. This shows that the POME generated from FFB management activities is feasible to be applied to Land Applications. The company can also show the results of testing on monitoring wells for the period of semester 2 of 2021 carried out by a KAN accredited laboratory (LP-060-IDN) on September 21, 2021. namely Regulation of the Minister of Health No. 32 of 2017. Based on this, the OFI on surveillance 1.1 has been fulfilled.

In addition, the company also has procedures related to liquid waste management based on the Palm Oil Mill Liquid Waste Application SOP number AGR-SOP15-01 dated March 3, 2020 which explains all Palm Oil Effluent (POME) application activities and their management related to environmental, social, work safety aspects. and in accordance with technical instructions. The company has also reported the results of liquid waste management which is incorporated in the Land Application Management Report every 3 months and in the RKL-RPL report every 6 months to the relevant agencies. The Land Application Management report for the 4th quarter of 2021 has been reported on February 9, 2022 to the Environmental Service of Kutai Kartanegara Regency.

#### 7.8.4

The company already has a Surface Water Utilization Permit, including:

- PT PMM: Surface Water Utilization Permit based on the Decree of the Minister of Public Works and Public Housing Number 447/KPTS/M/2020 dated 6 May 2020 which is valid for 5 years. The water intake point is located on the Semilis River with a maximum discharge of 51,300 m<sup>3</sup>/month.
- PT TJA: Surface Water Utilization Permit based on the Decree of the Minister of Public Works and Public Housing Number 54/KPTS/M/2017 dated January 31, 2017 which is valid for 5 years. The water intake point is located on the Mahakam River with a maximum discharge of 1,140 m<sup>3</sup>/month. The permit has passed the expiration date and has become OFI on indicator 2.1.1.

The company also has a water use procedure regulated in the SOP Water Management Plan Number PMM/SOP/General-31 which

is effective January 1, 2015. The company can also show documents for recording daily water use, as well as the results of recapitulation of water use for palm oil processing units every day. month, for example for the period January - December 2021. Based on data on the use of surface water at the Bumi Permai Mill, the average use of water for FFB processing is 17,199 m<sup>3</sup>/month or equivalent to 0.70 m<sup>3</sup>/ton FFB. However, when calculating the overall water use, the total water use is 47,353 m<sup>3</sup>/month. This shows that the company is still using water in accordance with the permitted quota.

The company can also show proof of payment of the water levy to the Regional Revenue Service Technical Implementation Unit (UPTPPD) for the period January, November, and December 2021 with the payment period being made every month. The last example of proof of payment of water levies is based on proof of payment made on February 24, 2022 for total water use in December 2021, the water tax paid is not only for the FFB processing process but for all water uses.

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

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| <b>Status: Comply</b> |
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## 7.9

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

#### 7.9.1

The Certification Unit has made efforts to improve the efficiency of the use of fossil fuels and optimize renewable energy, these efforts are also monitored and documented in the form of a recapitulation document on the use of Biogas and Biofuels at the Bumi Permai Mill and Rahayu Mill for the period 2021. Biogas is energy produced from the methane process. capture in WWTP, while Biofuel is solid waste in the form of shells and fiber which is used to substitute fossil fuels (diesel) as a producer of electrical energy using a boiler. The recapitulation of solid waste utilization at Bumi Permai Mill for the period January – December 2021 shows that of the **295,202 tons** of FFB processed, it can produce biofuel in the form of **15,864 tons** of shells and **45,756 tons** of fiber, most of which are used for the combustion process in boilers or equivalent to **20%** of the total Processed FFB.

Based on data analysis on the use of diesel fuel for FFB processing, information on the estimation of diesel fuel needed to generate electricity in the factory area is **2,440,689 liters/year** or **8.27 liters/ton of FFB**. However, due to the efficient use of diesel fuel which is substituted with Biogas and Biofuel, it can reduce the use of diesel to only **9,583 liters/year** or equivalent to **0.03 liters/ton of FFB**. This shows that the use of Biofuel can reduce the use of diesel fuel by **99.99%** for 2021. The low use of diesel is because almost all of the electricity needed for processing FFB has used electricity supply from the Biofuel and Biogas Plan.

The results of interviews with the company stated that this efficiency is very beneficial because it can reduce diesel consumption. Currently it is needed only to turn on the generator as the initial power plant. Energy efficiency is also applied to all of the company's operational activities by minimizing the use of fuel by contract workers, including all machinery and transportation operations. The total utilization of diesel for 2021 is **129,150 liters**, where there is a decrease in the use of diesel from 2020 of **163,518 liters**. This shows that the company has been able to significantly reduce the use of diesel.

In addition, the company also sells shells and electrical energy produced from the Biogas Plan. For the period of 2021, Bumi Permai Mill sells shells of **2,308 tons**, and can generate electricity from the Biogas Plan of **12,942,400 Kwh**. This value is very large when compared to the energy requirement for the FFB processing process which is only **44%** of the energy produced by the Biogas Plan. Thus, the unused energy is then sold to the State-Owned Electricity Company. Based on this, the company has made efficient use of fossil fuels very significantly and can optimize all waste generated from the FFB processing process into renewable energy sources.

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| <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 minimize GHG emissions.

#### 7.10.1

The Certification Unit has carried out an inventory of GHGs contained in the Greenhouse Gas Emissions Mitigation Program document for the 2021 period, based on document analysis, it can be concluded that the company has identified the source of GHG produced by the Bumi Permai Mill and Rahayu Mill units and all of their suppliers' sources. Identification of significant sources of GHG emissions are identified and mitigation plans have been developed by the company covering mills and plantations. Significant GHG emissions include land use change, POME processing, use of fertilizers and pesticides, use of fossil fuels for operations and transportation. The

mitigation plans include, among other things, the correct dosage and application of fertilizers as recommended, reducing reuse and recycling, limiting the use of electricity, transportation and machine maintenance, as well as periodic air quality tests. The company has also reported the results of the GHG calculation to the public which was submitted to the RSPO GHG website.

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

**General Information**

| Association      | No. of Estates/Plantations |           | FFB Processed (t) |                   | Planted Area (ha) |                  |
|------------------|----------------------------|-----------|-------------------|-------------------|-------------------|------------------|
|                  | BPM                        | RHM       | BPM               | RHM               | BPM               | RHM              |
| Own Plantation   | 7                          | 2         | 278,355.12        | 1,206.06          | 14,361            | 3,706.69         |
| Group Plantation | 0                          | 5         | 0.00              | 839.00            | 0.00              | 11,151.63        |
| 3rd Party        | 2                          | 15        | 17,017.01         | 193,633.62        | 0.00              | 0.00             |
| <b>Total</b>     | <b>9</b>                   | <b>22</b> | <b>295,372.13</b> | <b>195,678.68</b> | <b>14,361</b>     | <b>14,858.32</b> |

**Summary Emissions**

| Desc | Value |       | Unit                    | Description                      | Value    |          | Unit |
|------|-------|-------|-------------------------|----------------------------------|----------|----------|------|
|      | BMP   | RHM   |                         |                                  | BPM      | RHM      |      |
| CPO  | 1.99  | 6.36  | tCO <sub>2</sub> e/tPro | Oil palm planted on mineral soil | 11633.86 | 12131.18 | Ha   |
| PK   | 1.99  | 6.36  | tCO <sub>2</sub> e/tPro | Oil palm planted area on peat    | 2727.14  | 2727.14  | Ha   |
| PKO  | 0.00  | 0.00  | tCO <sub>2</sub> e/tPro | Total oil palm planted area      | 14361    | 14858.32 | Ha   |
| PKE  | 0.00  | 0.00  | tCO <sub>2</sub> e/tPro | Conservation area (Forested)     | 1851.09  | 1647.49  | Ha   |
| OER  | 23.98 | 22.56 | %                       | Conservation area (non-Forested) | 0.00     | 0.00     | Ha   |
| KER  | 4.90  | 4.18  | %                       | FFB Production per hectare       | 20.71    | 31.90    | t/ha |

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

| Description                  | tCO <sub>2</sub> |                | Description             | tCO <sub>2</sub> e |      |
|------------------------------|------------------|----------------|-------------------------|--------------------|------|
|                              | BPM              | RHM            |                         | BPM                | RHM  |
| <b>Emission Sources</b>      |                  |                | <b>Emission Source</b>  |                    |      |
| POME                         | 6928.80          | 2043.74        | PK from own mill        | 0.00               | 0.00 |
| Fuel Consumption             | 387.28           | 117.91         | PK from other sources   | 0.00               | 0.00 |
| Grid Electricity Utilisation | 0.00             | 0.00           | Fuel Consumption        | 0.00               | 0.00 |
| Export of Excess Electricity | 0.00             | 0.00           | Total Crusher Emissions | 0.00               | 0.00 |
| Sale of PKS                  | 0.00             | 0.00           |                         |                    |      |
| Sale of EFB                  | 0.00             | 0.00           |                         |                    |      |
| <b>Total</b>                 | <b>7316.09</b>   | <b>2161.65</b> |                         |                    |      |

**Estate / Plantation Field Emissions and Sinks**

| Description                                | Emission TOTAL (tCO <sub>2</sub> e) |                  |
|--|-------------------------------------|------------------|
|  | BPM                                 | RHM              |
| <b>Emission Source</b>                     |                                     |                  |
| Land Conversion                            | 101529.55                           | 857.38           |
| CO <sub>2</sub> Emissions from Fertilizer  | 6570.08                             | 54.06            |
| N <sub>2</sub> O Emissions from Peat       | 20257.91                            | 172.29           |
| N <sub>2</sub> O Emissions from Fertilizer | 5992.58                             | 49.91            |
| Fuel Consumption                           | 1756.52                             | 10.37            |
| Peat Oxidation                             | 147758.14                           | 1256.64          |
| <b>Sinks</b>                               |                                     |                  |
| Crop Sequestration                         | -133538.66                          | -1127.69         |
| Sequestration in Conservation Area         | -16874.75                           | -54.99           |
| <b>Total</b>                               | <b>162380.28</b>                    | <b>330395.12</b> |

**FFB Supplier**

| Supplier Name | FFB Production by | FFB Supplied by | Percentage of FFB |
|---------------|-------------------|-----------------|-------------------|
|---------------|-------------------|-----------------|-------------------|

|                              | Estate/Plantation (t) |          | Estate/Plantation (t) |          | supplied by Estate/Plantation (%) |        |
|------------------------------|-----------------------|----------|-----------------------|----------|-----------------------------------|--------|
|                              | BPM                   | RHM      | BPM                   | RHM      | BPM                               | RHM    |
| Beringin Jaya Estate         | 34734.33              | 34734.33 | 34645.33              | 89.00    | 99.74                             | 0.26   |
| Bumi Permai Estate           | 42647.10              | 42647.10 | 42576.10              | 71.00    | 99.83                             | 0.17   |
| Kahoi Estate                 | 47706.35              | 47706.35 | 47309.35              | 397.00   | 99.17                             | 0.83   |
| Lembuswana Estate            | 46349.04              | 46349.04 | 46254.04              | 95.00    | 99.80                             | 0.20   |
| Mahakam Estate               | 19086.94              | 19086.94 | 18870.43              | 216.51   | 98.87                             | 1.13   |
| Prima Estate                 | 48599.48              | 48599.48 | 48412.48              | 187.00   | 99.62                             | 0.38   |
| Rahayu Estate                | 41276.94              | 41276.94 | 40287.39              | 989.55   | 97.60                             | 2.40   |
| PT Kutai Agro Jaya           | 6551.22               | 29409.33 | 6551.22               | 29409.33 | 100.00                            | 100.00 |
| PT. Budi Duta Agromakmur     | 0                     | 3513.25  | 0                     | 3513.25  | 0                                 | 100.00 |
| PT. Putra Bongan Jaya        | 10465.79              | 35143.36 | 10465.79              | 35143.36 | 100.00                            | 100.00 |
| PT. Delta Utama Resources    | 0                     | 2316.41  | 0                     | 2316.41  | 0                                 | 100.00 |
| PT. Arus Cipta Eriady        | 0                     | 3564.61  | 0                     | 3564.61  | 0                                 | 100.00 |
| PT Wong Akeh Utama           | 0                     | 49388.21 | 0                     | 49388.21 | 0                                 | 100.00 |
| Bahrudin                     | 0                     | 11920.96 | 0                     | 11920.96 | 0                                 | 100.00 |
| Rony Wijayanto               | 0                     | 12082.47 | 0                     | 12082.47 | 0                                 | 100.00 |
| Andy Kurniawan               | 0                     | 1323.20  | 0                     | 1323.20  | 0                                 | 100.00 |
| CV. Intan Jaya               | 0                     | 2507.96  | 0                     | 2507.96  | 0                                 | 100.00 |
| CV. Bumi Gatah Permai        | 0                     | 17960.39 | 0                     | 17960.39 | 0                                 | 100.00 |
| PT. Anugrah Jasha Investama  | 0                     | 10778.48 | 0                     | 10778.48 | 0                                 | 100.00 |
| PT. Agro Bumi Kaltim         | 0                     | 529.52   | 0                     | 529.52   | 0                                 | 100.00 |
| Aliansyah A                  | 0                     | 12223.22 | 0                     | 12223.22 | 0                                 | 100.00 |
| PT. Imaira Harapan Sejahtera | 0                     | 972.25   | 0                     | 972.25   | 0                                 | 100.00 |

**Palm Oli Mill Effluent Treatment**

| Description                                      | Unit       | Value     |          |
|--|------------|-----------|----------|
|  |            | BPM       | RHM      |
| POME Produced                                    | t/yr       | 152926.31 | 91010.64 |
| Diverted to Compost                              | %          | 0         | 0        |
| Diverted to anaerobic digestion                  | %          | 100       | 100      |
| POME to anaerobic pond                           | %          | 0         | 0        |
| POME to methane capture (flaring)                | %          | 0         | 100      |
| POME to methane capture (electricity generation) | %          | 100       | 0        |
| COD value before anaerobic digestion             | mg/l       | 111240    | 32649.99 |
| COD value after anaerobic digestion              | mg/l       | 2518      | 5620.55  |
| COD removed during digestion                     | tCOD/tPOME | 0.11      | 0.03     |
| POME Produce                                     | t/yr       | 152926.31 | 91010.64 |
| CH4 (Total)                                      | t/yr       | 311.41    | 91.85    |
| Applied N in POME                                | t/yr       | 68.82     | 40.95    |
| Total N2O emission from POME                     | tCO2e/yr   | 0.46      | 0.27     |

\*POME is processed in WWTP and Methane Capture

Based on the results of the above data analysis, it can be seen that the emission value from the production of CPO and PK for Bumi Permai Mill (BPM) is quite low at 1.99 tCO<sub>2</sub>e/tProduct. Likewise, when compared with the emission values of the previous period, it shows that there is a decrease in CPO and PK emissions from 2.96 tCO<sub>2</sub>e/tProduct to 1.99 tCO<sub>2</sub>e/tProduct. The results of interviews with management stated that the emission reduction was due to changes in data because currently the GHG calculation is divided into 2 factories (BPM and RHM). The difference in the HCV area in the GHG Calculator with the data listed in indicators 7.12.2 and Basic Info is because the area in the GHG calculator is old data which still refers to the results of the 2011 HCV identification.

**7.10.2**

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



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

### 7.10.3

The unit of certification has identified the source of pollution and the mitigation plan contained in the identification and evaluation form of environmental aspects. The company has also carried out management and monitoring related to the results of the identification and mitigation plans as evidenced through the RKL-RPL document for semester 2 of 2021 and has reported it to the Environmental Service of Kutai Kartanegara Regency on February 9, 2022.

Based on the verification of the document, it shows that in the management of air pollution, the certification unit has tested air emissions on boilers and generators as well as ambient air. The test is carried out by a KAN accredited laboratory (LP-060-IDN) on 20 - 30 September 2021. Based on the analysis of the test results, it can be concluded that there is no value above the applicable quality standard, namely PermenLH Number 07 of 2007 for Boilers, PermenLH Number 13 of 2009 for Gensets and PPRI Number 22 of 2021 for ambient air.

In addition, the company has also carried out management for interference from immovable sources. Tests were carried out by a KAN accredited laboratory (LP-060-IDN) on 20 - 30 September 2021 for the scope of PT PMM and a KAN accredited laboratory (LP-1181-IDN) on 22 November 2021 for the scope of PT TJA. Tests carried out by the company include testing for odor, vibration, and noise in the work area and housing. Based on the results of document verification, it shows that all test results are in accordance with the quality standards set for each applicable statutory regulation, namely KepmenLH No. 48/1996 for noise, KepmenLH number 49/1996 for vibration, and KepmenLH No. 50/1996 for odors.

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

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

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

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

### 7.11

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

#### 7.11.1

It is the same as the previous assessment that the company has a land clearing procedure (PMM / SOP / AGRO-02). Land clearing

without the use of fire, cutting (racking / falling), leaving in a certain path (stacking) and using heavy equipment for mechanical stacking. Block area for flat area is 30 ha and for hill area adjust road boundary. The principal unit per hectare is set at 136 points / ha (Guidelines for oil palm cultivation, planting).

#### 7.11.2

The company shows the Report on the Preparedness of the Plantation Land Fire Control System for the Period of July – December 2021 for PT PMM and PT TJA which has been submitted to the Plantation Office of Kutai Kartanegara Regency, in the report describes the prevention and control measures for land fires including:

- Identify fire hazard maps
- Monitoring of fire control prevention facilities and infrastructure
- Simulation of land fire prevention

#### 7.11.3

As a form of stakeholder involvement related to fire prevention and control measures, including through socialization related to the absence of burning activities through the installation of warnings. In addition, the company has prepared a fire drill program for PT PMM & TJA in 2022, which is planned to carry out a fire drill with Rantau Hemplang Village in August 2022 and in September 2022 with Bukit Jering Village.

Status: Comply

#### 7.12

**Land clearing does not cause deforestation or damage any area required to protect or enhance High Conservation Values (HCVs) or High Carbon Stock (HCS) forest. HCVs and HCS forests in the managed area are identified and protected or enhanced.**

##### 7.12.1 and 7.12.8

Based on management information and a review of the area statement, the following information was obtained:

- The company has carried out land clearing above November 2005, namely in 2007 – 2012, but the land clearing activity was carried out after an environmental and social assessment carried out by Environmental Consultants (Charlie Ross) in April 2007 with results showing that the areas in PT PMM and PT TJA is not primary forest.
- For the 2014 – 2017 period, planting activities are new planting activities carried out in areas that are still within the scope of the company's Location Permit, which also falls within the scope of the 2007, 2011 and 2012 HCV assessments. In addition, the company has also conducted a New Planting Procedures (NPP) in February 2013, so that the new planting area is suitable for land clearing according to RSPO standards.
- Meanwhile, planting activities in 2018-2021 are replanting activities in oil palm plantation areas that have been damaged due to flooding. This is evidenced by field visits to the replanting area of block S41 Bumi Permai Estate, and block I28 Prima Estate, as well as analysis of satellite imagery by comparing these locations based on the time series from 2015 – 2020.

Based on this information, it can be concluded that the LUCA and RaCP procedures do not apply to PT PMM and TJA. The company can also show the Disclosure of Zero Liability document which was sent to the RSPO on 23 July 2014, in the document stating that the PT PMM and PT TJA units have no obligation to carry out remediation and compensation. This was also confirmed based on an email from the RSPO on April 14, 2017 which stated that PT Prima Mitrajaya Mandiri and PT Teguh Jayaprima Abadi had no non-compliant land clearance.

##### 7.12.2

Based on the verification of land clearing data, there is no indication of new land clearing after 15 November 2018, therefore the company has no obligation to conduct a High Carbon Stock (HCS) study. All managed areas have been assessed for HCV which are divided into several study documents, including:

##### **Environmental Consultants (Charlie Ross) (2007)**

The company has conducted environmental and social studies prior to land clearing by Environmental Consultants (Charlie Ross) in February - March 2007, with the final document in April 2007. The study was conducted using the 2003 HCV toolkit which aims to provide a framework of reference for environmental, social, health management. and safety, as required by the RSPO P&C, 2005. Based on this document, the company does not have a RaCP obligation because the entire scope of the company's management area has been prioritized with an HCV assessment. The scope of the study is based on the Location Permit which is divided into 2, including:

- PT Prima Mitrajaya Mandiri (PMM) which is located in 2 locations with a total area of 20,000 ha.
- PT Teguh Jayaprima Abadi (TJA) which is located in 3 locations with a total area of 17,400 ha.

Based on the results of the study, information was obtained that PT PMM and PT TJA do not have Primary Forest, but there are areas with High Conservation Value, namely Riparian Forest and Swamp Forest near the Mahakam River. Therefore, the company is recommended to set aside about 10% of the concession area for conservation, which will protect the Swamp Forest area and other representative vegetation types. The results of the study did not specify the location and extent of the HCV in question, and of the total 37,400 Ha area of Location Permits obtained, not all of them could be managed by the company. Based on this, the company again conducted more specific HCV assessments in 2011 and 2012.

#### Envirologic Consulting (Sanath Kumaran) (2011)

The company again conducted an HCV assessment for PT PMM conducted by Envirologic Consulting in August 2011 with the final document in November 2011 using the 2008 HCV toolkit which is divided into 2 separate documents, including:

- HCV assessment for Benua Puhun Estate or currently divided into Bumi Palma Estate (BPE) and Prima Estate (PME) with a study area of **2,905 Ha**. Based on the results of the study, the HCV area was **389.73 Ha** or equivalent to 13% of the study area.
- HCV assessment for Loleng Estate or currently Lembuswana Estate (LLE) and Prima Estate (PME) with a study area of **3,004 Ha**. Based on the results of the study, an HCV area of **352.1 Ha** was obtained, equivalent to 12% of the study area.

Based on the results of the study, information was obtained that PT PMM and PT TJA, especially for BPE and LLE, have an area with High Conservation Value with a total area of **741.83 Ha**. The results of the study were not carried out in the entire scope of PT PMM and TJA, therefore, the company again conducted another HCV assessment in 2012.

#### Aksenta (Resit Sozer) (2012)

The company again conducted an HCV assessment for PT PMM and TJA conducted by Aksenta in June 2012 with the final document in August 2012 using the 2008 HCV toolkit which is divided into 2 separate documents, including:

- HCV studies for PT PMM include Kaman Hilir Estate (KHE) or currently Kahoi Estate (KHE) and Bukit Jering Estate (BJE), which is currently Beringin Jaya Estate (BJE) and Muara Wis Estate (MWE) which is currently This unit is merged into the Beringin Jaya Estate (BJE)-Rose division with a scope of study covering an area of 5,084.82 Ha. Based on the results of the study, the HCV area was **668.73 Ha** or equivalent to 13.2% of the study area.
- HCV studies for PT TJA include Rantau Hempang Estate (RHE) or currently Rahayu Estate (RHE) and Mahakam Estate (MHE) with a study area of **4792.8 Ha**. Based on the results of the study, an HCV area of **440.53 Ha** was obtained, equivalent to 9.19% of the study area.

The company conducted a public consultation on HCV on June 22, 2012 which was attended by 38 participants who were company representatives. Based on the results of the study, information was obtained that PT PMM and PT TJA apart from BPE and LLE have an area with High Conservation Value with a total area of **1109.26 Ha**. Based on the data from the 2011 and 2012 HCV assessments, it can be concluded that PT PMM and PT TJA have a total HCV area of **1851.09 Ha** or equal to 11.73% of the total study area of **15,787 Ha**. This area does not include the Plasma area of **4790.66 Ha**, the company has also identified the HCV area for Plasma conducted by the Bogor Agricultural University (IPB) in 2019, with the result that no HCV area was found in the Plasma Scope.

#### Malaysian Environmental Consultants (Tunku Muhammad Nazim Yaacob) (2022)

Until the remote Surveillance 1.2 audit, the company still refers to the results of the HCV identification in 2011 and 2012 which is **1,851.09 Ha**. Due to the condition of the concession area that has undergone changes such as a change in the name of the estate, changes in the conservation value of the flooded area, and too many references to HCV documents, the company will conduct another HCV assessment in 2021. The study was conducted by Malaysian Environmental Consultants (MEC) in January - April 2021 with Final document entitled High Conservation Value Report – Upgraded Version dated January 24, 2022. The study was led by Tunku Muhammad Nazim Yaacob who is a member of the Assessor Licensing Scheme (ALS). The definitions used in this HCV assessment are based on the general definitions described in the HCVRN 'General Guide to the Identification of High Conservation Values' (October 2013, and updated September 2017). The results of the HCV assessment have also been carried out for a public consultation on December 6, 2021.

The scope of the study is the entire PT PMM Own Estate and Plasma (5 Estates and 6 Plasmas) covering an area of **15,240.03 Ha** and PT TJA (2 Estates and 2 Plasmas) covering an area of **5,139.23 Ha** or with a total of both areas covering an area of **20,379.26**

**Ha.** Although the total area of PT PMM is **16,449.50 Ha**, the scope of the assessment is only **15,240.03 Ha**. This is because an area of **1,209.47 Ha** was excluded from the scope of this assessment because the area was reviewed and approved by the HCVRN in 2019. Data on the area of the HCV area according to the results of the 2022 study are as follows:

| HCV Type                       | HCV Area (Ha)<br>PT PMM | HCV Area (Ha)<br>PT TJA | Total (Ha)       | Percentage    |
|--------------------------------|-------------------------|-------------------------|------------------|---------------|
| HCV 1 and 3                    | 590.24                  | 122.23                  | 712.47           | 3.50%         |
| HCV 1, 3 and 4                 | -                       | 91.18                   | 91.18            | 0.45%         |
| HCV 1, 3, 4 and 5              | 208.49                  | 34.52                   | 243.01           | 1.19%         |
| HCV 1, 3, and 5                | 105.17                  | 41.91                   | 147.08           | 0.72%         |
| HCV 3 and 4                    | 105.41                  | 215.78                  | 321.18           | 1.58%         |
| HCV 3, 4 and 5                 | 728.69                  | 97.61                   | 826.3            | 4.05%         |
| HCV 4 and 5                    | 74.17                   | 22.29                   | 96.47            | 0.47%         |
| HCV 5                          | 1.07                    | -                       | 1.07             | 0.01%         |
| Planted area                   | 97.11                   | 36.05                   | 133.16           | 0.65%         |
| <b>Total HCV area</b>          | <b>1,910.35</b>         | <b>661.57</b>           | <b>2,571.92</b>  | <b>12.62%</b> |
| <b>Scope of Identification</b> | <b>15,240.03</b>        | <b>5,139.23</b>         | <b>20,379.26</b> | <b>100%</b>   |

The data above shows information on the HCV area, which is **2,571.92 Ha** (12.62% of the total area of the assessment). Apart from HCVs 1 to 5, there are also HCV 6 in the form of Cemetery and Banggeris Trees, but they are not included in the HCV area because they are represented as location points only. Based on the data above, it shows that there are differences in the area of the HCV area with the statement area of **237.82 Ha**. This is because in the area statement data, the HCV area of **237.82 Ha** is identified as an occupation area. Most of the HCV areas are old secondary forest and peat swamp forest, while some are areas that have continued to be planted with oil palm on riverbanks and low-lying areas that are inundated.

Based on all the explanations above and the results of interviews with management, it can be concluded that for surveillance 1.3, the management of the HCV area carried out by the company has referred to the HCV area data according to the results of the 2022 study, which is **2,571.92 Ha**. In addition to the HCV area mentioned above, the company also has a non-HCV conservation area of **596.40 Ha** where currently the condition is in the form of secondary forest around the employee housing area which is reserved for development. The verification results also show that there is a significant increase in the area of the HCV area from the results of the previous study with several new areas being included in the scope of the HCV. The management of the new areas has not been carried out because the validation of the document on the results of the 2022 HCV assessment was only carried out in April 2022, so the management program for the new areas has not been implemented.

Based on this, companies are encouraged to immediately implement HCV management programs in all identified areas, and socialize these HCV areas to relevant stakeholders either directly or indirectly. **(OFI with observations).**

### 7.12.3

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

### 7.12.4

Based on the results of HCV identification, it is known that there is an HCV area within the scope of the certification unit covering an area of **2,571.92 Ha** with several types of RTE species consisting of flora, mammals, Aves and Herpetofauna. The company has compiled and determined the management program contained in the HCV Management Plan document of PT PMM and PT TJA for the 2022 period with the scope of management and targets every month. The management plan was developed in consultation with relevant stakeholders and covers areas that are directly managed and takes into account the relevant wider landscape level referring to the results of the HCV assessment conducted by Malaysian Environmental Consultants (MEC) namely the High Conservation Value Report document – Upgraded version on January 24, 2022. Some of the programs they have include:

- Animal Inventory and Monitoring Training and Animal Conflict Mitigation conducted every 2 years.
- Mapping Plots/Transect Lines of observations that are carried out once a year.
- Make a 50-meter mark along the banks of the Paseban River as a buffer zone which is done once a year.
- Conducting Animal Monitoring and Vegetation Analysis conducted every 2 years.
- No chemical application at 50 m from the river bank, only manual maintenance activities are permitted.

- Mitigation of Conflict with Animals and Identification of Threats and Sources of Threats to the Presence of HCVs which is carried out once a year
- Create a Flow chart of the Protected Animals Mechanism and HCV Area Patrol conducted every month.
- Socialization of HCV and the environment to staff, employees and the community which is conducted every 2 years.
- Maintenance of Warning/Notification Boards.
- Reforestation of Conservation Areas (Planting Saplings of Important Trees)
- Performing Treatment and Diameter Measurement of Dipterocarps Plants, in collaboration with the Dipterocarps Research Center which is conducted once a year.
- Analysis of the action plan carried out by the Estate Manager and the Sustainability team as well as a review of HCV management which is carried out once a year.

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

- Socialization of the HCV area to employees at PT PMM in March 2021 with a total of 91 employee representatives participating.
- Socialization of the HCV area to the village community around PT PMM and PT TJA in March 2021 with a total of 34 community representatives participating.
- Realization of the Animal Monitoring and Vegetation Analysis program in all HCV areas conducted in March - April 2021.
- Replanting in conservation areas with forestry plant species (meranti, ironwood, etc.) on 22 – 23 March 2021.

The company also has a map of the HCV area, water flow and topography with a scale of 1:80,000, the map is also equipped with information about: map title, cardinal directions, map legend, map update date, and map source. The company also conducts a semester review related to HCV management and monitoring activities as evidenced in the PT PMM and PT TJA HCV Action Plan Reports and Reviews for Semesters 1 and 2 of 2021 which contains evaluations and recommendations for management and monitoring as an effort to improve HCV management activities in the semester next.

Based on the results of field observations on 6 Estates where all of the Estates have HCV areas, it shows that all of the HCV areas determined based on the identification in 2011-2012 have been managed very well. The entire area is forest with dense vegetation cover and minimal disturbance even though its location is directly adjacent to the planted area. The boundaries of the HCV area are also quite clear with red markers at easily visible locations and informative signboards. For the HCV area which was just determined in 2022, not yet fully managed because the area was only legalized in April 2022. However, based on observations of the HCV area, it can be concluded that the condition of the HCV area is mostly inundated swamp which is no longer used/managed by the company as a cultivation area, so that the condition has returned to natural with a fairly dense vegetation cover.

The results of interviews with chemical application workers also stated that they knew the rules related to forest and river border protection. For locations that are forested and are near water sources, it is prohibited to apply chemicals even though there are no signs of chemical application area boundaries. The results of interviews with several village heads also knew about the rules for protecting HCV areas so that for locations in the form of swamps or forests, the community would not disturb them. In the HCV area of block J31 Prima Estate there is also an area that has not been compensated (Enclave), but the condition is still in the form of secondary forest and there is no sign of land clearing activity at that location. Based on all these explanations, it can be concluded that the company has managed the HCV area quite well.

#### 7.12.5

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

The company has also considered various land tenure and management options to protect HCV areas in a way that also protects the rights and livelihoods of local communities. Since the area managed by the company is directly adjacent to the settlement, the level of potential conflict between the HCV area and the community is quite high. However, the company can overcome this with outreach



activities and approaches with communities based on Plasma development. The effectiveness of Plasma development with a total of 8 concessions managed by 8 cooperatives given to each village around the company has a positive impact on HCV management. This can avoid occupation activities in the HCV area by the community. As for the location of the Enclave, which is land owned by the community but does not want to be compensated, until now the condition is still a well-maintained secondary forest.

The results of field observations through the HCV area in the 6 Estate, obtained information that there are areas of HCV 5 and 6. This shows that the rights to culture and important places for the surrounding community identified in the company area are also being managed properly. Currently, the company also has an agreement with the community who are members of the plasma management cooperative for monitoring and patrolling the HCV area, the company has also entered into an agreement with the community operating in the company's area not to hunt and trade wildlife. In addition, all access to enter the company's scope must also pass through a guard post, so that if there are indications of hunting or illegal logging activities, they can be anticipated immediately. The company has also approached relevant stakeholders, including:

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

#### **7.12.6**

The Certification Unit already has a policy stated in the SOP for Management and Monitoring of HCV Number SUP-SOP01-01 which is effective on October 1, 2019. The document states that in accordance with the company's sustainability principles, all employees are advised not to hunt, arrest, kill, and sale of protected rare animals and plants and report if any such activity is found. Maintain and not disturb the areas designated as HCV areas and report any illegal acts. Employees who do not comply will be subject to sanctions in accordance with applicable laws and regulations.

Based on the results of interviews with management, it is stated that disciplinary measures for workers who catch, harm or collect RTE species are also enforced in accordance with applicable laws and regulations. If the case is found, it will be reported to the local leadership to be reported to the BKSDA. Violation of this will be subject to maximum disciplinary sanctions by the company until it is reported to the authorities. The management also states that all employees are prohibited from capturing, injuring, maintaining, transporting and trading protected animals alive and dead. If there is a violation of the prohibition, the company will provide strict sanctions and criminal provisions and become the personal responsibility of the perpetrator. Some of the protective measures taken by the company are as follows:

- The company is committed to protecting and prohibiting the hunting of all types of wild animals that are included in the criteria for rare and endangered that are in the plantation area.
- The company will carry out continuous socialization and training activities on the protection of rare and endangered wild animals and their habitats to employees of contractor companies as well as to the community and other relevant stakeholders around the company.
- The company will investigate every case of violation and provide strict disciplinary sanctions (up to layoffs) to company employees who hunt, maintain, injure, harm and kill rare and endangered wildlife.
- For the management of rare and endangered wildlife both inside and around its concession area, the company will cooperate with government agencies or other competent related institutions.
- The company is committed to evaluating and reporting on the company's performance based on this policy regularly and openly through a semester report on the results of HCV management and involving stakeholders continuously.

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

In addition, the company has also carried out socialization about the existence of endangered plants and animals to employees and the surrounding community which is shown in the official report of the socialization which is proven based on the official report accompanied by photos and attendance lists, including:

- Socialization to employees of Beringin Jaya Estate on May 25, 2021 was attended by 89 people and on May 27, 2021, attended by 58 people.
- Socialization to Bumi Permai Mill employees on March 11, 2021 was attended by 40 people.
- Socialization to employees of Bumi Permai Estate on 27 May 2021 was attended by 58 people.
- Socialization to contractors on August 21, 2021 was attended by 2 people, on August 25 2021 attended by 2 people and on August 26 2021 attended by 8 people.
- Socialization to Mahakam Estate employees on 22 May 2021 was attended by 23 people.
- Outreach to the surrounding community in March 2021.

Indirect socialization is also carried out by installing information boards and brochures warning signs related to conservation areas and the presence of protected rare plants and animals in places that are easily visible, such as area entrances, regional roads that are often crossed by the community, and other places other strategic areas such as offices, and other public facilities. Routine monitoring of HCV areas is also carried out every month by several personnel appointed by the company.

#### 7.12.7

Monitoring of protected areas in the period of 2021 is carried out regularly every month to ensure the security of the area. Monitoring activities are carried out in all areas of the company's management. This monitoring is carried out to see the progress of the results of HCV management from the initial stage to the current condition. The company also monitors the diversity of flora and fauna which is routinely carried out every semester by showing the results of HCV monitoring carried out in Semesters 1 and 2 of 2021. The results of observing fauna in the plantation area are still found to be several types of protected animals that are included in the protection status according to the IUCN, CITES and Ministry of Environment and Forestry Regulation Number 106 of 2018 including Bornean Orangutan (*Pongo Pygmaeus*), Proboscis monkey (*Nasalis larvatus*), Black Hornbill (*Anthraceroceros malayanus*), Rhinoceros Hornbill (*Buceros rhinoceros*), Red Langur (*Presbytis rubicunda*), Silvery Lutung (*Trachypithecus cristatus*) and many other protected species. The results of interviews with employees also stated that the Root Tiger (*Prionailurus bengalensis*) and Stork (*Ciconia episcopus*) species were often found around the HCV area.

The company also conducts monthly monitoring and evaluation for the management of HCV areas where this activity aims to identify risks and impacts on conservation areas and improve protection efforts. This activity is evidenced in the PT PMM and PT TJA HCV Management Reports and Reviews for Semesters 1 and 2 of 2021 which contains evaluations and recommendations for management and monitoring as an effort to improve HCV management activities for the next semester. Based on the results of the review, several management recommendations were obtained, including:

- Training/socialization on HCV and the environment to be carried out continuously to remind residents/employees of the importance of protecting the environment.
- Maintain the existing HCV areas in the company's operational areas.
- Cooperate with management with employees and the surrounding community in protecting the HCV area.
- Continue to monitor the HCV management plan in conservation areas.
- Cooperate with the government and local residents in protecting HCV and the surrounding environment.

All evaluation results will be reviewed and will be adjusted to the HCV management program in the next period. the evaluation results also show an increase in the results of the management of the HCV area where for the area that was previously an oil palm planted area on the watershed border, for 2022 it is determined to be an HCV area. In addition, the management and monitoring of HCVs has been carried out in a participatory manner by involving communities around the plantations, one of which is an agreement with the community and plasma managers to jointly protect the HCV area.

**Status: Comply**

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

|                              |  |               |
|------------------------------|--|---------------|
| <b>1.</b>                    | <b>Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client</b>                  | <b>X or √</b> |
| <b>ASA 1-2 &amp; ASA-1.3</b> | The Mill does not use RSPO Trademark on its product (on-product) and non-product (off-product).  | √             |
|                              | <b>Status: Comply</b>  |               |
| <b>2.</b>                    | <b>Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use</b> | <b>X or √</b> |
| <b>ASA 1-2 &amp; ASA-1.3</b> | The Mill does not use RSPO Trademark on its product (on-product) and non-product (off-product).  | √             |
|                              | <b>Status: Comply</b>  |               |
| <b>3.</b>                    | <b>Implementation of Certificate and Trademark is not used on product</b>  | <b>X or √</b> |
| <b>ASA 1-2 &amp; ASA-1.3</b> | The Mill does not use RSPO Trademark on its product (on-product) and non-product (off-product).  | √             |
|                              | <b>Status: Comply</b>  |               |
| <b>4.</b>                    | <b>Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.</b>  | <b>X or √</b> |
| <b>ASA 1-2 &amp; ASA-1.3</b> | The Mill does not use RSPO Trademark on its product (on-product) and non-product (off-product).  | √             |
|                              | <b>Status: Comply</b>  |               |

### 3.3 Summary of RSPO Partial Certification.

Compliance of the uncertified management units of MP Evans Group PLC against the rules for partial certification was determined through Self-Assessment in accordance with RSPO Certification System clause 5.5.3. A summary of findings is as stated below.

MP Evans Group PLC Time Bound Plan (TBP) is explained in table 1.10. MP Evans Group PLC has twenty-seven (27) management units with five (5) mills. MP Evans Group PLC has informed the TBP progress, MUTU has considered that MP Evans Group PLC is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by MP Evans Group PLC on 8 October 2021.

MUTU has verified partial certification for un-certified unit's subsidiary of MP Evans Group PLC based on their Time Bound Plan. There are two (2) uncertified mills and nine (9) uncertified estates management units of MP Evans Group PLC. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

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

| 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>Yes and positive assurance is developed under MP Evans Group PLC</p> <p><b>Auditor verification</b><br/>Based on the document review, there is a company internal audit that was conducted on 23-24 August 2021 and the positive assurance is at this table that is also been verified.</p>  |
| 2.1.2                          | No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.3 (it has changed be Criterion 7.12 in P&C 2018) | <ul style="list-style-type: none"> <li>- <b>PT. Simpang Kiri Plantation Indonesia.</b> RACP is not applied for this unit because the last land clearing was conducted before November 2005. The unit does not have mill.</li> <li>- <b>PT. Evans Lestari (PT.EL)</b> has conducted HCV and SIA identification by Forestry Faculty of Institute Pertanian Bogor (IPB) on March 2013 led by Dr. Ir. Jarwadi Budi Hernowo Msc. Before land clearing, therefore the unit has no liability related to RACP. PT Evans Lestari also conducted NPP on 17 December 2013 conducted by Certification Body of Control Union.</li> <li>- <b>PT Bumi Mas Agro</b> has an HCV identification document made in December 2014 in collaboration with PT Sonokeling with a total HCV area of 382.72 Ha</li> </ul> <p><b>Auditor verification</b><br/>Based on internal audit results and evidence provided (communication to RSPO on liability disclosure) the three uncertified units of:<br/><b>PT Simpang Kiri Plantation Indonesia</b><br/>Last land clearing happened before November 2005 and there is no new land clearing of new planting.</p> |

|       |   |  |
|-------|---|--|
|       |   | <p><b>PT Evans Lestari</b><br/>Land clearing was conducted after November 2005 but has been first conducted HCV identification before land clearing. Liability of disclosure has been sent to RSPO Compensation Team on 23 July 2014.</p>  |
| 2.1.3 | Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.   | <p>New planting/land clearing after 1<sup>st</sup> January 2010.</p> <p><b>Auditor verification</b><br/>Based on internal audit, documented time of land clearing and liability disclosure sent to RSPO, there is new planting/land clearing after 1<sup>st</sup> January 2010 for PT Gunung Pelawan Lestari and PT Evans Lestari but NPP has been conducted for these units. Evidence of submission to RSPO is provided and the NPP notification are at RSPO website.</p>   |
| 2.1.4 | Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO criteria 2.2, 6.4, 7.5 and 7.6 (it has changed be Criterion 4.8, 4.7 and 4.5 in P&C 2018). | <p>There is no land conflicts.</p> <p><b>Auditor verification</b><br/>Based on evidence provided, the company merely conducted planting on the area that has been compensated from the land owner by FPIC. The documentation of each land compensation/leasing is documented.</p>  |
| 2.1.5 | Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3 (it has changed be Criterion 4.2 in P&C 2018).   | <p>There is no labor disputes. There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <p><b>Auditor verification</b><br/>There is no indication of labor disputes. There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p>  |
| 2.1.6 | Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1 (it has changed be Criterion 4.2 in P&C 2018).   | <p>Yes, there is process for land legality.</p> <p><b>Auditor verification</b><br/>Land legal process is still going on and there is a detail update progress documented by the company for each year. PT Simpang Kiri Plantation Indonesia and PT Bumi Mas Agro already have been HGU.</p> <p><b>Update legal for PT Evans Lestari:</b> the company has got plantation business permit (IUP) from Bupati Decree of Musi Rawas No. 891/KPTS/Disbun/2012 dated 12 November 2012 for 20,000 ha. It is in accordance with the scale of the company location permit (Decree of Bupati Musi Rawas No. 578/KPTS/BPM-PTP/2012 dated 30 October 2012 for 20,000 ha). However the location permit has been expired – need further HGU process information or any other legal process.</p> |



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

#### 3.4.1. Identification of Findings, Corrective Actions and Observations at ASA 1.2 Remote Assessment

|  |   |  |                 |   |  |
|--|---|--|-----------------|---|--|
| NCR No.  | : |  | Issued by       | : |  |
| Date Issued  | : |  | Time Limit      | : |  |
| NC Grade   | : |  | Date of Closing | : |  |
| Standard Ref. & Requirement  | : |  |                 |   |  |
| Evidence observed (filled by auditor):   |   |  |                 |   |  |
| <b><i>There are no nonconformity during remote audit surveillance assessment 1.2</i></b> |   |  |                 |   |  |
| Non-Conformance Description (filled by auditor):   |   |  |                 |   |  |
| Root Cause Analysis (filled by organization audited):                                    |   |  |                 |   |  |
| Correction (filled by organization audited):   |   |  |                 |   |  |
| Corrective Action (filled by organization audited):                                      |   |  |                 |   |  |
| Assessor Evaluation and Conclusion (filled by auditor):                                  |   |  |                 |   |  |
| Verified by  | : |  |                 |   |  |

## 3.4.2. Identification of Findings, Corrective Actions and Observations at ASA 1.2 and 1.3 Onsite Assessment

|  |   |  |                 |   |  |
|--|---|--|-----------------|---|--|
| NCR No.  | : |  | Issued by       | : |  |
| Date Issued  | : |  | Time Limit      | : |  |
| NC Grade   | : |  | Date of Closing | : |  |
| Standard Ref. & Requirement  | : |  |                 |   |  |
| Evidence observed (filled by auditor):   |   |  |                 |   |  |
| <p><b><i>There are no nonconformity during the onsite audit assessment ASA 1.2 + 1.3</i></b></p> |   |  |                 |   |  |
| Non-Conformance Description (filled by auditor):   |   |  |                 |   |  |
| Root Cause Analysis (filled by organization audited):  |   |  |                 |   |  |
| Correction (filled by organization audited):   |   |  |                 |   |  |
| Corrective Action (filled by organization audited):  |   |  |                 |   |  |
| Assessor Evaluation and Conclusion (filled by auditor):  |   |  |                 |   |  |
| Verified by  | : |  |                 |   |  |

**3.4.3. Opportunity for Improvement**

| No | Ref. Std. | Description   |
|----|-----------|---|
| 1  | 2.1.1     | <p><b>The unit of certification complies with all relevant laws and regulations.</b></p> <p>Based on the results of the verification of regulatory compliance documents, there are 2 documents that have passed the expiration date, including:</p> <ul style="list-style-type: none"> <li>Hazardous Waste Management Permit for temporary storage activities at Bumi Permai Mill Number P660.1/129/BLHD-I/2016 dated 27 June 2016 and is valid for 5 years. The permit has passed the expiration date, but the company can show the official document number 069/KKPS PMM/BPM/V/2021 dated June 21, 2021 regarding the Application for Extension of the Permit for the Hazardous Waste Storage of PT PMM for the Bumi Palma Mill unit.</li> <li>Permit for Utilization of Surface Water at Rahayu Mill Number 54/KPTS/M/2017 dated January 31, 2017 which is valid for 5 years. The permit has passed the validity period, but the company can show the Technical Recommendation Submission document number 003/K.DIRTJA/APU/II/2022 dated 24 February 2022 concerning Application for Water Resources exploitation for PT TJA.</li> </ul> <p>The results of an interview with the Environmental Service of Kutai Kartanegara Regency stated that currently, permit renewal using technical recommendations has been implemented, but a system to accommodate this has not been established, so that permit processing must go through the Ministry of Environment and Forestry, so it takes a relatively longer time. Based on the explanation above, the company is encouraged to ensure the progress of the extension of the two permits.</p> |
| 2  | 3.4.2     | <p><b>For the unit of certification, a social and environmental impact assessment document is available and a management and monitoring plan has been developed with the participation of affected stakeholders.</b></p> <p>PT TJA already has 3 environmental documents, namely ANDAL 2008 for an area of 5,100 Ha, ANDAL 2009 for an area of 13,500 Ha and UKL-UPL for a factory with a capacity of 60 Ton FFB/hour. The company also has RKL-RPL report documents for semesters 1 and 2 of 2021 which are prepared to fulfill the obligations of the three environmental documents it has which can be proven from the management activities that have been carried out for the entire scope, for example environmental parameter testing, impact analysis, and waste management. However, the RKL-RPL document has not explained the scope of the factory, and the management and monitoring components carried out are not yet specific as requested in the 2018 UKL-UPL matrix. Based on this, the company has an opportunity for improvement to ensure the scope of the RKL-RPL report per year. semester, as well as compiling documents as requested in each of the matrices owned.</p>  |
| 3  | 3.6.2     | <p><b>Monitoring the effectiveness of the OSH plan to manage OHS risks in people.</b></p> <p>Licensed Operators</p> <ul style="list-style-type: none"> <li>Based on the results of field visits at BPM, there is 1 Boiler unit with a capacity of 45 TPH with 2 Shift operations per day with sufficient operators according to Permenaker 1/1988 according to Boiler Capacity, namely 1 Class 1 Operator and 2 Class 2 Operators in each shift, but licensed operators The ones that are already available are SIO Steam Aircraft Class 1 as many as 1 person and SIO Steam Aircraft Class 2 as many as 6 people.</li> <li>Based on the results of field visits at BPM, there is 1 Boiler unit with a capacity of 30 TPH with 2 Shift operations per day with sufficient operators according to Permenaker 1/1988 according to Boiler Capacity, namely 1 Class 1 Operator and 1 Class 2 Operator in each shift, but licensed operators The ones that are already available are SIO Steam Aircraft Class 1 as many as 1 person and SIO Steam Aircraft Class 2 as many as 3 people.</li> </ul>   |

|   |       |   |
|---|-------|---|
|   |       | <ul style="list-style-type: none"> <li>The results of the study of the list of tools and machines at RHM revealed that there are Generator and Turbine units that are operated but have not yet been shown an operator license.</li> <li>The company shows the 2022 OSH Work Plan documents for PT PMM and PT TJA which includes the operator certification training plan.</li> <li>The company shows a record of communication with PJK3 on April 18, 2022 regarding the plan to implement operator certification which will be carried out in May – June 2022 covering 2 Boiler Operators and 3 Genset Operators.</li> </ul> <p>The company has improvement opportunities to ensure the adequacy of licensed operators in accordance with applicable requirements by realizing the operator certification training plan and the PPE storage mechanism has been implemented by all workers.</p>  |
| 4 | 4.4.1 | <p>Based on the results of the document review, it is known that the scope of RSPO certification for PT PMM and PT TJA is 20,507.30 Ha with main estate and plasma coverage. At the time this assessment was carried out there was an additional area for Rahayu Mill covering an area of 14.90 Ha so that the scope of certification became 20,522.20 Ha. From this area, the area that already has HGU/HGB is 11,158.96 Ha and 9,363.24 Ha does not have a land title.</p> <p>In the RSPO notification regarding the latest Cultivation Rights dated April 1, 2020, among others, it states:</p> <ol style="list-style-type: none"> <li>For Initial Certification, the Unit of Certification must have HGU and IUP or other acceptable legal alternatives as defined in the National Interpretation; and</li> <li>For Recertification audits, Certification Units can continue their certification as long as there is sufficient tangible evidence that the company has taken steps to obtain HGU and must comply with all requirements at that time.</li> <li>The surveillance audit can be continued as stated in the previous announcement</li> </ol> <p>These requirements are effective from the date of publication and the BoG will review the implementation of this decision and provide further guidance in the future. Based on this, the company has the opportunity to continue to show positive progress in obtaining HGU for all areas within the scope of certification that do not yet have HGU</p> |
| 5 | 5.2.1 | <p><b>The unit of certification consults with interested smallholders (regardless of the type of farmer), including women farmers or other supply partners, to assess their need for support for improving their livelihoods as well as their interest in pursuing RSPO certification.</b></p> <p>The company has the opportunity to ensure that efforts to support independent smallholders to participate in RSPO certification are comprehensive and documented.</p>   |
| 6 | 6.7.1 | <p><b>The person in charge of Occupational Safety and Health (OHS) is identified. Records of regular meetings between the person in charge and the workers are available. The interests of all parties related to safety, health and welfare were discussed at the meeting. Any issues that arise are noted down.</b></p> <p>The company already has a P2K3 organization according to one of them in the PMM Estate unit which has been approved by the Manpower Office on April 18, 2022 with P2K3 secretary with the name Rina Istiqomah with letter of appointment for OHS Expert which is still in the process of being extended at the Ministry of Manpower according to a letter from PJK3 dated March 15, 2022.</p> <p>Based on the explanation above, the company has an opportunity for improvement by ensuring the process of extending the letter of appointment for OHS Expert</p>  |
| 7 | 7.3.1 | <p><b>There is a waste management plan that is documented and implemented in accordance with applicable laws and regulations, including reduction, recycling, reuse, and disposal, based on the characteristics of toxicity and other hazards.</b></p>  |

|   |        |  |
|---|--------|--|
|   |        | <p>The company already has procedures related to the management of domestic waste, hazardous waste, and other types of waste. Based on the results of field visits in several locations, it can be concluded that waste management is quite good, although domestic waste and hazardous waste are still found that are not placed in proper storage areas. Based on this, companies are encouraged to implement comprehensive domestic and hazardous waste management.</p>   |
| 8 | 7.12.2 | <p><b>HCV and HCS forest, and other conservation areas identified</b></p> <p>The company has carried out management of the HCV area referring to the results of the 2011 – 2012 identification. The company again updated the HCV area data by conducting a review in 2021 with the final document in January 2022. Based on this document, there was a significant increase in the HCV area. and several new areas that fall under the scope of HCV. The management of the new areas has not yet been carried out because the validation of the documents resulting from the HCV assessment was only carried out in April 2022, so the management program for these new areas has not been implemented.</p> <p>Based on the explanation above, companies are encouraged to immediately implement HCV management programs in all identified areas, and socialize these HCV areas to relevant stakeholders either directly or indirectly.</p> |

#### 3.4.4. Noteworthy Positive Components

| No | Description   |
|----|---|
| 1  | Commitment to implement the principles of sustainable oil palm plantation management. |
| 2  | Teamwork and competent human resources in their respective fields.                    |
| 3  | Presentation of documents is quite good during the audit process                      |
| 4  | Has utilized renewable energy sources through the Biogas Plan (Methane Capture).      |
| 5  | Minimized waste production by no longer using bottled water.                          |
| 6  | Has obtained ISPO and ISCC certificates.  |



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

| Public Issues<br>(Institution/ NGO/Community)  | Auditor Verification  |
|--|---|
| <p><b>Environmental Service of Kutai Kartanegara Regency</b><br/>Head of Environmental Services<br/>18 April 2022</p> <p>Based on the results of interviews with the Environment Agency, information was obtained that the company has completed and completed all the required licensing requirements and routinely reports the required environmental management results according to its schedule. Regarding the permit, the company is currently in the stage of extending the hazardous waste permit and water permit, but due to the latest regulation, namely Government Regulation Number 22 of 2021 where there is a change in regulation, there are several components that must be completed and must go through the Ministry of Environment and Forestry because the district office does not yet have a system for accommodate this. So far, the company has completed all the requirements, but the technical approval document has not yet been issued because there are still adjustments to the system within the government regarding the derivatives of the government regulation. Based on this, the informant stated that the completion of the document was still hampered but did not come from the company but the system was not ready for the implementation of government regulations in the field.</p> <p>The agency also added that the results of the field visit carried out in December 2021 had confirmed the field conditions were in accordance with the environmental standards set. The results of the visit did not reveal any problems that needed to be fixed by the company, even the informants explained that the PT PMM and PT TJA units were pilot companies for the scope of Kutai Kartanegara Regency because they had carried out excellent waste management with composting and the Biogas Plan. The informant also stated that there was never any information related to fire incidents and environmental pollution that were reported to the Service from NGOs or the surrounding community.</p> | <p>There are no issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators.</p> |
| <p><b>FFB Supplier</b><br/>PT Imaira Harapan and PT Bumi Gatah<br/>22 April 2022</p> <p>Based on the results of the interview, it was stated that all sources of fruit obtained came from legal and guaranteed fruit because the collector would ask for legality documents and coordinates for FFB collection as evidence that the FFB obtained came from a legal location. The company as a FFB buyer also collects data and conducts direct field verification on a regular basis to update FFB supplier data.</p>  | <p>There are no issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators.</p> |



| Public Issues<br>(Institution/ NGO/Community)   | Auditor Verification  |
|---|---|
| <p>The informant stated that during the 2 years of working together, the company has implemented all the agreements contained in the work contract, there has never been a delay in payment or other matters related to the cooperative relationship. The selling price of FFB is determined based on changes in CPO and PK prices which are informed directly via email and forwarded with physical documents. The company also routinely conducts socialization related to obligations, code of ethics and RSPO principles that apply within the company.</p>   |   |
| <p><b>Plasma Cooperative</b><br/>Karya Bersama Cooperative and Tanah Sama Cooperative<br/>20 April 2022</p> <p>Based on the results of the interview, it was stated that the company had carried out its obligations as stated in the MoU and had cooperated very well. The determination of a valid price referring to the determination of the Plantation Service is also applied. The company can also show the entire use of the budget used in plantation maintenance. so that all members of the cooperative can believe that the cooperation carried out takes place honestly and without injustice. The company also very regularly and regularly informs the latest prices and makes payments.</p> <p>The informant stated that for approximately 15 years of working together, the company has carried out all the agreements contained in the work contract, there has never been a delay in payment or other matters related to the cooperative relationship. The assistance provided by the company is also in accordance with the RSPO principles where procedures regarding sustainable plantations are applied to the maximum. All members of the cooperative are also aware of protected areas (HCV) where locations that are allowed to remain as forests, may not be cleared, burned, and hunting is carried out in these areas.</p> | <p>There are no issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators.</p> |
| <p><b>Manpower and Transmigration Agency</b></p> <ul style="list-style-type: none"> <li>• Communication between companies and agencies has been going well.</li> <li>• So far there are no issues related to child labor, discrimination, forced labor and illegal workers.</li> <li>• In the Company, there are 3 (three) labor unions including Serbundo, Independent Workers Union and SP PK Hukatan.</li> <li>• Currently, there are no unresolved conflicts between the company and its stakeholders.</li> <li>• The company has fulfilled its obligations in sending mandatory reports including the OHS Committee Report, Employment Repot and Temporary Work Agreement Registration.</li> </ul>   | <p>There are no issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators.</p> |

| Public Issues<br>(Institution/ NGO/Community)  | Auditor Verification   |
|--|--|
| <b>Bipartite Cooperation PT PMM</b> <ul style="list-style-type: none"> <li>PT PMM Bipartite Cooperation has been formed since 2009 whose members consist of all PT PMM employees, but the company does not require workers to become members.</li> <li>Bipartite Cooperation has become a liaison between employees and the company, and until now there are no unresolved problems.</li> <li>The company has provided facilities to employees including electricity, school transportation, and clean water.</li> <li>Regular meetings are held in each estate (small meetings) after which 3 or 6 months the results of meetings that require follow-up are brought to management.</li> <li>The company also has a Labor Union which was formed in 2020 whose members are the same as the Bipartite Cooperation.</li> <li>Currently the CLA is being discussed for its formation as long as the company regulations do not violate the rights of employees.</li> </ul> | <p>There are no issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators.</p>  |
| <b>Bipartite Cooperation PT TJA</b> <ul style="list-style-type: none"> <li>Bipartite Cooperation members are all workers at PT TJA but there is no coercion from the company.</li> <li>So far there have been no problems between the company and the workers.</li> <li>The company has provided facilities to employees including housing, clinics, school transportation, electricity, subsidized water supply.</li> <li>The company has conducted health checks on employees.</li> </ul>  | <p>There are no issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators.</p>  |
| <b>PT Fisco Indopratama – Civil Contractor</b> <ul style="list-style-type: none"> <li>The contractor cooperates with the company in the construction of housing.</li> <li>Workers who work using the wholesale system and have provided BPJS Health &amp; Employment, PPE and housing.</li> <li>So far, the cooperation has been well established, besides that, communication with the company has been running smoothly.</li> </ul>  | <p>There are no issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators.</p>  |
| <b>Benua Puhun Village</b> <p>The existence of the company has a positive impact on residents and can be said to increase the level of the economy, for example, it is shown by the absorption of labor and the realization of plasma plantation development.</p> <p>Companies need to improve coordination and communication with the Village and Cooperatives in managing plasma, for</p>  | <p>The company has a social impact study conducted on December 6, 2021. The study, among others, shows the identification of community needs as the basis for making CSR programs</p> <p>Stakeholder meetings which are usually held every year are still constrained by restrictions due to the Covid-19 pandemic</p> |

| Public Issues<br>(Institution/ NGO/Community)   | Auditor Verification   |
|---|--|
| <p>example, relating to the use of funds.</p> <p>Companies also need to improve coordination and communication, especially in terms of preparing CSR so that the realized CSR can be in line with village programs and more targeted.</p> <p>Benua Puhun Village is directly adjacent to the Bumi Permai Mill, causing an impact on the smell of compost/waste. In addition, during the rainy season there may be runoff of wastewater from the WWTP to the Semilis River and Patra River.</p>  | <p>The company shows the identification of the impact of waste on the surrounding villages. Benua Puhun Village ± 5 Km from the outer boundary of the company. The results of the visit to the WWTP location are known to be in good condition and well maintained</p>   |
| <p><b>Lebak Mantan Village</b></p> <p>The existence of the company basically has a positive impact, including employment, the realization of plasma plantations, and the existence of social responsibility programs to the community. However, there are some things that need to be improved, such as:</p> <ul style="list-style-type: none"> <li>• Management of village roads that are passed by FFB trucks and CPO trucks, causing noise and dust</li> <li>• Preparation of CSR programs that involve community participation so that the activities to be carried out can be right on target (at least following the MUSREMBANGDES which is held every year)</li> </ul> <p>At least for the past two years there have been no issues regarding land disputes and environmental pollution.</p> | <p>Social and Environment issue It has been discussed in criterion 3.4 and regarding community involvement in the preparation of CSR. The company has a social impact study conducted on December 6, 2021. Among other things, this study shows the identification of community needs as the basis for making CSR programs</p> |
| <p><b>Bukit Jering Village</b></p> <p>The existence of the company basically has a positive impact, including employment, the realization of plasma plantations, and the existence of social responsibility programs to the community.</p> <p>Companies are expected to be present in MUSREMBANGDES activities so that they can synergize in village development participation.</p> <p>Plasma management has been carried out transparently both in terms of the use of costs and the results obtained because it is made in the plasma management report on a regular basis.</p>   | <p>The company has a social impact study conducted on December 6, 2021. The study, among others, shows the identification of community needs as the basis for making CSR programs</p>  |
| <p><b>Muara Kaman Ilir Village</b></p>  | <p>At the time of the public consultation, the resource persons did not respond willingly or unwillingly to be contacted by the auditor team. Messages via whatsapp are not answered as well as when a phone call is made.</p>   |

| Public Issues<br>(Institution/ NGO/Community) | Auditor Verification  |
|---|---|
| Land Agency of Kutai Kertanegara              | At the time of the public consultation, the resource persons did not respond willingly or unwillingly to be contacted by the auditor team. Messages via whatsApp are not answered as well as when a phone call is made. |



|     |   |
|-----|---|
| 4.0 | CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY   |
| 4.1 | <p><b>Formal Sign-off of Assessment Findings</b></p> <p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end; margin-top: 100px;"> <div style="text-align: center;"> <p>PT Prima Mitrajaya Mandiri<br/>Management Representative</p>  <p><b><u>Arvind Devadasan</u></b><br/>Friday, 6 May 2022</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari<br/>Lead Auditor</p>  <p><b><u>Haikal Ramadhan Kharismansyah</u></b><br/>Friday, 6 May 2022</p> </div> </div> |

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

| No | Institution/ NGO/ Community                            | Address                   | Phone/ Email | Form of Communication | Date of Contact | Response |    |
|----|--|---------------------------|--------------|-----------------------|-----------------|----------|----|
|    |  |                           |              |                       |                 | Yes      | No |
| 1  | Environmental Agency                                   | Kutai Kartanegara Regency | -            | By Phone              | 18 April 2022   | ✓        |    |
| 2  | Land Agency  | Kutai Kartanegara Regency | -            | By Phone              | 18 April 2022   |          | ✓  |
| 3  | Cooperative<br>• Karya Bersama<br>• Tanah Sama         | Kutai Kartanegara Regency | -            | By Phone              | 20 April 2022   | ✓        |    |
| 4  | Manpower and Transmigration Agency                     | Kutai Kartanegara Regency | -            | By Phone              | 18 April 2022   | ✓        |    |
| 5  | Bipartite Cooperation PT PMM                           | Kutai Kartanegara Regency | -            | By Phone              | 20 April 2022   | ✓        |    |
| 6  | Bipartite Cooperation PT TJA                           | Kutai Kartanegara Regency | -            | By Phone              | 20 April 2022   | ✓        |    |
| 7  | PT Fisco Indopratama – Civil Contractor                | Kutai Kartanegara Regency | -            | By Phone              | 20 April 2022   | ✓        |    |
| 8  | FFB Supplier<br>• PT Imaira Harapan<br>• CV Bumi Gatah | Kutai Kartanegara Regency | -            | By Phone              | 22 April 2022   | ✓        |    |
| 9  | Bumi Permai Estate (12 Workers)                        | Kutai Kartanegara Regency |              | Direct Interview      | 19 April 2022   | ✓        |    |
| 10 | Prima Estate (9 Workers)                               | Kutai Kartanegara Regency |              | Direct Interview      | 19 April 2022   | ✓        |    |
| 11 | Bumi Permai Mill (15 Workers)                          | Kutai Kartanegara Regency |              | Direct Interview      | 19 April 2022   | ✓        |    |
| 12 | Kahoi Estate (12 Workers)                              | Kutai Kartanegara Regency |              | Direct Interview      | 20 April 2022   | ✓        |    |
| 12 | Lembuswana Estate (8 Workers)                          | Kutai Kartanegara Regency |              | Direct Interview      | 20 April 2022   | ✓        |    |
| 13 | Mahakam Estate (10 Workers)                            | Kutai Kartanegara Regency |              | Direct Interview      | 21 April 2022   | ✓        |    |
| 14 | Rahayu Estate (8 Workers)                              | Kutai Kartanegara Regency |              | Direct Interview      | 21 April 2022   | ✓        |    |
| 15 | Rahayu Mill and Bulking (15 Workers)                   | Kutai Kartanegara Regency |              | Direct Interview      | 21 April 2022   | ✓        |    |
| 13 | WALHI  | Indonesia                 |              | Questionnaire         | 14 April 2022   |          | ✓  |
| 14 | WWF  | Indonesia                 |              | Questionnaire         | 14 April 2022   |          | ✓  |
| 15 | Sawit Watch  | Indonesia                 | -            | Questionnaire         | 14 April 2022   |          | ✓  |
| 16 | Benua Puhun Village                                    | Kutai Kartanegara Regency |              | By Phone              | 20 April 2022   | ✓        |    |
| 17 | Lebak Mantan Village                                   | Kutai Kartanegara Regency |              | By Phone              | 20 April 2022   | ✓        |    |
| 18 | Bukit Jering Village                                   | Kutai Kartanegara Regency |              | By Phone              | 20 April 2022   | ✓        |    |
| 19 | Muara Kaman Ilir Village                               | Kutai Kartanegara Regency |              | By Phone              | 20 April 2022   |          | ✓  |

**Appendix 2. Assessment Program**
**ASA 1-2 REMOTE**

| DATE                           | 30-31 August 2021  |             |
|--------------------------------|--|-------------|
| PROGRAM                        | PROCESSES/CLAUSES TO BE AUDITED  | AUDITOR     |
| <b>Monday, 30 August 2021</b>  |  |             |
| 08.00 – 09.00                  | <b>Remote Audit Opening Meeting (recorded video conference)</b> <ul style="list-style-type: none"> <li>Opening 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                  | <b>Document verifications</b>  | All Auditor |
| 12.00 – 14.00                  | <b>Break</b>   | All Auditor |
| 14.00 – 16.30                  | <b>Document verifications</b>  | All Auditor |
| 16.30 – 17.00                  | <b>Daily audit progress meeting</b>  | All Auditor |
| <b>Tuesday, 31 August 2021</b> |  |             |
| 08.00 – 12.00                  | <b>Document verifications</b>  | All Auditor |
| 12.00 – 14.00                  | <b>Break</b>   | All Auditor |
| 14.00 – 16.00                  | <b>Internal team auditor discussion for closing meeting preparation</b>  | All Auditor |
| 16.00 – 17.00                  | <b>Remote Audit Closing Meeting (recorded Video Conference)</b> <ul style="list-style-type: none"> <li>Presentation of audit findings (Noteworthy Positive Component, Non-Conformities, OFI, Timeline of CAR's, Conclusion)</li> <li>Comments, Responses and Questions</li> </ul>  | All Auditor |

**ASA 1-2 & 1-3 ONSITE**

| DATE                           | 18 – 24 April 2022  |             |
|--------------------------------|---|-------------|
| PLANNED TIME                   | PROCESSES / CLAUSES TO BE AUDITED   | AUDITOR     |
| <b>Monday, 18 April 2022</b>   |   |             |
| 05.00 – 08.15<br>09.00 – 12.00 | <ul style="list-style-type: none"> <li>Jakarta → Samarinda</li> <li>Samarinda → PT PMM</li> </ul>   | All Auditor |
| 13.00 – 14.00                  | <b>Opening meeting</b> <ul style="list-style-type: none"> <li>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li> <li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li> </ul>   | All Auditor |
| 14.00 – 16.00                  | <ul style="list-style-type: none"> <li>Document review and completing audit checklist.</li> <li>Verification of Basic Information Mill and Estate</li> <li>Confirmation of Time Bound Plan</li> <li>Review of Partial Certification</li> </ul> <b>Public Consultation (by phone):</b> <ul style="list-style-type: none"> <li>Government Agency of Kutai Kartanegara</li> <li>Gender Committee, Contractor, Worker Union, Village Representatif, Previous Land Owner, etc</li> <li>FFB Supplier, Scheme smallholder</li> </ul> | All Auditor |
| 16.00 – 16.30                  | <b>Presentation of Daily Progress</b>   | All Auditor |
| <b>Tuesday, 19 April 2022</b>  |   |             |
| 08.00 – 12.00                  | <b>Field Observation to Bumi Permai Estate &amp; Prima Estate</b><br>Aspect to be verified:   | All Auditor |

| DATE                            | 18 – 24 April 2022  |                    |
|---------------------------------|---|--------------------|
| PLANNED TIME                    | 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                   | <b>Break</b>  |                    |
| 14.00 – 16.00                   | <b>Field observation to Bumi Permai Mill</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> |
| 16.00 – 16.30                   | Presentation of Daily Progress  | <b>All Auditor</b> |
| <b>Wednesday, 20 April 2022</b> |   |                    |
| 08.00 – 12.00                   | <b>Field Observation to Kahoi Estate &amp; Lembuswana Estate</b><br>Aspect to be verified: <ul style="list-style-type: none"> <li>- Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> <li>- Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>- Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>- Implementation of Occupational Health &amp; Safety Aspect</li> <li>- Implementation of Employment Procedure and Mechanism Aspect</li> <li>- Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul> | <b>All Auditor</b> |
| 12.00 – 14.00                   | • <b>Break</b>  | <b>All Auditor</b> |
| 14.00 – 16.00                   | <ul style="list-style-type: none"> <li>• Document review and completing audit checklist.</li> <li>• Verification of stakeholder consultation result and field visit.</li> </ul>   | <b>All Auditor</b> |
| 16.00 – 16.30                   | • Presentation of Daily Progress  | <b>All Auditor</b> |
| <b>Thursday, 21 April 2022</b>  |   |                    |
| 08.00 – 12.00                   | <b>Field Observation to Mahakam Estate and Rahayu Estate</b><br>Aspect to be verified : <ul style="list-style-type: none"> <li>- Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> <li>- Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>- Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>- Implementation of Occupational Health &amp; Safety Aspect</li> <li>- Implementation of Employment Procedure and Mechanism Aspect</li> <li>- Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul>    | <b>All Auditor</b> |
| 12.00 – 14.00                   | <b>Break</b>  | <b>All Auditor</b> |
| 14.00 – 16.00                   | <b>Field observation to Rahayu Mill</b>   | <b>All Auditor</b> |

| DATE                           | 18 – 24 April 2022   |                    |
|--------------------------------|--|--------------------|
| PLANNED TIME                   | PROCESSES / CLAUSES TO BE AUDITED  | AUDITOR            |
|                                | <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> |                    |
| 16.00 – 16.30                  | <ul style="list-style-type: none"> <li>• Presentation of Daily Progress</li> </ul>   | <b>All Auditor</b> |
| <b>Friday, 22 April 2022</b>   |  |                    |
| 08.00 – 11.30                  | <ul style="list-style-type: none"> <li>• Document review and completing audit checklist.</li> <li>• Continuing public consultation (If needed)</li> <li>• <i>Verification of stakeholder consultation result and field visit.</i></li> </ul>   | <b>All Auditor</b> |
| 11.30 – 14.00                  | <ul style="list-style-type: none"> <li>• <b>Break</b></li> </ul>   | <b>All Auditor</b> |
| 14.00 – 16.00                  | <ul style="list-style-type: none"> <li>• Document review and completing audit checklist.</li> <li>• Verification of stakeholder consultation result and field visit.</li> </ul>  | <b>All Auditor</b> |
| 16.00 – 16.30                  | Presentation of Daily Progress   | <b>All Auditor</b> |
| <b>Saturday, 23 April 2022</b> |  |                    |
| 08.00 – 12.00                  | <ul style="list-style-type: none"> <li>• Document review and completing audit checklist.</li> </ul>  | <b>All Auditor</b> |
| 12.00 – 14.00                  | <b>Break</b>   | <b>All Auditor</b> |
| 14.00 – 15.00<br>15.00 – 16.00 | <ul style="list-style-type: none"> <li>• Internal Meeting Auditor Team</li> <li>• Closing meeting</li> </ul>   | <b>All Auditor</b> |
| <b>Sunday, 24 April 2022</b>   |  |                    |
| 05.00 – 08.00                  | Site → Samarinda   | <b>All Auditor</b> |
| 09.00 – 10.10                  | Samarinda → Jakarta  | <b>All Auditor</b> |