

## Roundtable on Sustainable Palm Oil Certification RSPO

### [✓] Surveillance

Name of Management Organization : Pembangunan Raya Palm Oil Mill – PT Agro Sejahtera Manunggal, Bumitama Agri Ltd

Plantation Name : Pembangunan Raya Estate, Belaban Raya Estate, Bengkuang Raya Estate, Cooperative Agro Seriam Mandiri

Location : Seriam Village, Kendawangan Sub District, Ketapang District, Kalimantan Barat Province, Indonesia

Certificate Code : MUTU-RSPO/126

Date of Certificate Issue : 25 March 2019 Date of License Issue : 25 September 2022

Date of Certificate Expiry : 24 March 2024 Date of License Expiry : 24 March 2023

Assessment	Assessment Date	PT Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-2 (Remote Audit)	29 to 30 March 2021	Hasiholan Sihombing (Lead Auditor), Rizliani Aprianita Hasibuan, Asystasya Aishah Silalahi and Nurdin Chaeriana	Ardiansyah	Octo H.P.N Nainggolan
ASA-2 & ASA-3 (Onsite Audit)	06 to 10 June 2022	Hasiholan Sihombing (Lead Auditor), Rahmat Abdiansyah, Rindu Galih Rezza Rachmansyah and Sentot Adi Subandono		

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-2 & ASA-3	19 September 2022

## TABLE OF CONTENT

### FIGURE

Figure 1. Location Map of PT Agro Sejahtera Manunggal	1
Figure 2. Operational Map of PT Agro Sejahtera Manunggal	2
Abbreviations Used	3

## 1.0 SCOPE of the CERTIFICATION ASSESSMENT

1.1	Assessment Standard Used	5
1.2	Organization Information	5
1.3	Type of Assessment	5
1.4	Location of Mill and Plantations	5
1.5	Description of Area Statement	6
1.6	Planting Year and Cycle	6
1.7	Description of Mill and Supply Base	6
1.8	Estimate Tonnage of Certified Product	8
1.9	Other Certifications	9
1.10	Time-Bound Plan	9

## 2.0 ASSESSMENT PROCESS

2.1	Assessment Team	13
2.2	Assessment Methodology, Assessment Process and Locations of Assessment	14
2.3	Stakeholder Consultation and Stakeholders Contacted	19
2.4	Determining Next Assessment	19

## 3.0 ASSESSMENT FINDINGS

3.1	Summary of Assessment Report of the RSPO Certification	20
3.2	Conformity Checklist of Certificate and Logo Use	71
3.3	Summary of RSPO Partial Certification	72
3.4	Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components	76
3.5	Summary of Arising Issues from Public and Auditor Verification	113

## 4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1	Formal Signing of Assessment Findings	119
-----	---------------------------------------	-----

## APPENDICES

1.	List of Stakeholders Contacted in the RSPO Certification Process	120
2.	Assessment Program	123

Figure 1. Location Map of PT Agro Sejahtera Manunggal

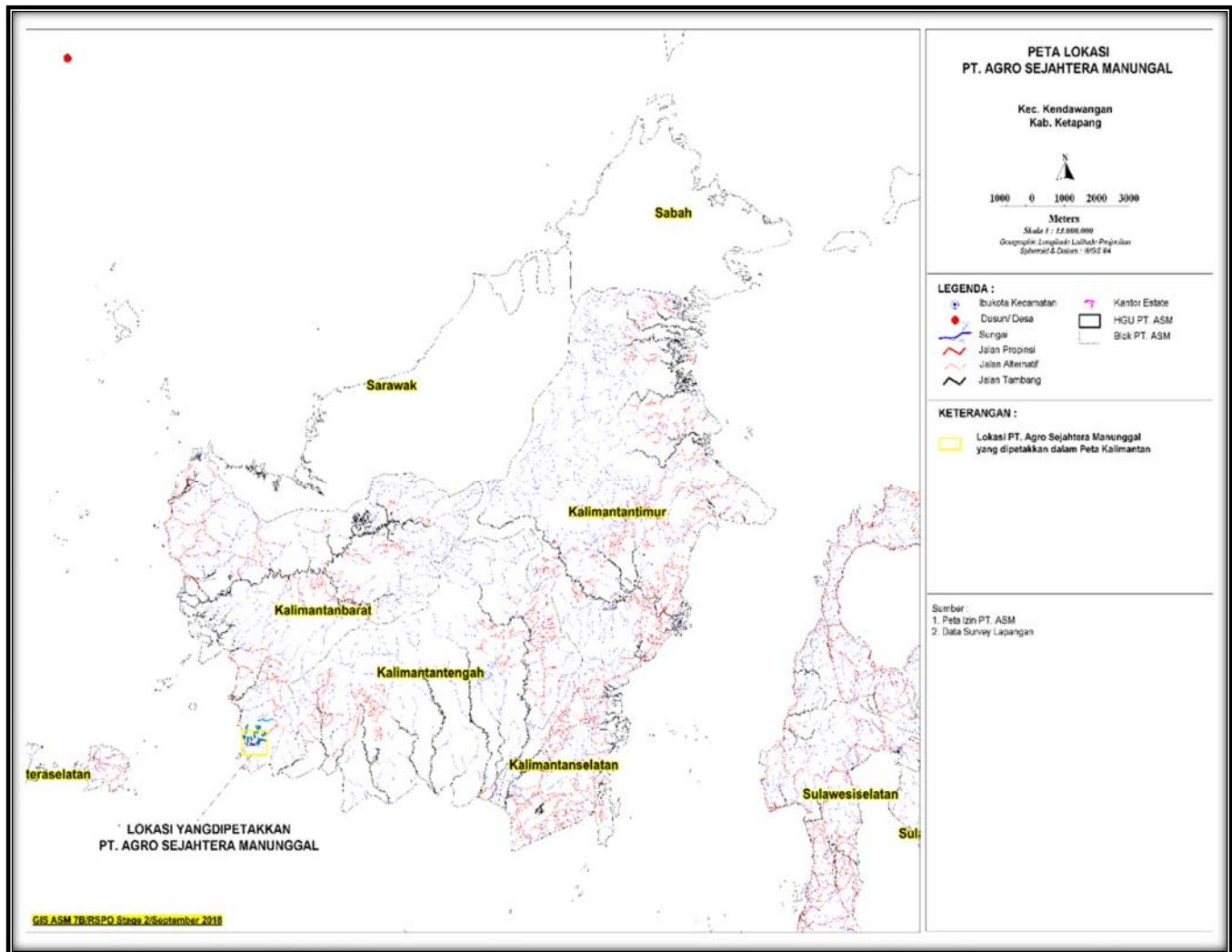
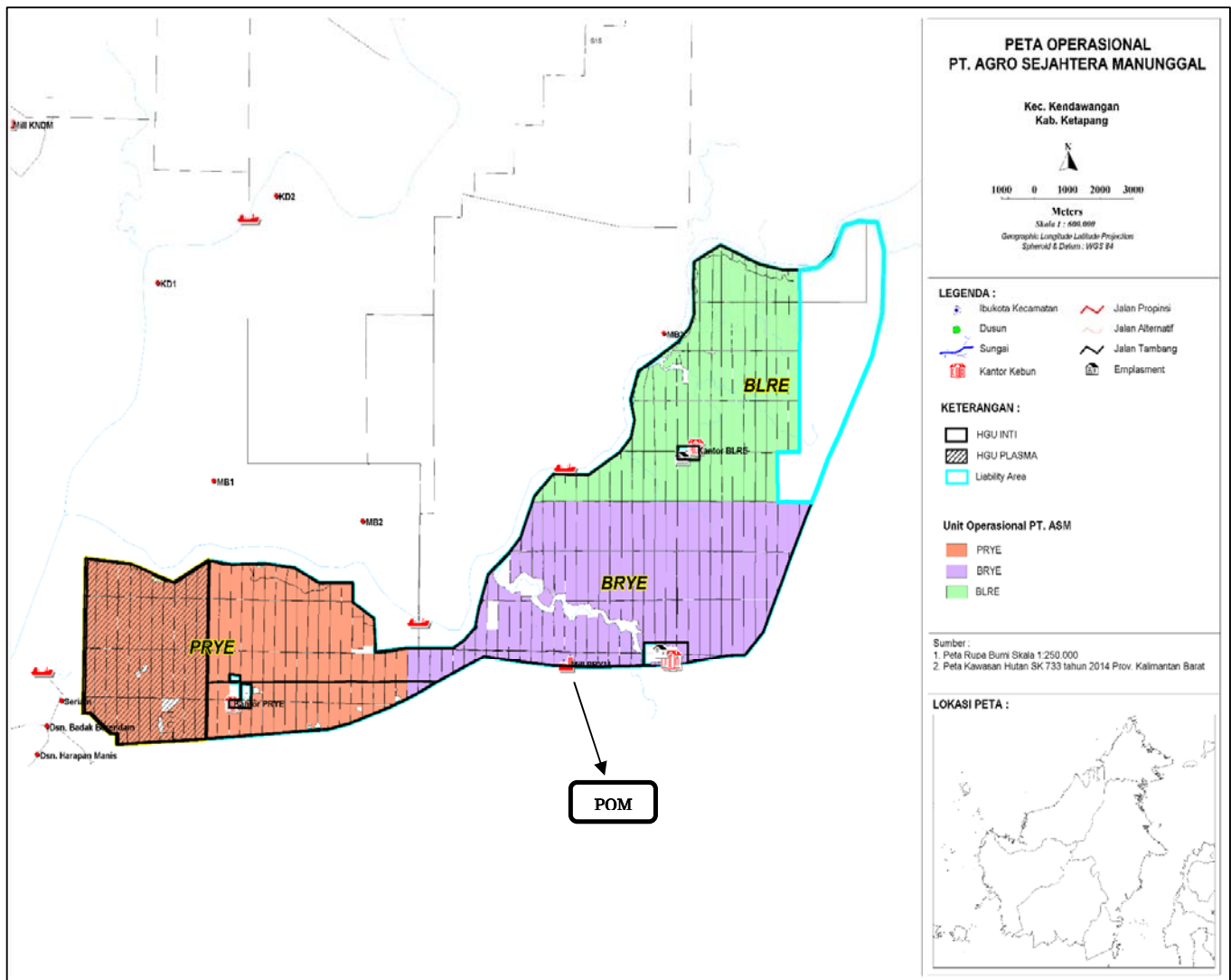


Figure 2. Operational Map of PT Agro Sejahtera Manunggal



## Abbreviations Used

AMDAL	:	<i>Analisis Mengenai Dampak Lingkungan</i> (Environmental Impact Assessment)
APD / PPE	:	<i>Alat Pelindungan Diri</i> (Personal Protection Equipment)
APL	:	<i>Area Penggunaan Lain</i> (Other Land Used)
ASA	:	Annual Surveillance Assessment
ASEAN	:	Association of South East Asian Nations
ASM	:	Agro Sejahtera Manunggal
BGA	:	Bumitama Gunajaya Agro
BHS	:	BGA Harvesting System
BLRE	:	Belaban Raya Estate
BMS	:	BGA Manuring System
BOD	:	Biological Oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> /Social Insurance
BPJN	:	<i>Badan Pertanahan Nasional</i> /National Land Agency
BRYE	:	Bengkuang Raya Estate
BSS	:	BGA spraying System
CH	:	Certificate Holders
CLA	:	Collective Labour Agreement
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Corporate Social Responsibility
CV	:	<i>Commanditaire Vennootschap</i> /Small business enterprise
D&L	:	Document & Legal
EFB	:	Empty Fruit Bunch
ETP	:	Effluent Treatment Plant
FFB	:	Fresh Fruit Bunch
FPIC	:	Free, Prior, Inform, Consent
GHG	:	Green House Gases
GHL	:	Gunajaya Harapan Lestari
GKS	:	Gunajaya Ketapang Sentosa
HCV	:	High Conservation Value
HIRAC	:	Hazard Identification Risk Assessment & Control
HO	:	Head Office
IPM	:	Integrated Pest Management
ISPO	:	Indonesian Sustainable Palm Oil
KER	:	Kernel Extraction Rate
MCU	:	Medical Check Up
MoU	:	Memorandum of Understanding
MSDS	:	Material Safety Data Sheet
NGO	:	Non-Government Organization
OHS	:	Occupational, Health and Safety
OER	:	Oil Extraction Rate
PAD	:	Public Affairs Department
P2K3	:	<i>Panitia Pembina Kesehatan Keselamatan Kerja</i>
PIC	:	Person In Charge
PK	:	Palm Kernel
PP	:	<i>Peraturan Perusahaan</i>

PPE	:	Personal Protection Equipment
PRYE	:	Pembangunan Raya Estate
PRYM	:	Pembangunan Raya Mill
PT ASM	:	PT Agro Sejahtera Manunggal
PTB	:	<i>Pekerja Tetap Bulanan</i> /Monthly Permanent Worker
PTH	:	<i>Pekerja Tetap Harian</i> / Daily Permanent Worker
PTT	:	<i>Pekerja Tidak Tetap</i> /Free Labour
QA	:	Quality Assurance
RKL/RPL	:	<i>Rencana kelola lingkungan/ Rencana pemantauan lingkungan</i>
RSPO	:	Roundtable on Sustainable Palm Oil
SAE	:	Society of Automotive Engineers
SCCS	:	Supply Chain Certification System
SEIA	:	Social Environmental Impact Assessment
SIA	:	Social Impact Assessment
SMK3	:	<i>Sistem Manajemen Kesehatan, Keselamatan, Kerja</i>
TMAT	:	<i>Tinggi Muka Air Tanah</i> /Ground water level
UKL/UPL	:	<i>Upaya Kelola Lingkungan/Upaya Pantau Lingkungan</i>
WTP	:	Water Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"><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><li>Indonesia National Interpretation of Principles and Criteria for Sustainable Palm Oil Production 2018, endorsed on 20th April 2020.</li><li>RSPO Notice to CB on RSPO P&amp;C On-site &amp; Remote Audits, on 24th March 2020.</li><li>Contingency RSPO Audit Procedure, on 25<sup>th</sup> August 2020.</li></ul>	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT Agro Sejahtera Manunggal subsidiary of Bumitama Agri Ltd.	
1.2.2	Contact person	Lim Sian Choo	
1.2.3	Organisation address and site address	RSPO registered company: Melawai Raya Street No. X, Kebayoran Baru, Jakarta Selatan, 12160	
1.2.4	Telephone	(62-21) 2783 8200	
1.2.5	Fax	(62-21) 7279 8665	
1.2.6	E-mail	<a href="mailto:lim.sian.choo@bumitama.com">lim.sian.choo@bumitama.com</a>	
1.2.7	Web page address	<a href="http://www.bumitama-agri.com">www.bumitama-agri.com</a>	
1.2.8	Management Representative who completed the application for certification	Lim Sian Choo (Head of CSR and Corporate Sustainability)	
1.2.9	Registered as RSPO member	Bumitama Agri Ltd dated 07 October 2007 Reg.Number: 1-0043-07-000-00	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base: Pembangunan Raya Mill, Pembangunan Raya Estate, Belaban Raya Estate, Bengkuang Raya Estate and Cooperative Agro Seriam Mandiri	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	<div>Coordinate</div> <div>LatitudeLongitude</div>
	Pembangunan Raya	Seriam Village, Kendawangan Sub District, Ketapang District, Kalimantan Barat Province, Indonesia	S 02° 32' 38"E 110° 23' 57"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	<div>Coordinate</div> <div>LatitudeLongitude</div>
	Pembangunan Raya	Seriam Village, Kendawangan Sub District, Ketapang District, Kalimantan Barat Province, Indonesia	S 02° 33' 13"E 110° 18' 43"
	Bengkuang Raya	Seriam Village, Kendawangan Sub	S E

		District, Ketapang District, Kalimantan Barat Province, Indonesia	02° 32' 41"	110° 24' 12"			
	Belaban Raya	Seriam Village, Kendawangan Sub District, Ketapang District, Kalimantan Barat Province, Indonesia	S 02° 30' 29"	E 110° 24' 15"			
	Cooperative Agro Seriam Mandiri (660 Farmers)	Seriam Village, Kendawangan Sub District, Ketapang District, Kalimantan Barat Province, Indonesia	S 02° 33' 13"	E 110° 18' 43"			
1.5	Description of Area Statement						
1.5.1	Tenure						
	• State		6,124.69 Ha				
	- Community		960.80 Ha				
	*Total scope certification is 6,316.77 Ha. There is area covering 768.72 Ha in Belaban Raya Estate exclude the scope of certification due to RaCP progress. In Time Bound Plan is planned on 2022.						
1.5.2	Area Statement						
		PT ASM	Smallholder	Total			
	- Total area	5,355.97	960.80	6,316.77 Ha			
	- Mature area	4,881.02	914.77	5,795.79 Ha			
	- Mill	8.40	-	8.40 Ha			
	- Emplacement	78.52	-	78.52 Ha			
	• Infrastructure	239.75	35.76	275.51 Ha			
	• Lowland / swamps	24.50	-	24.50 Ha			
	• Unplanted area and Occupation	21.14	10.27	31.41 Ha			
	• HCV	102.64	-	102.64 Ha			
1.6	Planting Year and Cycles						
1.6.1	Age profile of planting year						
	Planting Year	Hectarage (Ha)					
		Pembangunan Raya Estate	Bengkuang Raya Estate	Belaban Raya Estate	Cooperative Agro Seriam Mandiri	Total	
	2009	1,063.14	479.48	390.69	911.12	2,844.43	
	2010	152.35	1,531.12	1,162.05	-	2,845.52	
	2011	-	12.23	70.91	-	83.14	
	2012	9.59	-	9.46	3.65	22.70	
	TOTAL	1,225.08	2,022.83	1,633.11	914.77	5,795.79	
	1.6.2	New Planting area after January 2010		2,951.36 Ha			
1.6.3	Planting Cycle		1 <sup>st</sup> Cycle				
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)



	Pembangunan Raya	60	623,638.86	147,949.12	23,72	30,298.42	4,86
	<i>*Production data source from May 2020 – May 2022.</i> <u>Note:</u> <ul style="list-style-type: none"><li>Unit of certification received NPP sanctions for 3 years and did not get certified FFB so that FFB production from plants with planting years 2010-2012 could not be claimed as certified products. Certified production (FFB, CPO and PK) only from the 2009 planting year.</li><li>The sanction was ended in 25 March 2022 (3 years after obtaining certificate) and the unit of certification can claim certified production from all planting years since April 2022.</li></ul>						
1.7.2	Description of Certification Scope of Supply Base						
	<b>Name of Estate</b>	<b>Total Area (Ha)</b>	<b>Production Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/ha/year)</b>	<b>Supplied to Mill</b>	
						<b>FFB (tonnes/year)</b>	<b>%</b>
	Pembangunan Raya	1,318.22	1,225.08	35,755.71	14.01	35,755.71	100
	Bengkuang Raya	2,304.58	2,022.83	32,071.74	7.61	32,071.74	100
	Belaban Raya	1,733.17	1,633.11	22,001.20	6.47	22,001.20	100
	Cooperative Agro Seriam Mandiri (660 Farmers)	960.80	914.77	32,702.78	17.16	32,702.78	100
	<b>TOTAL</b>	<b>6,316.77</b>	<b>5,795.79</b>	<b>122,531.43</b>	<b>10.15</b>	<b>122,531.43</b>	<b>100</b>
	<i>*Production data source from May 2020 – May 2022.</i> <u>Note:</u> <ul style="list-style-type: none"><li>Unit of certification received NPP sanctions for 3 years and did not get certified FFB so that FFB production from plants with planting years 2010-2012 could not be claimed as certified products. Certified FFB production only from the 2009 planting year.</li><li>The sanction was ended in 25 March 2022 (3 years after obtaining certificate) and the unit of certification can claim certified production from all planting years since April 2022.</li></ul>						
1.7.3	FFB description from other source						
	<b>Name of sources/Organisation (RSPO certified / non-certified)</b>	<b>Type of Organisation</b>	<b>number of smallholders</b>	<b>Production Area (Ha)</b>	<b>Supplied to Mill</b>		
					<b>FFB (tonnes/year)</b>		
	<b>RSPO Certified</b>						
	Seriam Jaya Estate	PT Gunajaya Ketapang Sentosa subs of Bumitama Agri	-	-	26,119.45		
	Membuluh Sejahtera Estate	PT Gunajaya Ketapang Sentosa subs of Bumitama Agri	-	-	3,872.79		
	Banjar Sari Estate	PT Gunajaya Karya Gemilang subs of Bumitama Agri	-	-	292.81		
	<b>Sub Total</b>					<b>30,285.05</b>	
	<b>RSPO Non-Certified</b>						
	Pembangunan Raya Estate (Planting Year 2010-2012)	PT Agro Sejahtera Mandiri (Area of NPP Sanction)	-	-	40,513.48		
	Bengkuang Raya Estate (Planting Year 2010-2012)	PT Agro Sejahtera Mandiri (Area of NPP Sanction)	-	-	50,103.75		
	Belaban Raya Estate (Planting Year 2010-2012)	PT Agro Sejahtera Mandiri (Area of NPP Sanction)	-	-	51,467.61		

	Belaban Raya Estate (Suspect Liability Area)	PT Agro Sejahtera Mandiri	-	768.72	29,985.62	
	Farmers Group of Sawit Maju Sejahtera	Plasma of PT Agro Sejahtera Mandiri – Full Managed	-	1,021.62	39,359.16	
	Cooperative Agro Seriam Mandiri (SHM Certificate)	Plasma of PT Agro Sejahtera Mandiri – Full Managed	-	405.47	14,834.39	
	Cooperative Fajar Mandiri	Plasma of PT Gunajaya Ketapang Sentosa	-	-	38,061.39	
	Farmers Group of Sawit Bersama	Plasma of PT Gunajaya Ketapang Sentosa	-	-	110,823.53	
	Teluk Rengit Estate	PT Gunajaya Harapan Lestari subs of Bumitama Agri	-	-	95,405.78	
	Cargill	Independent Outgrowers	-	-	48.73	
	Sub Total					470,603.44
	TOTAL					500,888.49
	*Production data source from May 2020 – May 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 + Ext Volume (25 May 2020 – 24 June 2022)		Last Year Actual Certified Volume (May 2020 – May 2022) (MT)	
	FFB Processed		191,000		152,816.48	
	CPO Production		44,274		37,554.54	
	Palm Kernel (PK) Production		9,173		7,892.52	
1.8.2	Product selling					
	Type of selling product		Actual selling product for last year (May 2020 – May 2022) (MT)			
	CSPO sold as RSPO certified product		0			
	CSPK sold as RSPO certified product		3,050			
	CSPO sold under another scheme		0			
	CSPK sold under another scheme		0			
	CSPO sold as conventional		35,500			
	CSPK sold as conventional		3,490			
1.8.3	Estimate of Certified FFB Claim					
	Name of Estates	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	
	Pembangunan Raya	1,318.22	1,225.08	33,000	26.94	
	Bengkuang Raya	2,304.58	2,022.83	40,000	19.77	
	Belaban Raya	1,733.17	1,633.11	35,000	21.43	
	Cooperative Agro Seriam Mandiri (660 Farmers)	960.80	914.77	17,000	18.58	
	TOTAL	6,316.77	5,795.79	125,000	21.57	

	<i>*Projected FFB production for next 12 months of certificate</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Pembangunan Raya	60	125,000	30,000	24.00	6,250	5.00	MB
	<i>*Projected FFB production for next 12 months of certificate</i>							
1.9	Other Certifications							
	ISO 9001			-				
	ISO 14001			-				
	OHSAS 18001			-				
	ISPO			Certificate No. MUTU-ISPO/194, valid thru 3 November 2024.				
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	MILL	Time Bound Plan						
	Pundu Nabatindo (PT Windu Nabatindo Lestari)	2014	Pundu Nabatindo	2014	KotawaringinTimur Regency Kalimantan Tengah	Certified		
			Koperasi Harapan Abadi	2023	Kotawaringin Timur Regency Kalimantan Tengah	-		
			Kelompok Tani Tenera (Independent Smallholders)	2018	Katingan Regency, Kalimantan Tengah	Certified		
			PT Fajar Bumi Nabati (FBI)	2022	Kotawaringin Timur Regency Kalimantan Tengah	-		
			PT Gemilang Subur Maju (GSM)	2022	Kotawaringin Timur Regency Kalimantan Tengah	-		
	Katari Agro (PT Windu Nabatindo Lestari)	2016	Pelantaran Agro Estate	2016	Kotawaringin Timur Regency, Kalimantan Tengah	Certified		
			Katari Agro Estate					
			Pantai Mas Estate					
	Gunung Makmur (PT Karya Makmur Bahagia)	2014	GunungMakmur	2014	Kotawaringin Timur Regency, Kalimantan Tengah	Certified		
			Sungai Mentaya					
			Bukit Daman					
			KUD Mekar Jaya	2022		-		
			KUD Sekar Tani	2022		-		
			KUD Lestari	2022		-		
			KUD Marga Rahayu	2022		-		
			KUD Usaha Bersama	2022		-		
			KUD Tani Santoso	2022		-		
			PT Tanah Tani Lestari	2022		-		

		Koperasi Hapakat (PT TTL)	2022		-
		Koperasi Rika Bersatu (PT TTL)	2022		-
		Koperasi Usaha Bersama (PT TTL)	2022		-
		Koperasi Eka Kaharap (PT TTL)	2022		-
		Koperasi Berkat Usaha Bersama (PT TTL)	2022		-
		Koperasi Bina Tani (PT TTL)	2022		-
		Kelompok Tani Karya Bersama (Independent Smallholders)	2022		-
Bukit Makmur (PT Karya Makmur Bahagia)	2019	Bukit Makmur	2019	Kotawaringin Timur Regency, Kalimantan Tengah	Certified
		Bukit Kecubung	2019		Certified
		Sungai Puring (PT Langgeng Makmur Sejahtera)	2022		-
		Koperasi Telawang Bersatu	2022		-
		Koperasi Hinje Ate	2022		-
		Koperasi Eka Kaharap (PT LMS)	2022		-
Kotawaringin (PT Bumitama Gunajaya Abadi)	2022	Sepantaian	2022	Kotawaringin Barat Regency, Kalimantan Tengah	-
		Danau Merah			-
		Kotawaringin			-
		Tonam Raya			-
Lamandau Mill (PT Bumitama Gunajaya Abadi)	2023	(PT Bumitama Gunajaya Abadi)	2023	Lamandau Regency, Kalimantan Tengah	-
		Kumai Hilir Estate (PT Andalan Sukses Makmur)	2023	Kotawaringin Barat Regency, Kalimantan Tengah	NPP Was Complete
		PT Investa Karya Bhakti	2023	Lamandau Regency, Kalimantan Tengah	NPP Was Complete
		Koperasi Kompak Maju Bersama	2023	Lamandau Regency, Kalimantan Tengah	-
		Koperasi Mitra Bahaum	2023	Lamandau Regency, Kalimantan Tengah	-
		Koperasi Tanjung Biru	2023	Lamandau Regency, Kalimantan Tengah	-
		Koperasi Seberang Jaya Sejati	2023	Lamandau Regency, Kalimantan Tengah	-
		Koperasi Pulai Sejahtera	2023	Kotawaringin Barat Regency, Kalimantan Tengah	-
Kendawangan Mill (PT. Gunajaya Karya Gemilang)	2015	Mekar Utama	2015	Ketapang Regency, Kalimantan Barat	Certified 2015
		Kendawangan			
		Banjar Sari			
		Seriam Jaya			
		Membuluh Jaya			
		Koperasi Serba Usaha Bersama	2022	Ketapang Regency, Kalimantan Barat	-

		Koperasi Serba Usaha Karya Bersama			-
		Koperasi Binasari			-
		Koperasi Perkebunan Fajar Mandiri			-
		Koperasi Rimba Sari			-
SukaDamai (PT Rohul Sawit Industri)	2019	PT Masuba Citra Mandiri – 1,567.07 Ha	2019	Rokan Hulu Regency, Riau	Certified 2019
		PT Masuba Citra Mandiri – 326.04 Ha the area which suspect into liability mechanism	2022	Rokan Hulu Regency, Riau	-
		Koperasi Karya Melayu Sejati	2019	Rokan Hulu Regency, Riau	Certified 2019
Pembangunan Raya Mill (PT Agro Sejahtera Mandiri)	2019	PT ASM – 4,861.48 Ha	2019	Ketapang Regency, Kalimantan Barat	Certified 2019
		PT ASM – 494.49 Ha	2020	Ketapang Regency, Kalimantan Barat	Certified 2020
		Cooperative of Agro Seriam Mandiri	2019	Ketapang Regency, Kalimantan Barat	Certified 2019
		Cooperative of Agro Seriam Mandiri (SHM Certificate – 405.47 Ha)	2022	Ketapang Regency, Kalimantan Barat	-
		PT ASM – 768.72 Ha the area which suspect into liability mechanism	2022	Ketapang Regency, Kalimantan Barat	-
		Koperasi Bawal Sejahtera Mandiri (Plasma of PT GHL)	2022	Ketapang Regency, Kalimantan Barat	-
		Kelompok Tani Sawit Maju Sejahtera (1,021.62 Ha)	2022	Ketapang Regency, Kalimantan Barat	-
		Teluk Rengit (PT Gunajaya Harapan Lestari)	2022	Ketapang Regency, Kalimantan Barat	-
Sungai Rasau Mill (PT Karya Bakti Agro Sejahtera)	2022	Marau Raya	2022	Ketapang Regency, Kalimantan Barat	ST-1 (2014)
		KUD Rangkong Bertuah	2022	Ketapang Regency, Kalimantan Barat	-
		KUD Rasau Tiga Bersama	2022	Ketapang Regency, Kalimantan Barat	-
		PT Agriplus	2022	Ketapang Regency, Kalimantan Barat	-
Selucing Mill (PT. Windu Nabatindo Abadi)	2022	Serawak Damai (PT Windu Nabatindo Sejahtera)	2022	Central Kalimantan	Have not obtained the HGU
Sungai Cempaga Mill (PT. Windu Nabatindo Abadi)	2022	PT. Windu Nabatindo Abadi	2022	Central Kalimantan	■
		PT Nabatindo Karya Utama	2022	Central Kalimantan	NPP was complete
		KSU Sehati Pundu	2022	Central Kalimantan	-
		Koperasi Koling Hapakat	2022	Central Kalimantan	-
Bukit Tunggul Jaya Mill	2020	PT Ladang Sawit Mas	2020	Ketapang Regency, West	Certified

	(PT Ladang Sawit Mas)				Kalimantan	2020
			KopBun Bukit Tunggal Sejahtera	2022		
			KopBun Mitra Perjalanan Permai	2022		
			PT Lestari Gemilang Intisawit	2022		NPP was complete
			Koperasi Kayong Sekayuk	2022		
			Koperasi Mitra Sejati	2022		
			PT Ago Manunggal Sawitindo	2022		NPP was complete
			PT Nabati Agro Subur	2022		
			PT Sejahtera Sawit Lestari	2022		
			PT Karya Makmur Langgeng	2022		NPP was complete
			PT Gemilang Makmur Subur	2022		NPP on Process
			Koperasi Istana Pawan Mandiri	2022		
			Koperasi Rungau Sejahtera	2022		
			PT Damai Agro Sejahtera	2022		NPP on Process
			Bukit Belaban Mill (PT Sentosa Prima Agro) **Replanting from Acquisition	2022		PT Sentosa Prima Agro
			PT Raya Sawit Manunggal	2023	-	
		PT Wahana Hijau Indah	2023	-		
		PT Hungarindo Persada	2022	NPP on Process		
	*TBP is approve on November 2021.					
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	Cooperative of Bawal Sejahtera Mandiri and Farmers Group of Sawit Maju Sejahtera will be certified in 2022.					

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-2 (Remote)	<ol style="list-style-type: none"> <li><b>Hasiholan Sihombing (Lead Auditor).</b> Indonesian citizen. Bachelor of Agriculture Majoring in Agronomy, Agriculture Faculty. He has working experienced for 7 (seven) years since 2009 as an Operational Staff in an Oil Palm Plantation Company in Indonesia. The training he has followed namely: Lead Auditor ISPO, RSPO P&amp;C Lead Auditor Course, RSPO Supply Chain Certification Lead Auditor Course, SA 8000 Awareness, Quality Management Systems (ISO 9001:2015), Environmental Management Systems (ISO 14001:2015), OHS General Expert, OHSAS 18001:2007, ISO 19011:2018, ISO 17021:2011 and ISO 17065:2012. During this audit, he assigned to verify best management practice aspect and SCCS.</li> <li><b>Rizliani Aprianita (Auditor).</b> Indonesian Citizen. Bachelor and Magister of Agribusiness, Faculty of Agriculture. She had followed training such as lead Auditor ISO 9001:2008, ISO 14001:2004, OHSAS 18001, ISPO Auditor training, RSPO lead Auditor training, RSPO SCCS training, SA 8000, social training by RSPO (Verite) and followed several IHT related to environment, BMP etc. She has been involved in several audit activities related to sustainable palm oil certification since 2015 covering social aspect, health and safety aspect, worker welfare and waste management aspect. During this audit, she conducted an assessment Legality, TBP, Partial and OHS aspects.</li> <li><b>Asystasya Aishah Silalahi (Auditor).</b> Indonesia Citizen, Bachelor of Economy, Major of Agribusiness, Faculty of Economic and Management. She has one-year experience in consultancy. She has followed training such as ISPO Auditor Training, Lead Auditor ISO 9001:2015, OHS General Expert, RSPO lead auditor training course, SCCS, and several in house training related to environmental, BMP, SA 8000. Has been involved in several audit activities since 2016 related to sustainable palm oil certification covering waste management aspect, Social Aspect, Health and Safety Aspect, and Worker Welfare. During this audit, she conducted an assessment Worker Welfare and Transparency.</li> <li><b>Nurdin Chaeriana (Auditor).</b> Associate Expert in Forest Management, Faculty of Forestry, has 5 years working experience in Industrial Plantation Forest Companies as Environment, Health and Safety Staff and worked for 5 years in plantations as Assistant Manager of Sustainability. Training attended was ISPO Lead Auditor, <i>Lead Auditor</i> ISPO, <i>Lead Auditor</i> RSPO, <i>Lead Auditor</i> ISO 9001-2015, <i>Lead Auditor</i> ISO 14001-2015, General OHS Expert, Hazardous and Toxic Waste Material Management Technical Guidance, Fundamentals of Forest and Land Fire Control, Training of Trainer Fire Fighting Course, Basic Fire Fighting Course, Fire Management, Fire Fighting Technique Prevention &amp; Control, ISO 14001:2004 Internal Auditor. During this audit he verified the aspects of Environmental, HCV and GHG.</li> </ol>
ASA-2 & ASA-3 (Onsite)	<ol style="list-style-type: none"> <li><b>Hasiholan Sihombing (Lead Auditor).</b> Indonesian citizen. Bachelor of Agriculture Majoring in Agronomy, Agriculture Faculty. He has working experienced for 7 (seven) years since 2009 as an Operational Staff in an Oil Palm Plantation Company in Indonesia. The training he has followed namely: Lead Auditor ISPO in 2016, RSPO P&amp;C Lead Auditor Course in 2018, RSPO Supply Chain Certification Lead Auditor Course in 2020, SA 8000 Awareness in 2018, Quality Management Systems (ISO 9001:2015) in 2016, Environmental Management Systems (ISO 14001:2015) in 2017, OHS General Expert in 2013, OHSAS 18001:2007 in 2017, ISO 19011:2018 in 2019, ISO 17021:2011 and ISO 17065:2012 in 2016. During this audit, he assigned to verify legal aspect, land dispute and SCCS.</li> <li><b>Rindu Galih Rezza Rachmansyah (Auditor).</b> Indonesian citizen, Bachelor of Agriculture with major in Plant Pest and Disease. Has one year experience as Field Expert in Pesticide Company and 3 years' experience in Industrial Forest Management, Forest Rehabilitation and Reclamation on Indonesia Stated Owned Company as Assistant. Training which had attended including Lead Auditor ISO 9001, ISO 14001, ISO 17021, ISO 19011, SA 8000, Lead Auditor ISPO, Lead Auditor RSPO, RaCP &amp; NPP Awareness and OHSAS 18001:2007. Has involved in several audit activities related to sustainable palm oil since 2017 in the aspects of Best Management Practices (BMP), social, worker welfare and OHS. During assessment, he assigned to verification towards worker welfare, information disclosure, transparency and social aspect.</li> <li><b>Rahmat Abdiansyah (Auditor).</b> Indonesian citizen. Bachelor of Forestry from IPB University, with major in Forest Resources Conservation and Ecotourism. Has experience working in the Indonesian Palm Oil Farmers Organization and Indonesian private oil palm plantation companies. Participate in ISPO and RSPO Internal Auditor training in 2018, ISPO and P&amp;C Certification Systems IHT in 2019, IHT ISO 19011, ISPO Auditor Training in 2020, RSPO Lead Auditor Training in 2020, ISO 14001 and ISO 9001 Lead Auditor Training in 2020, and awareness of</li> </ol>



	<p>the RSPO Certification System and the RSPO P&amp;C in 2019 and 2020. During this assessment, he verified the aspects of environment, conservation and GHG aspect.</p> <p>4. <b>Sentot Adi Subandono (Auditor).</b> Indonesia citizen, Bachelor of Agriculture, Department of Agricultural Cultivation. He has five years of experience working since 2005 as Plantation Operational Staff and nine years as Internal Auditor in private oil palm plantations in Indonesia. The training that has been attended includes the Basic Management Development Program of Palm Oil Plantation, Use of Limited Pesticides, Best Practices in Internal Auditing, Fraud Auditing: Prevention, Detection, and Investigation, Operational Risk Approach in Internal Auditing, General Occupational Health and Safety Expert, ISPO Auditor Training in 2016, ISO 9001: 2015, RSPO Lead Auditor Training in 2020. During this assessment, verified the aspects of Best Management Practices and OHS Aspect.</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>
ASA-2 (Remote)	<p>Number of auditors: 4 auditors.</p> <p>Number of days for <b>ASA-2</b> remote audit: 2 days.</p> <p>Number of working days for <b>ASA-2</b> remote audit: 8 Working days.</p>
ASA-2 & ASA-3 (Onsite)	<p>Number of auditors: 4 auditors</p> <p>Number of days for <b>ASA-2 &amp; ASA-3</b> at site: 5 days</p> <p>Number of working days for <b>ASA-2 &amp; ASA-3</b> at site: 20 Working days</p>
2.2.2	<b>Assessment Process</b>
ASA-2 (Remote)	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Agro Sejahtera Manunggal – Pembangunan Raya POM to the requirements of <b>Principles and Criteria for the Production of Sustainable Palm Oil 2018, Endorsed by the RSPO Board of Governors 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 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</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-2</b>.</p> <p>Improvement of findings from <b>ASA-1</b> findings were observed by auditors at this <b>ASA-2</b> assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of <b>ASA-2 Remote Audit</b>.</p> <p>The opening meeting was held on Monday, 29 March 2021 at 8.00 AM through a teleconference Zoom. As for the participants who attended the opening meeting included the Estate Manager, Mill Manager, support team from sustainability department and other relevant staff. The document is presented through email and google drive. While the closing meeting conducted on 30 March 2021 at 4.30 PM attended by the same participants as the opening meeting. Generally, the remote audit activity went well and the management of PT Agro Sejahtera Manunggal – Pembangunan Raya POM received all the audit results that were submitted at the closing meeting. This remote audit activity takes place in the <b>witness by ASI</b>.</p> <p>The assessment program please find Appendix 2.</p>
ASA-2 & ASA-3 (Onsite)	<p>The assessment was conducted by measuring the implementation of certification system and standard conducted by PT Agro Sejahtera Manunggal, Pembangunan Raya POM based on:</p> <ul style="list-style-type: none"> <li>• <b>RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20th April 2020</b></li> <li>• <b>RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020</b></li> </ul>



The scope of certification of PT Agro Sejahtera Manunggal consist of one mill (Pembangunan Raya POM) and four estates (Pembangunan Raya Estate, Bengkuang Raya Estate, Belaban Raya Estate and Plasma Agro Seriam Mandiri Cooperative).

The audit program is included as Appendix II. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site. Some opportunities for improvement of the results ASA-2+ASA-3 by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment. Improvement of findings from ASA-1 findings were observed by auditors at this assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-2+ASA-3.

The auditor's journey from the airport in Ketapang to the audit location takes about 4-5 hours. The opening meeting was held on 6 June 2022 in Mess PT ASM via online because still in covid situation. As for the participants who attended the online opening meeting included the Regional Controller, Area Controller, Estate and Mill Managers, Sustainability Staff, Support Team from Jakarta and other staff. Closing meeting was held on 10 June 2022 attended by the same participants as the opening meeting. Management PT Agro Sejahtera Manunggal accepted all this audit results.

During the COVID-19 pandemic, there were several modifications to the audit activity due to health protocols. Audit process carried out with high safety protocol procedure that developed by Certification Body and the unit of certification. Before an onsite audit carried out, there are several meetings to discuss health protocol procedures. There are several activities that are not possible to do face to face, such as public consultations with government agencies so that these activities are carried out by telephone.

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

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

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

The assessment program please find Appendix 2.

### 2.2.3

### Locations of Assessment

The sampling location consider the issue arise from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:

#### Pembangunan Raya POM

- **Weighbridge.** Observation and interview related SCCS implementation, OHS and employment.

- **Water Source Reservoir.** Observations and interviews related to water management, recording of water use, health checks, PPE and waste management.
- **Land Application Block D43 Division 3.** Observation of flatbed conditions, indications of POME spills or overflows, and interviews with workers regarding duties, responsibilities and labor aspects.
- **WWTP.** Field observations related to WWTP entry, runoff, effluent testing. Officers are equipped with PPE and effluent discharge records.
- **Employee Housing.** Observation of the availability of infrastructure such as employee housing facilities, clean water facilities, educational facilities, religious facilities, health facilities and sports facilities.
- **Empty Bunch Area (EBA).** Observations related to material handling, OHS and environmental management.
- **Workshop.** Observations and interviews with warehouse officers related to work procedures, housekeeping, environmental management, hazardous material/waste management, employment, complaint mechanisms and OHS aspects.
- **Oil Warehouse.** Observations and interviews with warehouse officers related to work procedures, housekeeping, environmental management, hazardous material/waste management, employment, complaint mechanisms and OHS aspects.
- **Logistic/Sparepart Warehouse.** Observations and interviews with warehouse officers related to work procedures, housekeeping, environmental management, hazardous material/waste management, employment, complaint mechanisms and OHS aspects.
- **Chemical Warehouse.** Observations and interviews with warehouse officers related to work procedures, housekeeping, environmental management, hazardous material/waste management, employment, complaint mechanisms and OHS aspects.
- **Hazardous Waste Temporary Warehouse.** Observations and interviews with warehouse officers related to work procedures, housekeeping, environmental management, hazardous material/waste management, employment, complaint mechanisms and OHS aspects.
- **Water Treatment Plant (WTP).** Observations and interviews with warehouse officers related to work procedures, housekeeping, environmental management, hazardous material/waste management, employment, complaint mechanisms and OHS aspects.
- **Solar Tank.** Observations related to environmental management and OHS aspects.
- **Hydrant Simulation.** Observations and interviews with factory fire emergency responders related to emergency response procedures, availability and state of emergency response equipment and handling officers in conducting simulations.
- **Post security.** Observations and interviews related to technical work, employment aspects, OHS aspects, and business ethics.
- **Grading Station.** Observations and interviews related to technical work, employment aspects, OHS aspects, and business ethics.
- **Sterilizer station.** Observations and interviews related to technical work, employment aspects, OHS aspects, social aspect, and environment aspect.
- **Press station.** Observations and interviews related to technical work, employment aspects, OHS aspects, social aspect, and environment aspect.
- **Engine room station.** Observations and interviews related to technical work, employment aspects, OHS aspects, social aspect, and environment aspect.
- **Boiler station.** Observations and interviews related to technical work, employment aspects, OHS aspects, social aspect, and environment aspect.
- **Kernels station.** Observations and interviews related to technical work, employment aspects, OHS aspects, social aspect, and environment aspect.

#### Pembangunan Raya Estate

- **Block A26 Division 4 (HGU Pole No. 69).** Observation the conditions and position of legal boundary.
- **Block C26 Division 4 (HGU Pole No. 09).** Observation the conditions and position of legal boundary.
- **Block D24 Division 4 (HGU Pole No. 06).** Observation the conditions and position of legal boundary.
- **Block D21 Division 4 (HGU Pole No. 05).** Observation the conditions and position of legal boundary.

- **Block B14 Division 2 (HCV - Forest Conservation).** Observation of HCV management
- **Workshop.** Observations and interviews related to OSH and worker welfare.
- **Firefighting warehouse and simulation of firefighting equipment.** Material handling observations for OHS and simulations
- **Fertilizer warehouse.** Observation of material handling, OHS, and handling of hazardous materials.
- **PPE storage.** Observations related to the management of agrochemical materials and waste, MSDS, emergency response facilities.
- **Fuel Warehouse.** Observations for material handling and OHS.
- **Daycare.** Observations and interviews with workers related to labor and OHS aspects.
- **Employee Housing.** Observation of the availability of infrastructure such as employee housing facilities, clean water facilities, educational facilities, religious facilities, health facilities and sports facilities.
- **Chemical mixing place.** Observations related to the management of agrochemical materials and waste, MSDS, emergency response facilities and types of pesticides used.
- **Pesticide warehouse.** Observations related to the management of agrochemical materials and waste, MSDS, emergency response facilities and types of pesticides used.
- **Rinse House.** Observations related to the management of agrochemical materials and waste, MSDS, emergency response facilities and types of pesticides used.
- **Landfill Block A14 Division 2.** Observations related to domestic waste management.
- **Clinic.** Observations and interviews of health, environmental, training, and employment facilities.
- **Road Maintenance, MR Block A/B 23.** Observations and interviews related to technical work, employment aspects, OHS aspects, social aspect, and environment aspect.
- **Harvest, Block B18, Division 3.** Observations and interviews related to technical work, employment aspects, OHS aspects, social aspect, and environment aspect.
- **Gupon/Barn Owl Box, Block B18, Division 3.** Observations related to integrated pest control carried out by the company.
- **Non-chemist block, A20.** Observations about the condition of Block.
- **Water management ;(water barrier), Block A21 Div 4.** Observations related to water management carried out by the company.
- **Tower of Fire, Block A21, Division 4.** Observations related to fire monitoring system carried out by the company.
- **Picking loose Block B20 Div 4.** Observations and interviews related to technical work, employment aspects, OHS aspects, social aspect, and environment aspect.
- **Transport FFB Block A25/26.** Observations and interviews related to technical work, employment aspects, OHS aspects, social aspect, and environment aspect.
- **Beneficial plant, *Turnera ulmifolia* & *Turnera Subulata* Block A28/29, and *Antigonon leptopus* B22.** Observations related to integrated pest control carried out by the company

#### Bengkuang Raya Estate

- **BNP Pole No. 60, 61 dan 62.** Observations related to the arrangement of company legal boundaries and the maintenance of BPN stakes.
- **Planting and Upkeep Beneficial Plant at Division 3 Block C52/53.** Observations and interviews with workers related to work procedures, OHS aspects, employment, complaint mechanisms, and welfare facilities provided.
- **Beneficial Plant (*Turnera subulata* dan *Antigonon leptopus*) at Division 3 Block C52/53.** Observations related to integrated pest control carried out by the company.
- **Barn Owl Box (*Tyto alba*) at Division 3 Block C52.** Observations related to integrated pest control carried out by the company.
- **Piezometer and Subsidence Pole at Division 4 Block E64.** Observations and interviews with workers related to work procedures, OHS aspects, employment, complaint mechanisms, and welfare facilities provided.
- **Harvesting at Division 4 Block E58.** Observations and interviews with workers related to work procedures, OHS aspects, employment, complaint mechanisms, and welfare facilities provided.
- **Water Gate at Division 4 Block B60.** Observations related to the condition of the inlet and sources of water flow in the company.

- **Workshop.** Workshop. Observations and interviews related to OSH and worker welfare.
- **Firefighting warehouse and simulation of firefighting equipment.** Material handling observations for OHS and simulations
- **Fertilizer warehouse.** Observation of material handling, OHS, and handling of hazardous materials.
- **PPE storage.** Observations related to the management of agrochemical materials and waste, MSDS, emergency response facilities.
- **Fuel Warehouse.** Observations for material handling and OHS.
- **Daycare.** Observations and interviews with workers related to labor and OHS aspects.
- **Employee Housing.** Observation of the availability of infrastructure such as employee housing facilities, clean water facilities, educational facilities, religious facilities, health facilities and sports facilities.
- **Chemical mixing place.** Observations related to the management of agrochemical materials and waste, MSDS, emergency response facilities and types of pesticides used.
- **Rinse House.** Observations related to the management of agrochemical materials and waste, MSDS, emergency response facilities and types of pesticides used.
- **Landfill Block B53 Division 3.** Observations related to domestic waste management.
- **Clinic.** Observations and interviews of health, environmental, training, and employment facilities.

#### Belaban Raya Estate

- **Block F41 Division 1 (HGU Pole No. 17).** Observation the conditions and position of legal boundary.
- **Block F42 Division 1 (HGU Pole No. 18).** Observation the conditions and position of legal boundary.
- **Block J54 Division 3 (HGU Pole No. 27 and 28).** Observation the conditions and position of legal boundary.
- **Block I53 Division 3 (HGU Pole No. 26).** Observation the conditions and position of legal boundary.
- **Daycare.** Observations and interviews with workers related to labor and OHS aspects.
- **Employee Housing.** Observation of the availability of infrastructure such as employee housing facilities, clean water facilities, educational facilities, religious facilities, health facilities and sports facilities.
- **Rinse House.** Observations related to the management of agrochemical materials and waste, emergency response facilities and types of pesticides used.
- **First Aid Post.** Observations and interviews with nurse related to health facility, drugs management and management of medical waste.
- **Genset House.** Interview with genset operator related to the job description, OHS implementation and worker welfare.
- **Security Post.** interview with 2 (two) security officers related to the job description, OHS implementation and worker welfare.
- **Picking loose fruit, Block G51/52.** Observations and interviews related to technical work, employment aspects, OHS aspects, social aspect, and environment aspect.
- **Loose quotes, Block G32.** Observations and interviews related to technical work, employment aspects, OHS aspects, social aspect, and environment aspect.
- **Harvest, Block H56.** Observations and interviews related to technical work, employment aspects, OHS aspects, social aspect, and environment aspect.
- **Piezometer and subsidence pole Block G62.** Observations related to peat management carried out by the company.
- **TMAT Block F62, Block G69.** Observations related to water management carried out by the company.
- **HCV F/G 58/59 already planted.** Observations related to treatment of peat HCV areas that have already been planted that carried out by the company.
- **Gupon/Barn Owl Box, Block F59.** Observations related to integrated pest control carried out by the company.
- **Fire Tower, Block G55.** Observations related to water management carried out by the company.
- **Antigonon leptosus Block H58, *Turnera ulmivolia* and *Turnera subulata* Block F 55/56.** Observations related to integrated pest control carried out by the company.

#### Agro Seriam Mandiri Cooperative

- **Block A01 (HGU Pole No. 63 and 62).** Observation the conditions and position of legal boundary.

	<ul style="list-style-type: none"> <li>Block A03 (HGU Pole No. 58 and 59). Observation the conditions and position of legal boundary.</li> <li>Block A11 (HGU Pole No. 76). Observation the conditions and position of legal boundary.</li> <li>Block A07 (HCV - Sacred Area). Observation of HCV management</li> <li>Harvesting at Division 2 Block C10/11 and Division 1 Block B04/05. Observations and interviews with workers related to work procedures, OHS aspects, employment, complaint mechanisms, and welfare facilities provided.</li> <li>Road Manual Upkeep at Division 2 Block C10/11. Observations and interviews with workers related to work procedures, OHS aspects, employment, complaint mechanisms, and welfare facilities provided.</li> <li>Beneficial Plant (<i>Turnera subulata</i> dan <i>Antigonon leptopus</i>) di Division 2 Block B11. Observations related to integrated pest control carried out by the company.</li> <li>Barn Owl Box (<i>Tyto alba</i>) at Division 2 Block B11. Observations related to integrated pest control carried out by the company.</li> </ul>
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
	<p>Consultation of stakeholders for Pembangunan Raya POM - PT Agro Sejahtera Manunggal held by:</p> <ol style="list-style-type: none"> <li>Public announcement in Mutuagung website on 20 May 2022.</li> <li>Public consultation with government agencies of Kendawangan District (Land Agency, Agriculture Agency, Labor Agency, and Environmental Agency) on 6 June 2022.</li> <li>Public consultation by interview with locals of the nearby village (Seriam Village and Badak Berendam Sub-Village) and local contractor on 6 June 2022.</li> <li>Consultation meeting and interview with Internal Stakeholder (labor union, and gender committee) on 6-7 June 2022.</li> <li>Consultation with NGO (WWF, Sawit Watch, Wahana Lingkungan Hidup Indonesia, dan AMAN) via email on 31 May 2022.</li> </ol> <p>Numbers of input from stakeholders were clarified by PT Agro Sejahtera Manunggal.</p>
2.3.2	Stakeholder contacted
	Please find appendix 1
2.4	Determining Next Assessment
	The next visit (ASA-3) will be conducted eight (8) months to twelve (12) months after date of annual license.



### 3.0 ASSESSMENT FINDINGS

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

MUTUAGUNG LESTARI has conducted an assessment of Pembangunan Raya Palm Oil Mill - PT Agro Sejahtera Manunggal operation consisting of one (1) mill and four (4) oil palm estates.

During the assessment, there was four (4) Nonconformity were assigned against Major Compliance Indicators; four (4) Nonconformity were assigned against Minor Compliance Indicators and one (1) opportunity for improvement were identified. Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditors in form of documentation evidences e.g. (document record/photographic). Those corrective actions taken that consist of four (4) Major non-conformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Pembangunan Raya Palm Oil Mill - PT Agro Sejahtera Manunggal subsidiary of Bumitama Agri Ltd complied with the requirements of **Indonesia National Interpretation of Principles and Criteria for Sustainable Palm Oil Production 2018, endorsed on 20th April 2020 and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.**

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY</b>		
<b>1.1</b>	<b>The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>	
<b>1.1.1</b>	<p>The certification unit have showed the procedure for providing information to public (<i>Prosedur Komunikasi dan Konsultasi</i>) Document No. ASM-SUST-SOP-08-R1, Revised No. 01 signed 14 February 2017. The certification unit will respond the information no later than 15 days after the request is received &amp; submit a copy of the response letter to the internal unit. The procedure includes a list of documents belonging to the certification unit that are available to the public and the Information provide on <i>Bahasa Indonesia</i>, including HGU documents, SEIA, UKL / UPL, RKL / RPL Reports, Company Policy, HCV, SIA, etc.</p> <p>The SOP above explains the types of information that may be accessed/provided in general and information that is confidential and requires approval from company management. The SOP also explains the PIC (Person in Charge) responsible for providing information both internally and externally, namely the Corporate Affairs Department, Corporate Communication Department, CSR Department, Head of Administration, Human Resources Department and Unit Managers.</p> <p>To ensure that all of this information can be accessed by the public, the certification unit has provided an Information and socialization to all relevant stakeholders owned (for examples Seriam Village with the Hamlets in it and Contractors). The information provided explains the types of information that can be accessed by the public along with a summary of these documents, this is done to ensure that all stakeholders can access the information publicly or publicly through the letter.</p> <p>Unit of certification have publicly announced several information on their website (<a href="https://bumitama-agri.com/sustainability/policies-and-reports/">https://bumitama-agri.com/sustainability/policies-and-reports/</a>), including sustainability reports, annual communication reports, and company policies.</p> <p>Based on the explanation above, it can be concluded that the certification unit already has the management documents regulated in</p>	

the RSPO Principles and Criteria available to the public that are well documented.

### 1.1.2

The company can show records of providing information to relevant agencies in the form of routine reports, for example:

- Plantation progress report (LPUP) of PT Agro Sejahtera Manunggal period of Triwulan I 2022 has been sent to Plantation Agency of Ketapang District on 15 March 2022.
- HGU utilization report of PT Agro Sejahtera Manunggal for the period of 2021 has been sent to Land Agency of Ketapang District on 12 January 2022.
- Report on the Implementation of the Environmental Management and Monitoring Plan of PT Agro Sejahtera Manunggal's Palm Oil Plantation and Processing Factory for Semester 1 of 2021 has been reported to the Ketapang Regency Environmental Service on July 28, 2021.
- Report on the Implementation of the Environmental Management and Monitoring Plan of PT Agro Sejahtera Manunggal's Palm Oil Plantation and Processing Factory for Semester 2 of 2021 has been reported to the Ketapang Regency Environmental Service on 12 February 2022
- The first Quarter 2021 POME Monitoring Report was reported to the Ketapang Regency Environmental Service on 26 April 2021.
- The POME Monitoring Report Quarter II 2021 will be reported to the Ketapang Regency Environmental Service on 26 July 2021
- The Quarter III 2021 POME Monitoring Report is reported to the Ketapang Regency Environment Agency on October 14, 2021
- The POME Monitoring Report Quarter IV 2021 will be reported to the Ketapang Regency Environment Agency on January 13, 2022.
- The first Quarter 2022 POME Monitoring Report was reported to the Ketapang District Environment Agency on 29 May 2022.
- The first Quarter 2021 Hazardous Waste Management Report is reported to the Ketapang Regency Environmental Service on 23 April 2021.
- The Hazardous Waste Management Report for the Second Quarter of 2021 is reported to the Ketapang Regency Environment Agency on July 28, 2021.
- The third quarter 2021 Hazardous Waste Management Report will be reported to the Ketapang Regency Environmental Service on 27 November 2021.
- The Hazardous Waste Management Report for Quarter IV 2021 is reported to the Ketapang Regency Environment Agency on March 2, 2022.
- The First Quarter 2022 Hazardous Waste Management Report is reported to the Ketapang Regency Environmental Service on 26 April 2022.
- Reporting of Employment Report for PT Agro Sejahtera Manunggal - BLRE in 2022 via online on 07 June 2022 and must be reporting back on 07 June 2023.
- Reporting of Employment Report for PT Agro Sejahtera Manunggal - BRYE in 2022 via online on 07 June 2022 and must be reporting back on 07 June 2023.
- Reporting of Employment Report for PT Agro Sejahtera Manunggal - PRYE in 2022 via online on 07 June 2022 and must be reporting back on 07 June 2023.
- Reporting of Employment Report for PT Agro Sejahtera Manunggal - PRYM in 2022 via online on 07 June 2022 and must be reporting back on 07 June 2023.
- LPUP report (Plantation Business Development Report) Quarter 1 2021 to the Department of Agriculture, Livestock and Plantation of Ketapang Regency on April 14, 2021.
- LPUP report evidence for Quarter 2 of 2021 to the Department of Agriculture, Livestock and Plantation of Ketapang Regency on July 12, 2021.
- LPUP report evidence for Quarter 3 of 2021 to the Department of Agriculture, Livestock and Plantation of Ketapang Regency in October 2021.
- Evidence of LPUP report for Quarter 4 of 2021 to the Department of Agriculture, Livestock and Plantation of Ketapang Regency in January 2022.
- LPUP report evidence for Quarter 4 of 2021 to the Department of Agriculture, Livestock and Plantation of Ketapang Regency in March 2022.
- Evidence of the first Quarter 2021 OHS Committee to the Manpower and Transmigration Office of Ketapang Regency on 23 April 2021.
- Evidence of OHS Committee report for Quarter 2 2021 to the Manpower and Transmigration Office of Ketapang Regency on July 28, 2021.

- Evidence of OHS Committee report for Quarter 3 2021 to the Manpower and Transmigration Office of Ketapang Regency on October 14, 2021, evidenced by signature and stamp.
- Proof of reporting OHS Committee Quarter 4 2021 to the Manpower and Transmigration Office of Ketapang Regency on March 23, 2022, evidenced by signature and stamp.
- Proof of reporting OHS Committee Quarter 1 2022 to the Manpower and Transmigration Office of Ketapang Regency on June 09, 2022, evidenced by signature and stamp.
- Evidence of reporting PT ASM Fire Report Quarter 4 2021 to the Regional Secretary of Ketapang Regency on March 2, 2022
- Evidence of reporting PT ASM Fire Report Quarter 4 2021 to BKSDA Ketapang Regency in March 2022
- Evidence of reporting PT ASM Fire Report Quarter 4 2021 to BLH Ketapang Regency in March 2022
- Evidence of reporting PT ASM Fire Report Quarter 4 2021 to the Department of Agriculture, Livestock and Plantation of Ketapang Regency on March 22, 2022.

Based on document review and interviews with management representatives revealed that the OHS Committee secretary reported in the First Quarter 2022 OHS Committee Report was different from the OHS Committee structure approved by the relevant Office. Companies are encouraged to report the OHS Committee secretary in accordance with the latest OHS Committee structure ratification decree. This is an opportunity for improvement for the company. (OFI)

### 1.1.3

The certification unit has shown a record of requests for information and responses given that are listed in the Log Book of internal or external communications and information giving. The document provides information regarding the date and number of the letter, sender, destination, subject of the letter, responses, date of response, and information. The certification unit will respond the information no later than 15 days after the request is received & submit a copy of the response letter to each unit.

Based on the results of the review of the list of documents for incoming and outgoing letters in 2021, it is known that in 2021 there will be no requests for information submitted by the relevant stakeholders to the certification unit. This is evidenced by the logbook which states that in 2021 (January-December) and 2022 (January-May) there has been no letter of request for information submitted by stakeholders during the period. The document has been accordance with statements from stakeholders interviewed when the audit was carried out, namely the Agencies in Ketapang Regency, representatives of the surrounding village communities and contractors who collaborated with the certification unit stating that they had never sent a letter or asked for information to certification unit.

Based on an interview with the Surrounding Village Representative, it was found that the certification unit had conducted socialization to the Village regarding the mechanism for requesting information from the certification unit. If there is a request for information, the village will send a letter or tell the request orally to the certification unit and the response of the request will be provided by the certification unit. In accordance with this explanation, the certification unit already has a record of requests for information and the existing responses have been well maintained and documented.

### 1.1.4

The certification unit have showed the procedure for providing information to public ((*Prosedur Komunikasi dan Konsultasi*) Document No. ASM-SUST-SOP-08-R1, Revised No. 01 signed 14 February 2017. The certification unit will respond the information no later than 15 days after the request is received & submit a copy of the response letter to the internal unit. The procedure also explains the PIC (Person in Charge) responsible for providing information both internally and externally, namely the Corporate Affairs Department, Corporate Communication Department, CSR Department, Head of Administration, Human Resources Department and Unit Managers.

Based on an interview with the Surrounding Village Representative and representatives from Agencies in Ketapang, it was found that the certification unit had conducted socialization to the related stakeholders regarding the mechanism for requesting information from the certification unit. Each party has acknowledged that the PIC who is responsible for carrying out communication, consultation and receiving requests for information from external parties is the Public Relations Staff.

Based on the description above, it can be concluded that the consultation and communication procedures held by the certification unit have been documented, disclosed, implemented, provided, and explained to all relevant stakeholders by the appointed management representative, namely the Corporate Affairs Department, Corporate Communication Department, CSR Department, Head of Administration, Human Resources Department and Unit Managers.



### 1.1.5

The certification unit has shown the PT Agro Sejahtera Manunggal Stakeholder List document, updated in June 2022. Based on this document, there are over 55 stakeholders related to certification unit which include Government Stakeholders (province, district, sub-district and village), other Authorities, Partner Cooperatives, Vendors, Internal Stakeholders, Contractors, hazardous waste contractor, machineries maintenance in mill and others. The stakeholder register explains the name, agency/position, location, category, contact person number and other information. As for the list of land owners previously owned but in a different document, this information has been included in the Previous Land Owners Document.

At the time the audit was carried out, certification unit Stakeholder List document shown was in accordance with the actual, such as the contact number of each stakeholder contacted by the auditor as stated in the list. Based on this, it can be concluded that the certification unit has an up-to-date list of contacts and detailed information related to stakeholders and their representatives that are well documented.

Status: Comply

## 1.2

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

### 1.2.1

Commitment to the integrity code and ethical conduct in all operations area and transaction contained in Code of Conduct document number BGA-COC-HC-333.1-RO dated October 28, 2014. The policy was communicated to workers, posted in each Office. Commitment to ethical behavior in all operations and transactions contained in the Code of Conduct for Employees, Surrounding Communities and Contractors.

Employees are expected to understand and comply with the laws, provisions and regulations of their positions and / or work, including but not limited to laws relating to anti-money laundering, anti-terrorism funding, anti-corruption, personal data protection and competition. The company has the right to report any actions or activities that are suspected of being criminal to the police or other relevant authorities.

The company demonstrates the implementation of ethical policies in all business operations and transactions, recruitment and contracts. For example, since 2021 (January-December) until May 2022 there have been no reports or complaints related to violations of the code of conduct in business reported by workers, surrounding communities, contractors and district agencies.

Based on the explanation above, it can be concluded that the company has a policy to act ethically, which is implemented in all business operations and transactions, including recruitment and contracts.

### 1.2.2

The certification unit has a several methods to monitor compliance and the implementation of overall ethical business policies and practices, such as internal audit and field monitoring. Every contractor has received a socialization regarding the policy of the code of ethics given at the time of signing the workers agreement which states that the unit management provider will carry out the work in accordance with the procedure and comply with all applicable codes of ethics in the company.

In addition, there is a Whistle Blowing system that establishes the flow of complaints/reports of violations in all employees, without worrying, are willing to convey the possibility of fraudulent practices occurring within the certification unit. The whistle blowing applies to whoever works in PT Agro Sejahtera Manunggal operational area, including the contractor workers. PT Agro Sejahtera Manunggal showed the IOM No. 005/IOM/COO-BGA/VI/2020 dated on 23 June 2020 about obligation to put up a combined sign board for complaint and service channels in all areas of the BGA, such as whistle blowing, complaint channel, and quick response services.

Based on the results of interviews with workers in the sampling units such as who stated that all of them was aware of Whistle Blowing system that has been implemented and can be accessed by all workers, including contract workers. In addition, there are statements from third parties in collaboration with the certification unit, namely that they have been given socialization related to the code of ethics and the Whistle Blowing System before ratifying the cooperation agreement. This is done to ensure that before collaborating with the certification unit, his party does not commit a violation or can report a violation when a certification unit commits a violation during the collaboration.

During the past year there have been no reports related to violations committed by internal/external parties and this is evidenced by the results of a document review related to reporting documentation for the Whistle Blowing System.

Based on the explanation above, it can be concluded that the company has a system to monitor compliance and implementation of policies and ethical business practices as a whole.

Status: Comply

## PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS

### 2.1

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

#### 2.1.1

The company has list of regulations of 2022 that includes local regulations and national regulation updated annually. List of laws/regulations listed has covers several aspects such as land permit and legality, manpower, occupational health and safety, best management practices and environment. Some examples of regulations compliance that have been done such as:

#### Land legality

The company shown evidences over its compliance toward the applicable regulation related to the aspects of land legality such as:

- The company already has a Plantation Business Permit document based on the Decree of the Ketapang Regent Number 468 of 2009 concerning the Granting of an Oil Palm Plantation Business Permit for PT Agro Sejahtera Manunggal dated 4 December 2009 which explains the permitted area of 7,250 Ha with a processing unit capacity of 45 Tons FFB/Hour.
- In 2018, the company revised the Plantation Business Permit according to the Decree of the Ketapang Regent No. 050/DPMPTSP-D.B/2018 dated 12 February 2018 concerning Amendments to Ketapang Regent Decree No. 468 of 2009 which describes the permitted area of 7,250 hectares with a processing unit capacity of 60 tons of FFB/hour.

#### Compliance with Environmental Regulation

The company has complied with several applicable laws and regulations on environmental aspects, namely:

- The company has obtained an environmental permit in accordance with the Decree of the Ketapang Regent Number 049/DPMPTSP-D.B/2018 dated February 9, 2018 regarding the Environmental Permit for Oil Palm Plantation Activities along with a Processing Factory and Construction of a Special Terminal by PT Agro Sejahtera Manunggal located in Kendawangan District, Ketapang Regency.
- The company has a Wastewater Utilization Permit based on the Decree of the Ketapang Regent number 256/DPMPTSP-D.B/2019 dated May 8, 2019 concerning Permit for Utilization of Wastewater to Soil for Application on Soil at the Oil Palm Plantation of PT. Agro Sejahtera Manunggal covers an area of 282.31 Ha (28 Blocks) located in Kendawangna District, Ketapang Regency. The decision is valid for 5 (five) years.
- The company already has a Permit for Temporary Storage of Hazardous and Toxic Waste in accordance with the Decree of the Regent of Ketapang number 1491/DPMPTSP-D.B/2017 dated December 13, 2017 which is valid for 5 years.

#### Compliance with Manpower Regulation

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

- Reporting of Employment Report for PT Agro Sejahtera Manunggal - BLRE in 2022 via online on 07 June 2022 and must be reporting back on 07 June 2023.
- Reporting of Employment Report for PT Agro Sejahtera Manunggal - BRYE in 2022 via online on 07 June 2022 and must be reporting back on 07 June 2023.
- Reporting of Employment Report for PT Agro Sejahtera Manunggal - PRYE in 2022 via online on 07 June 2022 and must be reporting back on 07 June 2023.
- Reporting of Employment Report for PT Agro Sejahtera Manunggal - PRYM in 2022 via online on 07 June 2022 and must be reporting back on 07 June 2023.
- The implementation of the minimum wage in 2022 is in accordance with the Minimum Wage Decree of the Ketapang Regency established by the Governor of Kalimantan Barat in 29 November 2021.
- Payment of overtime wages to workers in accordance with Government Regulations No. 35 of 2021.
- Implementation of the structure and scale of wages for all levels of workers in accordance with Government Regulations No. 36

of 2021.

### BMP Aspect

Compliance with the certification unit in the use of pesticides that has been registered with the Pesticide Commission, such as Metafuron (Registration Number RI 01030119951224 which is valid until February 22, 2026) and does not use paraquat.

### OHS Aspect

The CH has shown a recorded list of equipment and machine certifications in the POM. The results of the document review, it is known that the machines in the POM have been tested and until the audit is carried out it is known that this is still valid. For example, for boilers with license deed number 1224/OPK3/B.I/IX/2018, the last inspection is 12 September 2018 and is valid for 5 years, namely 12 September 2023.

### Fulfillment of OHS license according to regulations

Regulation of the Minister of Manpower and Transmigration No. 01 of 1988, in Appendix 1 it is explained that for a boiler capacity >20 T/h - <40 T/h, 1 person class I operator and 1 class II operator are required for each shift, and for a boiler capacity >40 T/h - <60 T/h requires 1 class I operator and 2 class II operators. Based on field observations, interviews with workers and Mill Managers, as well as a review of PRYM 2022 machine inventory documents, it is known that PRYM has 2 boiler machines (steam planes) with a capacity of 40 tons/hour each. The results of the interview were also informed that the factory works 2 shifts, and already has 3 SIO Class I Steamers which have been shown to the Auditor, but the number is not in accordance with applicable regulations.

Regulation of the Minister of Manpower and Transmigration No. 12 of 2015 in Article 7 it is explained that for companies that have power plants of more than 200 kVA, they are required to have OHS Experts in the field of Electricity. Regulation of the Minister of Manpower and Transmigration No. 38 of 2016 in Articles 110, 111 and Table E it is explained that for a prime mover engine with a power of > 214.47 HP, one person must have a power and production aircraft operator of class I and class II each. Based on field observations, interviews with workers and Mill Managers, as well as a review of the PRYM 2022 machine inventory document, it is known that PRYM has 2 turbines, each 1,600 kw (2,145.64 kva), 1 generator 320 kva, and 2 generators 524 kva. The results of the interview also revealed that PRYM has 3 operators at the engine room station who apparently do not have an OHS license.

Regulation of the Minister of Manpower and Transmigration No. 2 of 1982 in Article 2, it is explained that this regulation covers the qualification of welders for welding skills of welded joints. Based on field observations, interviews with workers and the Mill Manager, it is known that PRYM has welding equipment and the existing welders do not yet have a license as a welder.

Based on this evidence, it is known that the company has not been able to show proof of an OHS license for Steam Operators in accordance with Regulation of the Minister of Manpower and Transmigration No. 01 of 1988, Power and Production Aircraft Operators in accordance with the Minister of Manpower Regulation No. 38 of 2016, and Electrical OHSExpert in accordance with the Minister of Manpower Regulation No. 12 of 2015, as well as a certified welder in accordance with the Minister of Manpower Regulation number 2 of 1982. This is a **Nonconformity number 2022.01**.

#### 2.1.2

Procedure of legal requirement which presented in document BGA-SOP-CCS-1102.1.R0, date 09 May 2012 mentioned that sustainability officer has responsibility to arranged and monitored legal related laws and/or regulation. The procedure mentioned that in order to monitor and update of laws and/or regulations, the sustainability officer required to actively check and make coordination with Government Agencies or Institutions. Internal audit of regulations compliance is conducted annually as example on 18-21 April 2022 in PT ASM. Regarding the evidence of evaluation of legal compliance from contractors collaborating with the company, is explained in more detail in indikator 2.2.2

#### 2.1.3

Procedure of legal boundary stakes monitoring and maintenance is presented in document No. ASM-GIS-SOP-01 dated 2 January 2018. Procedure mentioned that maintenance was carried out by staff GIS and Estate Manager. Monitoring the boundaries of the HGU is done every 4 months.

The company shows the HGU stake monitoring document which is carried out every 4 months. The last HGU stake monitoring was carried out for example in April 2022 at Pembangunan Raya Estate, Bengkuang Raya Estate, Belaban Raya Estate and Cooperative of Agro Seriam Mandiri. The report on the inspection and maintenance of the boundary stakes has provided complete information

regarding the number of stakes, the state of the stakes, the location of the stakes, the coordinates of the stakes and corrective actions as well as the target time for repairs if there are damaged or missing stakes. In the monitoring report, it is known that all HGU stakes are available.

Based on field observations to several samples of HGU stakes determined by the auditors, namely Pembangunan Raya Estate (Stakes No. 05, 06, 09 and 69), Bengkuang Raya Estate (Stakes No. 60, 61 and 62), Belaban Raya Estate (Stakes No. 17, 18, 26, 27 and 28) and Agro Seriam Mandiri Cooperative (Stakes No. 58, 59, 62, 63 and 76), it is concluded that all HGU stakes are in place according to their coordinates and are in good condition. Verification using GPS indicates that the stakes coordinate is in accordance with the provisions of the land title.

During a visit to several stakes in the certification unit estate, it was discovered that there was an area that became the scope of certification directly adjacent to an uncertified area, namely Farmers Group of Sawit Maju Sejahtera.

### 2.1.1

Status: Non-conformity 2022.01 with major category

## 2.2

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

### 2.2.1.

In monitoring the use of third parties (contractors, FFB suppliers and transporters) for plantation and mill activities, the certification unit has well documented the list of third parties, the number of workers they have, contact persons, work agreements, and others. At present the certification unit has 11 third parties (1 contractors, 6 FFB suppliers and 4 transporters CPO/PK/FFB). For example, a fertilizer warehouse construction contractor on behalf of PT Kayu Ragam Indo Agung, currently there are only 4 civilian team members for finishing.

In managing the contractor, the certification unit has a copy of the cooperation agreement in each unit. For example for agreement between two parties such as:

- Letter of Agreement No. 045/ANGKT/ASML-PRYE/LKL/03/2022 dated 16 March 2022 between PT Agro Sejahtera Manunggal and Contractor (Mr. Eko) for FFB Transport in the company. The agreement explains the types of work, contract value, terms of work, period of time and others. The company always conveys the company's Code of Ethics to the contractor.
- Letter of Agreement No. 070-ANGKT/ASML-BLRE/LKL/04/2022 dated 16 June 2022 between PT Agro Sejahtera Manunggal and Contractor (Mr. Riyanto) for FFB Transport in the company. The agreement explains the types of work, contract value, terms of work, period of time and others. The company always conveys the company's Code of Ethics to the contractor.

At the time the audit was carried out, certification unit third parties list document shown was in accordance with the actual, such as the contact number of each stakeholder contacted by the auditor as stated in the list. The explanation above can be concluded that the certification unit has managed and documented the list of contractors along with supporting documents.

### 2.2.2

#### Non-Conformity No. 2022.02

The company has cooperation with 11 stakeholders who are third parties (1 contractor, 4 transporters and 6 suppliers) in the existing plantation operations. From these third parties, the auditors have conducted document reviews and interviews at the time the audit activities were carried out, the following facts were obtained:

- Interviews with representatives from PT Karya Ragam Indo Agung revealed that the contractors have known to always comply with the laws and regulations (such as minimum wages, child labor, PPE, BPJS and others) that apply in Indonesia and this has been stated in the Letter of Agreement. The contractor also admits that it has complied with all relevant regulations in plantation activities (minimum wage, child labor, PPE, BPJS and others), but this has not been proven in document by the contractor or the company regarding the fulfillment carried out.
- Interviews with the transporters of FFB (Mr. Riyanto), CPO (CV Kawira Putra) and PK (PT Surya Adi Jaya Kapuas) it was found that the contractors knew to always obey the laws and regulations (such as minimum wages, child labor, PPE, BPJS and others). ) applicable in Indonesia and this has been stated in the Letter of Agreement. The contractor also acknowledges that it has complied with the relevant regulations in plantation activities (minimum wage, child labor, PPE, etc.) except for BPJS because not all workers have been registered, but this has not been proven in writing by the contractor or the related company fulfillment is done.

- Contractor evaluation documents for PT Surya Adi Jaya Kapuas and CV Kawira Putra conducted on June 1, 2022 where the evaluation has criteria for compliance with OHS & Environment, employment (age, worker wages and BPJS Health), availability of access for information needs by certification bodies and others. The result of the evaluation is that PT Surya Adi Jaya Kapuas got a score of 96 and CV Kawira Putra got a score of 90. However, the results of this evaluation have not been proven by the company or the contractor.
- The evaluations mentioned above have only been shown for 2 transporters, while the other 2 transporters and 1 contractor have not yet been able to show proof of their evaluation.

The company has not been able to prove that all contracts, including contracts with FFB suppliers, have separate clauses regarding the fulfillment of relevant legal obligations, and can be proven by the relevant third party.

### 2.2.3

In each work agreement between the certification unit and the contractor, there are clauses related to fulfilling legal obligations in Indonesia as one of the obligations that must be fulfilled by the contractor. Some of these obligations are related to disallowing child, forced and trafficked labor to be employed by the third party (contractors), and where young workers are employed, the contracts include a clause for their protection. To ensure compliance with these clauses, the certification unit always requests the requirements for the completeness before the contractor does / starts work.

The results of the document review of the list of contractor workers revealed that there were no workers under the age of 18 and the work provided was in accordance with the agreement when the initial worker worked. This is in line with the results of interviews with contractors stating that no child laborers have worked up until now, there are no forced laborers / workers resulting from trafficking because all workers have understood the work agreement at the start of work and payment for the work is always equal.

The certification unit has proven that all contracts have clauses disallowing child, forced and trafficked labor to be employed by the third party, and where young workers are employed, the contracts include a clause for their protection.

### 2.2.2

Status: Non-Conformity No. 2022.02 with minor category

## 2.3

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

### 2.3.1

Based on document verification, it is known that the company receives FFB directly from the nucleus estate and the Partnership. The sources of FFB come from:

- PT Agro Sejahtera Manunggal → Certified RSPO
- PT Gunajaya Harapan Lestari (Group BGA) → Non Certified RSPO with an area of 1,973.45 Ha with HGU Decree Number 62/HGU/KEM-ATR/BPN/2016 and coordinates X=110.0977955 Y=-2.72450592.
- Bawal Sejahtera Mandiri Cooperative (Plasma PT GHL) → Non Certified RSPO with an area of 448 Ha with HGU Decree Number 62/HGU/KEM-ATR/BPN/2016 and coordinate point X=110.0897622 Y=-2.74353971.
- PT Gunajaya Ketapang Sentosa (BGA Group) → Certified RSPO with an area of 7,665.81 Ha with HGU SK number 85/HGU/BPN-RI/2011 and coordinates X=110.3441266 Y=-2.49682703.
- Fajar Mandiri Cooperative (Plasma PT GKS) → Non RSPO Certified with an area of 1,354.97 Ha and coordinates X=110.3441266 Y=-2.49682703.
- Maju Sejahtera Oil Palm Farmers Group (Full Covered PT Agro Sejahtera Manunggal) → Non RSPO Certified with an area of 1,427 Ha with the legality of the NIB organization. 14.07.09.16.00322 and land legality in the form of Certificate of Ownership (SHM) as many as 322 SHM for 100 farmers, for example: Certificate no 35 in the name of Deki Ratriani with an area of 17,200 m<sup>2</sup>, Certificate no 34 in the name of Dony Pahadi with an area of 18,423 m<sup>2</sup> and 39 on behalf of Rizky Indra Pranama with an area of 18,423 m<sup>2</sup>.
- Cooperative Agro Seriam Mandiri (Plasma PT Agro Sejahtera Manunggal) → Certified RSPO with an area of 960.80 Ha with SK HGU 51/HGU/KEM-ATR/BPN/2015 and coordinates X: 110.2944021 and Y: -2.54402685.

The Auditor Team has verified the NCR on a previous assessment (Remote Audit ASA 2) related to evidence of land ownership status on farmers' land as direct suppliers. The results of the verification show that the company has been able to show proof of land ownership status on farmers' land as direct suppliers along with the coordinates of the farmers' land.



<p><b>2.3.2</b> Based on the results of document verification, it is known that the company receives FFB directly and there is no indirect FFB. FFB received directly from areas that have been RSPO Certified and Non-RSPO Certified.</p>	<p>Status: Comply</p>
<p><b>PRINCIPLE #3 OPTIMISE PRODUCTIVITY, EFFICIENCY, POSITIVE IMPACTS AND RESILIENCE</b></p>	
<p><b>3.1</b> <b>There is an implemented management plan for the unit of certification that aims to achieve long-term economic and financial viability.</b></p>	
<p><b>3.1.1</b> Based on document review, The CH has a long-term plan for the next 5 years which is contained in the longterm plan for the 2020-2025 period. The document describes the projected production of FFB, CPO production, PKO production, CPO price, PKO price, plantation and factory production costs as well as selling costs and others.</p> <p>Based on interviews with management that the plasma farmers are under the management of Pembangunan Raya Estate. In accordance with the company's long-term projections, it has also been explained regarding projections related to the determination of the FFB price for plasma, where the plasma is fully under the company's management.</p> <p><b>3.1.2</b> Based on the verification of the area statement documents and interviews with management representatives, known that there was no replanting plan yet, because the oldest planting year was 2009 (13 years) and the youngest planting year was 2012 (10 years).</p> <p><b>3.1.3</b> The representative of the certificate holder explained that evaluations related to the implementation of the sustainability principle are carried out regularly. The CH shows the minutes of the management review dated 02 June 2022. It is known that discussions include follow-up to previous meetings, results of internal and external audits, status of corrective and preventive actions, process performance and product conformity, customer feedback, performance of external FFB suppliers, contractor performance, peat management, HCV management plan review, environmental management implementation review, CSR implementation review, plasma farmer improvement program, and no replanting plan for the next 5 years.</p>	
<p>Status: Comply</p>	
<p><b>3.2</b> <b>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.</b></p>	
<p><b>3.2.1</b> The management unit has developed and implemented an action plan for continuous improvement and it is implemented, based on consideration of the main social and environmental impacts and opportunities of the unit of certification, such as:</p> <ul style="list-style-type: none"> <li>• Waste management and monitoring through WWTP Management, effluent quality testing and reporting to the Ketapang Regency Environmental Service.</li> <li>• Air quality management and monitoring through road maintenance, air quality testing and reporting to the Ketapang Regency Environmental Service.</li> <li>• Management and monitoring of groundwater through testing ground water quality and reporting it to the Environment of Ketapang Regency.</li> <li>• Hazardous waste management through the Storage of Hazardous and Toxic Waste and Waste Management and Monitoring of Hazardous and Toxic Materials.</li> <li>• Greenhouse Gas (GHG) Management. Implement a zero burning policy, utilization of EFB, shells and fiber as renewable energy, regular engine maintenance, and regular emission quality tests.</li> <li>• The company no longer uses pesticides with the active ingredient paraquat.</li> <li>• The company has implemented biological pest control in this case by using host plants and owls to reduce the use of pesticides, especially insecticides and rodenticides.</li> <li>• Management and monitoring of fires in company border areas that benefit the community.</li> <li>• The use of renewable fuels and the use of fertilizers and pesticides are in accordance with the recommendations to reduce the use of fossil fuels.</li> </ul>	

### 3.2.2

Companies can show PT Agro Sejahtera Manunggal metric document templates. Based on the results of the leverage obtained the following evidences:

- The PT ASM RSPO Metric Template document obtained the following information:
- Demographic data for PRYM, PRYE, BRYE, and BLRE units show that the company has Non-Local workers. but based on the results of the document review there are no Non-Local workers in PT ASM (Migrant Workers and Transmigrant Workers).
- Demographic data of Farmer Supply Base, it is known that there are only 660 farmers consisting of 480 men and 180 women (Agro Seriam Mandiri Cooperative). However, based on the results of document verification, it is known that the company also has a supply base from the Maju Sejahtera and Outgrower Farmers' Group.
- The training data and the number of registered workers for PRYM, PRYE, BRYE, and BLRE units have not been proven.
- Complaint data for the PRYM unit is known as many as 4 Complaints that have been resolved in 2021 but the evidence has not been shown yet.
- Based on the Guidance For the 2018 RSPO Principles and Criteria Metric Template it is explained that "The Metric Template needs to be filled out by the Certification Unit before carrying out RSPO certification, Recertification, and annual supervisory audits". However, the company did not provide a metric template document before the audit activity was carried out.
- In the RSPO Certification System for P&C and RISS (endorsed Nov 2020) clause 5.10.4 states "The CB shall submit a copy of the audit report, including the RSPO metrics template and the certificate, to the RSPO Secretariat within seven (7) days of a certificate being issued, by uploading it to the RSPO IT platform". Then in clause 5.4.4 it is stated "Any non-compliances against this Certification Systems Document are classified as a Major non-compliance".

The company has not been able to show evidence that the RSPO Metric Template documents owned are in accordance with actual conditions in the field. **Non-Conformity No. 2022.03 with minor Category.**

3.2.2

Status: Non-Conformity No. 2022.03 with minor Category.

### 3.3

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

#### 3.3.1

The representative of the certification holder explained that there has been no change in the procedure since the previous audit, namely the SOP for Plant Cultivation, which was signed by the Director and effective on May 25, 2011. The procedure has covered all operations of the Plantation starting from Nurseries, Land preparation, Construction and maintenance of roads, bridges, ditches, Soil and water conservation, Legumes planting, Oil palm planting, weed control, Fertilization, Pest and disease control, Harvesting, Pesticide Management, and FFB transport. While the work procedures at the factory cover aspects of FFB acceptance, grading, processing, refining, delivery, supply chain, and quality/laboratory. Each procedure includes OHS and environmental aspects. However, there are also special documents that regulate OHS and the environment in the Safety and Environmental Management Work Instructions, as well as Hazard Identification Risk Assessment and Control (HIRAC).

It was concluded that CH's procedures had covered all main process activities from land clearing to FFB transportation and for POM from fruit receiving to CPO delivery. The procedure also covers OHS and environmental aspects. Procedures are available at the audit site (plantation and mill offices) and are written in a language (Language) that is easy for workers to understand.

#### 3.3.2

Based on interviews with management representatives, it was found that there are procedures to monitor the consistent implementation of SOPs, which have not changed since the previous audit. There are Quality Assurance SOPs, including Standard notification of inspection, Quality of Harvesting, FFB Grading, and Fertilization and Chemist Application Inspection. This inspection is carried out periodically.

#### 3.3.3

The CH has maintained records of monitoring the implementation of its procedures. The CH shows the RSPO internal audit report conducted from 18 – 21 April 2022 for Estate and Mill. There are 8 discrepancies that are currently closed. The CH also shows the results of the financial audit report by the public audit with registration number AP.1174. The results of the audit of public accountants for the financial position ending December 31, 2021, with the opinion that the financial statements present fairly and are in accordance with Indonesian financial accounting standards. The CH also shows the minutes of management review meetings related to

sustainability, such as results of internal and external audits, status of corrective and preventive actions, customer feedback, and contractor performance. The results of observations in the Mills grading area, it is known that the FFB transport contractor workers have worn the appropriate PPE.

Status: Comply

### 3.4

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

#### 3.4.1

The company has conducted an independent and participatory environmental and social impact assessment by involving the stakeholders listed in several documents, namely:

##### Environmental Aspect

The company already has an AMDAL document for the plan to develop a plantation and palm oil mill of PT Agro Sejahtera Manunggal with a plantation area of 7,670 Ha with a Mill Capacity of 45 Tons FFB/Hour in 2010. The document has obtained environmental feasibility according to the Decree of the Governor of West Kalimantan Number 560 /BLHD/2010 on December 13, 2010. In 2018 the Company made an AMDAL Addendum to PT Agro Sejahtera Manunggal Plantation and Palm Oil Mill with a plantation area of 7,670 Ha, Capacity Increase from 45 Ton FFB/Hour to 60 Ton FFB/Hour and construction special terminal area of 5.41 Ha. From the Addendum Document, the Company has obtained an environmental permit in accordance with the Decree of the Regent of Ketapang Number 049/DPMPSTSP-D.B/2018 on February 9, 2018.

##### Social Aspect

PT ASM has conducted a Social Impact Assessment (SIA) study in collaboration with the Faculty of Forestry, IPB in 2011, the results of which were included in the Social Impact Assessment Report (SIA) of PT Agro Sejahtera Manunggal, West Kalimantan Province in 2011 with the scope of the study covering the 2007 location permit area. with an area of 8,000 hectares. The study was conducted on the social impact on the residents of Seriam Village and on the employees of PT. ASM.

The FGD related to the SIA study was conducted in Badak Bathing Hamlet on April 22, 2011 which was attended by 9 participants, in Tanjung Balai Hamlet on April 22, 2011 attended by 7 participants, the FGD in Mangkul Hamlet was held on April 21, 2011 followed by 29 participants and FGD with employees was held on 21 April 2011 attended by 47 participants.

Based on document verification, it is known that the social and environmental impact assessment has been carried out independently and participatively by involving affected stakeholders, including impact assessments from smallholder schemes.

The results of field observations during the audit activity revealed that all of the company's operational activities have been included in the environmental documents owned by the company.

Based on interviews with surrounding villages, it is known that the social impacts of the company's existence include partnerships with business actors to provide business opportunities to the community, CSR, job opportunities, etc. These social impacts have also been identified in the SIA Document, Environmental Document, as well as the company's social impact management plan.

Based on document verification, it is known that the scope of the social impact assessment has covered all villages, farmers, and has involved internal workers.

#### 3.4.2

The company has a plan for environmental and social management and monitoring, namely:

##### Environmental Aspect

The environmental management and monitoring plan is in accordance with the 2018 AMDAL Addendum, namely:

- Decreased air quality
- Noise enhancement
- Liquid waste and hazardous and toxic material waste
- Public health.
- Decline in surface water quality



- Environment sanitation
- Soil and water conservation
- Fire potential
- Disruption of flora and fauna
- Public unrest

Based on document verification and the results of field visits, it is known that the environmental management and monitoring plan that has covered all of the company's operational activities.

### Social Aspect

In 2018 the company conducted a Social Impact Assessment conducted by the Lingkar Komunitas Sawit (LINKS). This social impact assessment is conducted to see whether the issues identified in the 2011 social impact assessment are still relevant to current actual conditions. In addition, the 2018 social impact assessment is to review the implementation of the SIA management plan and monitoring activities that have been carried out by the company. The 2018 social impact assessment data collection process was carried out on 14-18 December 2018 and the final report was completed in March 2021. The 2018 social impact assessment process involved affected stakeholders such as surrounding communities, workers, staff, plasma farmers, and contractors. The company has prepared a management and monitoring plan for the SIA 2021-2023 in accordance with the results and the final report of the 2018 social impact assessment which was prepared in March 2021. The social management and monitoring plan is as follows:

- Resolving tenure issues around the company
- Improve plasma performance
- Community economic improvement
- Improving the quality of public education
- Counseling and improving the quality of public health
- Communication and networking with all stakeholders
- Increase the availability of clean water
- Employment improvement
- Improve labor facilities.

Based on document verification and interviews with surrounding villages and employees, it is known that the social management and monitoring plan has covered all of the company's operational activities. This is evidenced by the SIA management plan which contains the social impacts of the company's operations on stakeholders, such as increasing community income, and strengthening the organization/institution of plasma cooperatives which have been included in the social management and monitoring plan.

The Auditor Team has also verified the NCR in the previous assessment (ASA 1) related to the impact of employee housing conditions, septic tanks and leaky roofs that have not been identified by the SIA management and monitoring plan. The results of the verification show that the impact has been included in the SIA management and monitoring plan for the period 2021-2023 (the impact of increasing labor facilities) and currently the implementation of these impacts is ongoing such as repairing employee housing, repairing drainage channels, Carrying out clean Friday activities for monitoring and maintenance in housing, Repairing damaged housing facilities and Carrying out conditional supply of clean water using firefighting cars.

### 3.4.3

The Company has implemented environmental and social management and monitoring plans, namely:

#### Environmental Aspect

Based on the results of the review of the RKL-RPL Reports for Semesters 1 and 2 of 2021, it shows that the company has carried out environmental management in accordance with the directions of the environmental documents it has. In general, the results of environmental management and monitoring are in accordance with the provisions. Based on the results of interviews with the surrounding community, namely from Seriam Village, information was also obtained that there was no environmental pollution by the company. In addition, the results of interviews with the Ketapang Regency Environmental Office also explained that the company had carried out environmental management and monitoring and reported the results of the implementation of environmental management and monitoring to the Environment Agency. The results of the review of the RKL-RPL report document also show that the company has prepared a report document in accordance with KepmenLH No.45 of 2005 concerning Guidelines for Writing RKL-RPL Reports. The forms of evaluation carried out by the company include Evaluation of Trends, Critical Levels and Compliance which are discussed

for each aspect that is managed. The scope of the study in the document is also in accordance with the scope of all operational activities, namely oil palm plantations and mill processing capacity.

The Auditor Team has also verified the NCR on the previous assessment (ASA 1) related to the report on the realization of the RKL-RPL that is not in accordance with KepMenLH No. 45 of 2005. The results of the verification are that the RKL-RPL report for semesters 1 and 2 of 2021 has carried out an evaluation of Trends, Evaluation Critical Level, and Evaluation of Compliance in accordance with KepMenLH No. 45 of 2005.

### Social Aspect

The company has implemented the SIA management and monitoring plan for the 2021 period. The plans that have been implemented are in accordance with the SIA management and monitoring plan. Some examples of the implementation of the SIA management and monitoring plan are as follows:

- Conduct socialization and implementation of social SOPs such as employee recruitment SOPs, communication SOPs, complaints SOPs, and conflict handling SOPs.
- Forming a PR team to establish corporate communication with the community.
- Providing information on job vacancies to the surrounding community.
- Training and mentoring for the management of the Mandiri Seriam Agro Cooperative.
- Resolving territorial problems around the company by communicating well with the community regarding land claims to check compensation data.
- Realizing the CSR program
- Increase the availability of clean water
- Carry out clean Friday activities for monitoring and maintenance in housing and repairing damaged housing facilities. In addition, repairs to employee housing facilities are carried out periodically and if there are complaints, they can be submitted in writing.
- Provision of buses for transportation between workers' children.

In 2018 the company conducted a Social Impact Assessment conducted by the Lingkar Komunitas Sawit (LINKS). This social impact assessment is conducted to see whether the issues identified in the 2011 social impact assessment are still relevant to current actual conditions. In addition, the 2018 social impact assessment is to review the implementation of the SIA management plan and monitoring activities that have been carried out by the company. The 2018 social impact assessment data collection process was carried out on 14-18 December 2018 and the final report was completed in March 2021. The 2018 social impact assessment process involved affected stakeholders such as surrounding communities, workers, staff, plasma farmers, and contractors. The company has also monitored social impacts through questionnaires in October 2021 and carried out direct field visits to villages to monitor the results of the implementation of social management and monitoring that has been carried out. The monitoring results will be used as input for the implementation of the social impact management and monitoring plan for 2022.

Status: Comply

## 3.5

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

#### 3.5.1.

The certification unit has procedures related to recruitment, selection, employment, promotion, retirement and termination of employment which are generally described in the Company Regulation written in Bahasa. In general these procedures describe:

- Recruitment of workers is based on needs and adjusted to the ability of the company.
- The age of the prospective worker is a minimum of 18 years at the time of recruitment of workers.
- Recruitment of workers is based on the ability, expertise and assessment of prospective workers.
- The company is authorized to carry out the placement, transfer and promotion of workers in accordance with applicable regulations.
- Termination of employment can occur when a worker retires, dies, resigns, and terminates an employment agreement due to a serious violation and others.

In addition to being publicly listed in Company Regulation, the certification unit has other procedures in the form of Policies, SOP, Internal Memorandums and others related to recruitment, transfer, promotion, retirement, termination of employment and others. These procedures have been documented to all workers and their representatives. One of the socializations given to workers annually

was related to Company Policies and Regulations which was attended by all workers on muster morning. For example, some procedures that are owned by the company include Procedure Employee Recruitment and Selection (BGA-SOP-HC-304.1-R0) concerning Employee Recruitment and other procedures.

The certification unit did not have workers with contract status for daily worker (BHL), and contract workers (PKWT), so that currently the company only has permanent workers and Staff. All the rights for each employment status has been distinguished. Based on the results of interviews with workers in the estate and mill units and representatives of the Bipartite Committee, it is known that the workers have understood the recruitment, selection, promotion and other employment procedures contained in the Company Regulation and in other procedures.

From this explanation it can be concluded that the certification unit has procedures for recruitment, selection, employment, promotion, retirement and termination of employment must be documented / available to workers and their representatives in accordance with applicable laws and regulations.

### 3.5.2

The certification unit always documented all labor procedures that have been carried out properly such as recruitment, promotion, performance assessment, pension and others. The following are some sample labor procedures that have been implemented and are well documented by certification unit, including:

- Work Agreement Letter dated 23 May 2022 between the company and workers (MKL) for loading work activities. Where in the agreement explains the rules, scope, type of work, wages, social security, health insurance and others. The agreement is a work agreement as a permanent worker and when signing the agreement, the worker has officially become an employee of PT Agro Sejahtera Manunggal. For completeness of other acceptance documents such as job application applications, ID Cards, Family Cards, MCU results and others can be shown together with the agreement. The agreement has also been held by each party with the same legal force.
- Work Agreement Letter dated 05 May 2022 between the company and workers (HLK) for loading work activities. Where in the agreement explains the rules, scope, type of work, wages, social security, health insurance and others. The agreement is a work agreement as a permanent worker and when signing the agreement, the worker has officially become an employee of PT Agro Sejahtera Manunggal. For completeness of other acceptance documents such as job application applications, ID Cards, Family Cards, MCU results and others can be shown together with the agreement. The agreement has also been held by each party with the same legal force.
- There is a pension document for workers with initial SMS retired on 30 November 2021 according to Decree on 04 March 2022. In addition to the decree, there are also other supporting documents such as calculation of pension payments, labor documents of workers since they first worked, etc. All procedures and documents shown are in accordance with existing procedures and in accordance with applicable laws.

The results of interviews with workers (harvesting, spraying and mill operators) in note that the certification unit has carried out labor procedures starting from recruitment, selection, acceptance, promotion and retirement procedures in accordance with existing regulations, as well as all the application is assessed in accordance with the abilities and competencies of the employees. For example, workers who initially entered were selected before being accepted, workers who received promotion / class promotion had received an assessment from their superiors and workers who retired received all their rights as retirees. During 2021 until May 2022 there were no labor issues that occurred at certification unit, this was accordance by the results of consultations with the Bipartite Committee, the Manpower and Transmigration Agency of Ketapang Regency which stated that the application of existing labor procedures certification unit is in accordance with the regulations and since 2021 until now there have been no labor issues.

Based on the description above, it can be concluded that the certification unit already has labor procedures implemented and records are maintained for each worker.

Status: Comply
----------------

### 3.6

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

#### 3.6.1.

The certificate holder has carried out a risk assessment to identify Occupational Health & Safety issues in all operations, both on estate and at the Mill indicated in the HIRAC document. For 2022, the latest revision has been passed in June 2022. The document

contains identification of each type of activity, source of hazard, risk/impact, risk assessment, operational control, type of control, and risk evaluation. This assessment covers all hazards and risks in the plantation, such as land clearing, manual plant care, plant pests and diseases, harvesting and transportation, mechanical harvesting, FFB transport by grabber, manual fertilization, mechanical fertilization, pesticide application, land application, etc. Based on field observations and interviews with pesticide applicators, it is known that officers have understood the potential work risks and how to minimize these risks. The certification unit also shows a HIRAC document for the Processing unit that explains the results of hazard identification and its control in FFB weighing operations, loading ramp stations, sterilizer station operations, thresher stations, press station operations, boiler station operations and so on. The results of interviews with workers and operators at the Mill, it is known that they have understood the work risks and their mitigation efforts. The HIRAC document is a derivative of the OHS policy which was approved in June 2013 by Top Management. The company also has OHS procedures as an operational reference, including the LOTO procedure contained in the procedure number ASA-SUST-SOP-11.

Regarding the accident in July 2020 at the Sterilizer station, it is known that one of the risk control/risk mitigation efforts identified in HIRAC include the implementation of the LO-TO system, retraining on safety, and supervision.

Regarding the follow-up to the 2021 MCU, a follow-up examination was carried out at the 2022 MCU in June 2022 with the consideration that the Covid condition had begun to decline at the end of the 1st semester of 2022. Follow-up examinations were carried out, including re-observation of patients regarding the results of the previous MCU, therapy by the Clinic Companies, as well as referrals to specialists.

### 3.6.2

Monitoring the effectiveness of the OHS plan in dealing with OHS risk is carried out regularly, for example, The CH also shows the minutes of the management review meeting related to sustainability which was held on June 2, 2022, such as the results of internal and external audits, status of corrective and preventive actions, customer feedback, and contractor performance. The CH also said that the evaluation was also carried out during the OHS Committee meeting which was held regularly every month. For example, the OHS Committee meeting in March 2022 which was held on March 7, 2022, was attended by management and members, with discussions including evaluating work accidents and evaluating the need for road signs and road safety. One of the concerns of The CH is the inspection of the machines at the Mill. The CH has shown a recorded list of equipment and machine certifications in the POM. The results of the document review, it is known that the machines in the POM have been tested and until the audit is carried out it is known that this is still valid. For example, for boilers with license deed number 1224/OPK3/B.I/X/2018, the last inspection is 12 September 2018 and is valid for 5 years, namely 12 September 2023.

Status: Comply
----------------

### 3.7

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

#### 3.7.1 & 3.7.2

PT Agro Sejahtera Manunggal has identified needs and training programs listed in the 2022 Matrix and Training Program document, in which there are types of training needed by each worker starting from OHS training, best management practices, and socialization of policies/IOM that the training targets are harvesting, maintenance/upkeep, crane workers, BMS (BGA Manuring System), BSS (BGA Spraying System), hazardous waste officers, contractors and others. However, the matrix does not include training needs for plasma farmers and workers in factory units such as process operators, grading, security and others. The company has shown evidence that socialization has been provided to employees including:

- Socialization of Company Regulations for the period 2021-2023 on 04-07 February 2022 at PRYE, PRYM, BRYE and BLRE.
- Dissemination of company policies such as policies on Human Rights, Employment and others on April 15, 2022 at PRYE, PRYM, BRYE and BLRE.
- Dissemination of company policies, communication procedures, complaints and information delivery to the Seriam Village community on March 12, 2022.
- First aid training for first aid workers provided by company doctors and paramedics on 20 May 2022.
- SCCS training for parties who carry out SCCS activities in the company on 23 April 2022.

Based on field observations and interviews with workers (harvesters, sprayers and mill operators), it is known that workers have understood their work in accordance with the procedures set by the company and their understanding of the duties and responsibilities for each job has been carried out quite well, because the certification unit has routinely conducted training every year according to the type of work each. Meanwhile, the results of interviews with representatives of contractors, contractor workers in field and the

surrounding community revealed that they had received routine socialization related to company policies, code of conduct, PPE, communication procedures and complaints were routinely provided by the certification unit which causes stakeholders to understand the procedures and work methods that already exist in the certification unit operational area.

Based on the foregoing, it can be concluded that the certification unit has an identification and training program for all workers including stakeholders (contractors, suppliers, local communities and smallholders) related to the RSPO P&C and all of them have been well documented.

### 3.7.3

The unit of certification showed socialization about the supply chain to employees which was last conducted on 23 April 2022. The minutes explained the procedures for managing certified including the responsibilities for each of the personnel who handle products.

The results of interviews with Head of Administration, weighbridge operator in POM and FFB administration in Estate showed that workers have already known the duties and responsibilities of each in the implementation of SCCS in accordance with the procedure and have been able to explain well about the management of certified and uncertified products, especially regarding the origin of the FFB source.

Status: Comply

## 3.8

### Supply Chain Requirements for Mills

#### 3.8.1 and 3.8.2

Based on document verification, the Mill implements the MB Module, which is received both FFB from certified and uncertified sources. Verification of Mass Balance record, the Mill has been recorded well the separation of FFB and products (CPO and PK) from certified and uncertified sources.

#### 3.8.3

Estimated certified product recorded in the last assessment report. The estimates of certified production for the next license period describe at ASA-2 + ASA-3 report (basic info 1.8.3), in reasonable amount taking into account the last year's production. The data are shown in the following table:

Products	Last Year Projected + Ext Volume (25 May 2020 – 24 June 2022)	Last Year Actual Certified Volume (May 2020 – May 2022) (MT)
FFB Certified (MT)	191,000	152,816.48
CSPO (MT)	44,274	37,554.54
CSPK (MT)	9,173	7,892.52

#### 3.8.4

The Mill has registered as RSPO member Bumitama Agri Ltd (No. 1-0043-07-000-00) and also has been registered in IT platform palm trace RSPO <https://palmtrace.rspo.org/web/rspo/member-directory> which information as follows:

- Member Name: Pembangunan Raya Palm Oil Mill - PT Agro Sejahtera Manunggal
- License ID: CB102188
- Core Product: Palm Oil
- Member ID: RSPO\_PO1000004866
- Type of Business: Oil Mill
- Supply chain model: Mass Balance

#### 3.8.5

The Mill has had procedures related supply chain, such as Product Identification & Traceability (No. SUST-ASM-SOP-22, revision R2 dated 10 January 2022). These procedures have referred to the latest RSPO Supply Chain System. The procedure has covered all aspects in SCCS MB model, such as receiving and recording that identify the traceability of RSPO certified and uncertified source and products, FFB processing, the announcement in RSPO Palmtrace, key persons such as security, weight bridge clerk,

dispatch/kernel officer, production clerk, Administration Head, as well as the training.

Based on interviews in Pembangunan Raya POM note that the weighbridge operators understands the supply chain management system. It also known that training and refreshment (awareness) of supply chain management system were carried out annually.

### 3.8.6

The procedure for internal audit for SCCS mentioned in Product Identification & Traceability Procedure (No. SUST-ASM-SOP-22, revision R2 dated 10 January 2022). Based on that procedure internal audit carry out minimum one times a year. Based on document review, the company show the record evidence regarding internal audit of RSPO SCCS that conducted on 18-21 April 2022. Based on result of internal audit, there is no non conformity SSCS indicators and complied with RSPO Supply Chain requirements for mills and the RSPO Rules on Market Communications and Claims.

Management Review of RSPO SCCS implementation conducted on 2 June 2021. The management review discussion has covered the input from internal audit result, correction and corrective action, process performa and product compliance, follow up of previous management review, and recommendation for improvement.

### 3.8.7

The mill has verified and documented the volumes of certified and non-certified FFBs received. Certified and non-certified FFB received period of 25 months before audit which is May 2020 – May 2022:

Month	FFB (ton)		Total
	Certified	Non-Certified	
May 2020 - May 2022	152,816.48	470,603.43	623,419.91

Estimated certified product recorded in the last assessment report (ASA-1). Actual certified produced has been verified during this assessment and not exceed the estimate. The data are shown in the following table:

Products	Last Year Projected + Ext Volume (25 May 2020 – 24 June 2022)	Last Year Actual Certified Volume (May 2020 – May 2022) (MT)
FFB Certified (MT)	191,000	152,816.48
CSPO (MT)	44,274	37,554.54
CSPK (MT)	9,173	7,892.52

According to the data during the certification period, there still not any overproduction yet.

The Mill has Mechanism of Handling of RSPO Certified and Non-Certified Products No. ASM-SUST-SOP-43 dated 14 January 2020. The procedure has covers identification and traceability of RSPO certified and non-certified products, as well as responsible person in charge.

### 3.8.8

The mill has product information provided in such as document of weighbridge ticket, delivery order and other invoices, as example at invoices of CSPK certified delivery on 21 February 2022. The informations provided on invoices are:

- The name and address of the buyer (PT Andes Agro Investama - Jakarta);
- The name and address of the seller (PT Agro Sejahtera Manunggal – Pembangunan Raya Mill in Kendawangan)
- The loading or shipment / delivery date (21 February 2022);
- A description of the product supply chain model (Mass Balance)
- The date on which the documents were issued (21 February 2022);
- The quantity of the products delivered (8.41 ton);
- Any related transport documentation (transport by PT Suri Adidaya Kapuas);
- A unique identification number (A2122206809);
- RSPO certificate number (MUTU-RSPO/126);



- etc.

### 3.8.9

The unit of certification has legal ownership of CPO and PK and did not outsource its milling activities. Only transportation of certified products (CPO and PK) is outsourced to the third parties. Currently, there is 2 contractors for CPO and PK transport, for instance as shows through several Work Order Letter as follows:

- CV Kawira Putra (CPO transporter), agreement No. 001-WIL 7A/ASM/SPK/VI/2022 valid thru June 2023.
- PT Suri Adidaya Kapuas (PK transporter), agreement No. 001-WIL 7A/ASM/SPK/VI/2022 valid thru June 2023.

To ensure the contractors complies with the RSPO Supply Chain, in the agreement, there is a letter of commitment from each contractor stating that they are committed to supporting the implementation of the RSPO SCCS system including the willingness to provide proper access to accredited CBs in order to be able to access their operations and systems along with any information in their possession, if the audit is notified in advance. Based on interview with contractor regarding the clausal in the contract that allow CB to access the contractor, they acknowledge and understand about the provisions.

### 3.8.10 and 3.8.11

The Mill has the record of details of the contractor, covers the contractor company profile, address, contact person, email and phone number, contract agreement and period, and list of vehicles. There was no new contractor from the previous assessment. The list of contractors of CPO and PK transporter are:

1. CV Kawira Putra (CPO transporter)
2. PT Suri Adidaya Kapuas (PK transporter)

### 3.8.12

The company has had the up-to-date record and report that are kept in mill office, complete, accurate and up-to-date. All the record can be accessed by the auditor, such as record of certified product shipping, sales contract, delivery order/invoice, production report and product sales. Based on document verification on supply chain procedure, retention time for all records and report regarding to supply chain are kept for 5 years.

For instance record of all certified palm oil/palm kernel oil volumes purchased (input) and claimed (output) for period of 25-months before audit (May 2020 – May 2022):

#### CSPO

Month	CPO (ton)		Total
	Certified	Non-Certified	
May 2020 - May 2022	37,554.54	110,394.58	147,949.12

Month	CSPO Despatch (ton)			Total
	RSPO	Other Scheme	Non-Certified	
May 2020 - May 2022	-	-	35,500	35,500

#### CSPK

Month	PK (ton)		Total
	Certified	Non-Certified	
May 2020 - May 2022	7,892.52	22,405.90	30,298.42

Month	CSPK Despatch (ton)			Total
	RSPO	Other Scheme	Non-Certified	
May 2020 - May 2022	3,050.00	-	3,490.00	5,077.00

### 3.8.13 and 3.8.14

The conversion rate of production of CPO (OER) and PK (KER) were based on actual daily, monthly and yearly production. The extraction rate follows the actual data for a 25-months period for May 2020 until May 2022 i.e OER 23.73% and KER 4.86%. Periodically update of extraction is actual extraction.

### 3.8.15

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

### 3.8.16

RSPO IT Platform member registration number for Pembangunan Raya POM is RSPO\_ PO1000004866. The Mill carry out shipping announcement in the RSPO IT platform when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch. For example:

- Certified PK sold to PT Andes Agro Investama Sei Kerandi (Kernel Crushing Plant) dated 16 December 2021 for 150.44 ton and transaction creates in IT Palm Trace dated 5 January 2022.
- Certified PK sold to PT Andes Agro Investama Sei Kerandi (Kernel Crushing Plant) dated 7 February 2022 for 199.60 ton and transaction creates in IT Palm Trace dated 10 February 2022.

### Removing Stock

For the CSPO dan CSPK that sold as other scheme or as conventional, the company has credit allocated (Book and claim) the stock of CSPO from the palm trace or remove the stock of CSPK from the palm trace, as example credit allocation of CSPO dated 24 February 2022 for 6,000 ton (transaction ID: ST-TR-0fc7c308-1959) and removing stock of CSPK dated 10 June 2022 for 1,746.77 ton (transaction ID: ST-TR-ace8ce58-0785).

### 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 & 4.1.2

The Company has policies related to equal opportunities and treatment to obtain employment opportunities in the Office Memo Internal Document (No.:001/ASM-SUST/V/2018) concerning Child Protection Policy and Women Workers, Same Policies and Opportunities in Employment Opportunities (Human Rights) and the Association and Gathering Policy which is valid on 31 May 2018. In addition, the company has a policy related to human rights in the Manpower and Human Rights Policy document signed by Area Controller 7A on November 11, 2019. The policy explains the company's commitment to respecting human rights as regulated and stated in the law. The company is also committed to protecting whistle blowers related to human rights and is also committed not to commit acts of intimidation outside the law/violence in any form against human rights defenders, including the use of the military (if any).

The commitment of the certification unit in respecting human rights has been quite well implemented in the absence of issues and incidents of human rights violations that occurred in the operational area of plantations and factories. This is evidenced by document study on complaints and grievance document (internal and external) that so far there have been no incidents or issues of human rights violations occurring in the operational area of the certification unit. This policies has been socialized to surrounding community annually.

Based on the results of interviews with community representatives and Bipartite Committee, it is known that so far from 2021 until now (May 2022) there has never been any intimidation/act of violence committed by the certification unit against workers, communities, contractors, or other parties who cooperate with the company. If there is a problem, usually the unit of certification will negotiate in a good manner and without resorting to violence. This is in line with the results of interviews with representatives of the



bipartite and gender committee who stated that there had never been any incidents or issues related to human rights violations that occurred in the certification unit operational areas.

Based on the explanation above, during the past year there were no issues / incidents of human rights violations that occurred in the vicinity or the operational area of the certification unit so that there were no acts of intimidation / violence carried out by the certification unit including contracted services such as security services that were contracted and others.

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

Unit certification can demonstrate the existence of conflict, complaint and grievance handling procedures such as Grievances Resolution with no. SOP-BGA-SOP-HC-311-1-R0, that approved on April 25<sup>th</sup> 2012. This procedure explain about the process of delivering and handling of complaints and grievances from both internal and external. In the procedures also mentioned that the company guarantees the anonymity of the reporting and the revealer of the case (*whistleblower*). Protection policy for whistle blower also stated in sustainability policy that published on August 13<sup>th</sup> 2015. Through this policy stated that *"We strive to amicably resolve conflicts and complaints with all parties in an open, transparent and constructive manner through our complaints and whistleblowing procedures, in addition to the RSPO complaints mechanism. Significant non-compliance of this policy will be monitored and reported to the company's Board. The corrective measures taken, where appropriate, will be publicly reported"*.

Based on the results of the review of the list of documents for incoming and outgoing letters in 2021 (January-December) and 2022 (January-May), it is known that in 2021 and 2022 there will be no complaint submitted by the relevant stakeholders to the certification unit. This is evidenced by the logbook which states that in 2021 (January-December) and 2022 (January-May) there has been no letter of request for information or grievance/complaint submitted by stakeholders during the period. The document has been accordance with statements from stakeholders interviewed when the audit was carried out, namely the Agencies in Ketapang Regency, representatives of the surrounding village communities and contractors who collaborated with the certification unit stating that they had never sent a letter for grievance or complaint to certification unit.

Based on an interview with the Surrounding Village Representative, it was found that the certification unit had conducted socialization to the Village regarding the mechanism for submitting complaint to the certification unit. If there is a submitting complaint, the village will send a letter or tell the complaint to the certification unit and the response of the request will be provided by the certification unit. In accordance with this explanation, the certification unit already has a record of complaint and there is no existing complaint.

Based on this explanation, it can be concluded that the certification unit has procedures/communication systems, complaints and conflict resolutions available for all affected parties, can resolve disputes effectively, in a timely and appropriate manner, and ensure the protection of the identity (anonymity) of the complainant, human rights defenders, community representatives, whistleblowers, if requested, as long as the report is supported by sufficient preliminary evidence. This system ensures there is no risk of retaliation or intimidation, and follows the RSPO policy of respect for human rights.

### 4.2.2

To ensure that everyone (people who cannot read and write) can understand the existing procedures in the system implemented by the company, which is to provide flexibility for stakeholders or employees to make complaints accompanied by representatives who can read and write. This procedure in document of Procedure of Communication No. ASM-SUST-SOP-09. The procedure also stated that if it is not possible to submit/request information and complaints in writing by internal/external stakeholders due to various reasons (writing ability/disability), then the submission/request for information and complaints can be made verbally and the management unit is represented by Public Relation Officer and Section Head/ Head of Administration/HRD officers helps write it down in the information request/complaint log.

However, the results of interviews with representatives of surrounding communities, the community has known about the communication procedures and to people who served as communicators between the company and community so that people who cannot read / write can be informed by the related communicators. In order to conduct consultation and communication with the community, a delegation is appointed with the given authority (in this case, public relation staff for internal/external parties).

Based on the explanation above, it can be concluded that the certification unit has procedures to ensure the system is understood by affected parties, including those who cannot read and write that are well documented.

#### 4.2.3 & 4.2.4

Based on information obtained from the external complaints log book in 2021 until May 2022 was carried out there were no complaints from external parties. As explained by the management representative, a mutually agreed system for handling complaints will be established when complaints are found. The procedure for making reference is Procedure of Communication No. ASM-SUST-SOP-09 for communication and Grievances Resolution with no. SOP-BGA-SOP-HC-311-1-R0, that approved on April 25<sup>th</sup> 2012 for Grievances.

The procedure includes explaining the mechanism for requesting information including handling complaints. It was also explained that the response period was 15 days. The officer responsible for responding to stakeholders is the Corporate Affairs Department, Corporate Communication Department, CSR Department, Head of Administration, Human Resources Department and Unit Managers. Internal and external stakeholder understanding of the grievance system will be reaffirmed when the field audit activity is carried out.

In Indonesia, giving freedom to the reporting party to obtain legal and technical assistance from an independent party is allowed and there is none regulation/procedure in certification unit that forbids it. This was further strengthened by the results of interviews with surrounding village which stated that when if their residents had disputes or land claims to the certification unit, the community was given the freedom to ask for legal and technical assistance from independent parties such as lawyers and other parties to manage this matter. This proves that the certification unit in general has carried out its procedures to give the reporting party the freedom to obtain legal and technical assistance from a third party in the event of a dispute.

Based on the results of the review of the list of documents for incoming and outgoing letters in 2021 (January-December) and 2022 (January-May), it is known that in 2021 and 2022 there will be no complaint submitted by the relevant stakeholders to the certification unit. This is evidenced by the logbook which states that in 2021 (January-December) and 2022 (January-May) there has been no letter of request for information or grievance/complaint submitted by stakeholders during the period. The document has been accordance with statements from stakeholders interviewed when the audit was carried out, namely the Agencies in Ketapang Regency, representatives of the surrounding village communities and contractors who collaborated with the certification unit stating that they had never sent a letter for grievance or complaint to certification unit.

For grievances or complaints from internal parties (workers) only in the form of complaints related to housing facilities such as:

- Complaints on 10 February 2022 from workers related to the damaged ceiling of the terrace area of the house. The company responded to this on the same day and made repairs on February 14, 2022 by repairing the ceiling.
- Complaints on 21 March 2022 from workers related to the floor of the living room which had been damaged in the corner. The company responded to this on the same day and made repairs on February 22, 2022 by repairing the floor.

Based on the complaint documents, responses and proof of settlement that have been shown by the company, the unit of certification can prove that the handling of complaints submitted by workers has been handled properly.

Based on the explanation and description above, it can be concluded that the certification unit has a conflict resolution mechanism/procedure which includes the option to obtain legal and technical assistance from an independent party, where the reporting party has the freedom to choose a person or group who can support it and/or act as observers as well as the parties may choose the option of involving a third-party mediator.

Status: Comply
----------------

#### 4.3

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

##### 4.3.1

The 2022 CSR program was made based on FGD with communities which has been held in October 2021. The following are CSR programs for the period of 2022, namely:

##### **Social Program**

- Donations for social activities from the surrounding community/village

### Education programs

- Donations for school operational activities in surrounding villages

### Infrastructure Program

- Donations for the construction/repair of houses of worship, sports facilities, procurement of wells/clean water sources and facilitation of community electricity

### Economic Empowerment Program

- Assistance for local community business activities in planting vegetables/fruits, animal husbandry, fisheries and local crafts

For the realization of CSR activities in 2022, several realization documents have been shown, namely:

- Assistance for traditional activities of the Dayak tribe in Badak Bathing Hamlet on 10 February 2022.
- Assistance for the agricultural program (land clearing of land for vegetable and fruit farming activities) for local communities in Seriam Village on March 18, 2022.
- Assistance for the traditional activities of the Dayak Tribe (Turun Sandam) in Harapan Manis Hamlet on April 11, 2022.
- Assistance in the form of providing sports and art equipment to schools in Seriam Village on 17 May 2022.

Based on the results of interviews with villages around the company, it is known that so far, the company has realized CSR to the surrounding community and is considered quite good by the village head. In addition, the company's CSR program was prepared based on the results of consultations with the Village and Ketapang District Government.

4.3.1

Status: Comply

### 4.4

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

#### 4.4.1

The company for scope PT Agro Sejahtera Manunggal – Pembangunan Raya POM has managed totaling area of 7,085.49 Ha, which consist of 6,124.69 Ha for core estate and 960.80 Ha for plasma (Agro Seriam Mandiri Cooperative). The company get the land use title in the form of HGU decree from head of national land agency and HGU certificate, with the details as follows:

#### Own Estate

- Decree of the Head of the National Land Agency No. 28/HGU/BPN RI/2013 dated April 15, 2013 on state land area of **5,630,20 Ha**. Then issued HGU Certificate No. 65 for PT Agro Sejahtera Manunggal with an area of **5,630,20 Ha** on 17 July 2013 with the expiry date of 12 July 2048.
- Decree of the Minister of Agrarian Affairs and Spatial Planning / Head of the National Land Agency no. 52/HGU/KEM-ATR/BPN/2018 dated June 4, 2018 regarding the granting of HGU on behalf of PT Agro Sejahtera Manunggal on state land covering an area of **494.49 Ha**. Then the Certificate of Cultivation Right was issued:
  - HGU Certificate No. 234 with the name of the right holder, namely PT Agro Sejahtera Manunggal with an area of **414.17 Ha** on 27 July 2018 with the expiry date of 26 July 2053.
  - HGU Certificate No. 235 with the name of the right holder, namely PT Agro Sejahtera Manunggal with an area of **3.92 Ha** on 27 July 2018 with the expiry date of 26 July 2053.
  - HGU Certificate No. 236 with the name of the right holder, namely PT Agro Sejahtera Manunggal with an area of **16.0295 Ha** on 27 July 2018 with the expiry date of 26 July 2053.
  - HGU Certificate No. 237 with the name of the right holder, namely PT Agro Sejahtera Manunggal with an area of **46.32 Ha** on 27 July 2018 with the expiry date of 26 July 2053.
  - HGU Certificate No. 238 with the name of the right holder, namely PT Agro Sejahtera Manunggal with an area of **14.05 Ha** on 27 July 2018 with the expiry date of 26 July 2053.

#### Plasma Estate

- Decree of the Minister of Agrarian Affairs and Spatial Planning / Head of the National Land Agency no. 51/HGU/KEM-ATR/BPN/2015 dated 20 May 2015 on a state land area of **960.80 Ha**. Then issued HGU Certificate No. 127 with the name of the right holder, namely the Agro Seriam Mandiri Plantation Cooperative with an area of 960.80 Ha on August 13, 2015 with the expiry date of the rights on May 20, 2050.

However, the total scope area for this RSPO certification is **6,316.77 Ha**. There is area covering 768.72 Ha in Belaban Raya Estate exclude the scope of certification due to RaCP progress. In Time Bound Plan is planned to certified on 2022.

#### 4.4.2

PT ASM has freed land in the location permit area from the rights and interests of other parties. There is a recording of the acquisition of land rights shown by the company in the Compensation Fund Application Recapitulation - Region VII period 2008 - 2015 with a total area of 6,725.66 hectares freed, to 480 Family Heads.

There is recording of the acquisition of land rights at PT Agro Sejahtera Manunggal, for example on behalf of OMA Hendrika (INYUH) Seriam Village community located in Block A-07 covering an area of 5 hectares with a compensation value of Rp1,250,000, on December 24, 2008. Supporting documents are available in the form of Location Map which was compensated signed by both parties, receipt of payment received on 12 December 2008, Land Transfer Letter, Statement Letter, Land Acquisition Document and Minutes of land compensation.

All documents related to evidence of compensation implementation are well documented in the form of:

- Declaration of Land Transfer.
- Proof of Land Ownership in the form of "Land Certificate/ SK7" issued by the Village Head and known by the Subdistrict Head, in the document explaining the land owner, land location, land area, land boundaries and other information related to free disputes, not sacred land/graveyards and the validity period of the Land Certificate.
- Land owner statement containing information on the name of the land owner, ID card number of the land owner, land boundaries, land area, signatures of witnesses (Demung Adat and community leaders), signature of land owner and signature of the Village Head.
- Minutes of joint inspection containing information on the name of the land owner, the ID card number of the land owner, the location and boundaries of the land, the area of the land, the signatures of the witnesses (Demung Adat and community leaders), the signature of the land owner and the signature of the Village Head.
- Compensation value agreement which contains information on the name of the land owner, ID card number of the land owner, the location and boundaries of the land, the area of the land, the agreed amount of compensation, the signature of the land owner, the signature of the PT ASM Management Representative, the signature of the Village Head and the signature of the Witnesses.
- Land Acquisition agreement document containing information on the name of the land owner, ID card number of the Land owner, Location and Land Boundary, land area, agreed compensation amount, signature of land owner, signature of PT ASM Management Representative, signature of Village Head and signature the sub-district head.
- Map of the compensated area, joint measurement results signed by the owner and PT ASM management representatives.
- Copy of the identity card of the land owner.
- Proof of payment of compensation (receipt) signed by the recipient of compensation with a stamp duty of Rp6000.
- Documentation in the form of Photographs.

Based on public consultation with previous land owner and village representatives from Seriam Village and Badak Berendam Sub-Village, known that all land acquisition between local people and company representatives conducted as mutual agreement and with Bahasa that understood by all parties involved. The compensation process is done directed to the land owner and not diminish the legal/customary right; landowners are given the freedom to release their land without coercion.

#### 4.4.3

The company can show a map showing legal rights in the form of a HGU map with a scale of 1:50,000 contained in the HGU certificate issued by the Land Office that developed through participatory mapping. Moreover, in each compensation document there are maps that are made in a participatory manner showing the location of the area to be compensated which is signed by the land owner and known by the local government. Based on public consultation with previous land owners and also village representatives from Seriam Village and Badak Berendam Sub-Village, it is recognized that they know the legal boundaries owned by PT Agro Sejahtera Manunggal.

Based on field observations to several samples of HGU stakes determined by the auditors, namely Pembangunan Raya Estate (Stakes No. 05, 06, 09 and 69), Bengkuang Raya Estate (Stakes No. 60, 61 and 62), Belaban Raya Estate (Stakes No. 17, 18, 26, 27 and 28) and Agro Seriam Mandiri Cooperative (Stakes No. 58, 59, 62, 63 and 76), it is concluded that all HGU stakes are in place

according to their coordinates and are in good condition. Verification using GPS indicates that the stakes coordinate is in accordance with the provisions of the land title.

#### 4.4.4

As explained in indicator 4.4.2, it is known that the negotiation process for land release has been carried out in a fair, open, and transparent manner and is based on the agreement of both parties without any coercion from either party. The community represents itself in the process. All relevant information regarding land acquisition is available in appropriate forms and languages.

#### 4.4.5

Based on public consultation with previous land owners and also village representatives from Seriam Village and Badak Berendam Sub-Village, known that all land acquisition between local people and company representatives conducted as mutual agreement and with Bahasa that understood by all parties involved. The compensation process is done directed to the land owner and not diminish the legal/customary right; landowners are given the freedom to release their land without coercion.

#### 4.4.6

Implementation of agreement negotiated through FPIC is annually reviewed in consultation with affected parties, it can be seen in the report on SIA management and monitoring for 2021 and 2022. Based on the results of interviews with stakeholders (Seriam Village, Badak Berendam Sub-Village and plasma cooperative representatives and previous land owner), it was informed that the company has had a positive impact such as employee recruitment, plasma provision and CSR assistance. There are no land conflicts between the community and the company, besides that the company regularly holds meetings with community representatives and absorbs community aspirations which are applied in company policies such as CSR or other assistance.

Status: Comply

#### 4.5

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

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

There are no new plantings after 2018 in the managed area, but there is new planting after 1 January 2010 without NPP and this become object of sanction for 3 years after obtaining the RSPO Certificate. The compensation process has been finished in 2015 and not diminishing the legal/customary right and the land acquisition been through without coercion. Based on interviews with 7 previous land owners from Seriam Village community, known that the land has been compensated and there is no claim/ dispute land between community and the company.

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

The company has procedure of Land Compensation, document No. BGA-SOP-GL-903.1-R3 dated 30 September 2020 related to identifying legal, customary or user rights, and for identifying people entitled to compensation. Based on public consultation with 7 previous land owner and village representatives from Seriam Village and Badak Berendam Sub-Village known that they know about the procedure through the socialization given and they agree with the procedure.

##### 4.6.2

The company has procedure of Land Compensation, document No. BGA-SOP-GL-903.1-R3 dated 30 September 2020. The procedure is described how to calculate and distribute fair and gender-equal compensation in all activities related to the compensation process for land over the land right cultivated by the Company, the purpose is to ensure the area of plantation free from others right. Based on public consultation with 7 previous land owner and village representatives from Seriam Village and Badak Berendam Sub-Village known that they know about the procedure through the socialization given and they agree with the procedure and compensation process was done directed to the land owner and landowners are given the freedom to release their land without coercion.

##### 4.6.3



PT ASM already has cooperation in the development of plasma plantations namely Agro Seriam Mandiri Cooperative. Based on the data from the farmers in the Cooperative, it is known that there are farmers with gender and women. This indicates that there are equal opportunities for men and women to have land rights in the plasma.

#### 4.6.4

As mentioned in indicator 4.4.2, all documents related to evidence of compensation implementation are well documented in the form of:

- Declaration of Land Transfer.
- Proof of Land Ownership in the form of "Land Certificate/ SK7" issued by the Village Head and known by the Subdistrict Head, in the document explaining the land owner, land location, land area, land boundaries and other information related to free disputes, not sacred land/graveyards and the validity period of the Land Certificate.
- Land owner statement containing information on the name of the land owner, ID card number of the land owner, land boundaries, land area, signatures of witnesses (Demung Adat and community leaders), signature of land owner and signature of the Village Head.
- Minutes of joint inspection containing information on the name of the land owner, the ID card number of the land owner, the location and boundaries of the land, the area of the land, the signatures of the witnesses (Demung Adat and community leaders), the signature of the land owner and the signature of the Village Head.
- Compensation value agreement which contains information on the name of the land owner, ID card number of the land owner, the location and boundaries of the land, the area of the land, the agreed amount of compensation, the signature of the land owner, the signature of the PT ASM Management Representative, the signature of the Village Head and the signature of the Witnesses.
- Land Acquisition agreement document containing information on the name of the land owner, ID card number of the Land owner, Location and Land Boundary, land area, agreed compensation amount, signature of land owner, signature of PT ASM Management Representative, signature of Village Head and signature the sub-district head.
- Map of the compensated area, joint measurement results signed by the owner and PT ASM management representatives.
- Copy of the identity card of the land owner.
- Proof of payment of compensation (receipt) signed by the recipient of compensation with a stamp duty of Rp6000.
- Documentation in the form of Photographs.

Based on interviews with 7 previous land owners or customary rights owners from Seriam Village, known that all land acquisition between local people and company representatives conducted as mutual agreement and with Bahasa that understood by all parties involved. The compensation process is done directed to the land owner and not diminish the legal/customary right; landowners are given the freedom to release their land without coercion.

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

The company has a procedure in place to identify people and/or community groups entitled to compensation presented in document No. BGA-SOP-GL-903.1-R3 dated 30 September 2020. The procedure is described how to identify people and/or community groups entitled to compensation. Based on public consultation with previous land owner and village representatives from Seriam Village and Badak Berendam Sub-Village known that they know about the procedure through the socialization given and they agree with the procedure and compensation process was done directed to the land owner and landowners are given the freedom to release their land without coercion.

##### 4.7.2

The company has procedure of Land Compensation, document No. BGA-SOP-GL-903.1-R3 dated 30 September 2020. The procedure is described how to calculate and distribute fair and gender-equal compensation in all activities related to the compensation process for land over the land right cultivated by the Company, the purpose is to ensure the area of plantation free from others right. Based on public consultation with previous land owner and village representatives from Seriam Village and Badak Berendam Sub-Village known that they know about the procedure through the socialization given and they agree with the procedure and they can access



the procedure through management representative of the company if they need it.

#### 4.7.3

The company can show recapitulation of previous landowners who have been compensated. Based on public consultation with previous land owner and village representatives from Seriam Village and Badak Berendam Sub-Village, the communities that have lost access and rights to land also provided opportunities to benefit from plantation development such as plasma plantation cooperation, job opportunity and other benefit in the form of CSR program.

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 and 4.8.4

The results of interviews with management, obtained information that there was no land dispute that was going on at the time of the ASA-2+ASA-3 audit. Regarding the unplanted area and occupation of 21.14 ha, based on information from the company, it is a community area whose land is not yet willing to be compensated by the company. From the interviews, information was also obtained that in the last 2 years, there were land claims from several surrounding communities and all cases of land claims in the PT ASM management area have been resolved according to the procedures they have.

The company shows the 2020 Land Claim Case / Social Issue Update document which informs the land claim case / social issue accompanied by information on the claimed block, area, party making the claim, supporting documents, case description, settlement action, completion time, PIC and others. Based on this document, it is known that there are 12 cases of road blockage, land claims in PT ASM's core estate areas and land claims in plasma plantation areas. As for all social issues that have been resolved, including the case of land claims in the PT ASM management area and documentation of land claim cases has been shown, for example:

- Claims from Mega and Meliap in April 2020 at block A21 PRYE, where the location was released to the company in 2015. The claim settlement process was carried out through deliberation at PRYE's plantation office on April 23, 2020.
- Claim from Amir-Alio in July 2020 in block A09-B10 PRYE, where the location has been released under the names of Kisum, Meliap, Muat Rais and Seniun. The claim settlement process was carried out by deliberation on July 29, 2020.
- Claims from Juana and Unyang in September 2020 in block C15, block A5 and block A6 PRYE, which locations were released on behalf of Juana and Unyang in 2012. The claim settlement process was carried out by deliberation on September 12, 2020.
- The claim from Teguh Santoso in September 2020 at the G51 BLRE block where the location has been released on behalf of H. Bandi, Meliyam, and Pai Bin Jemahat. The claim settlement process was carried out by mediation on September 10, 2020 where the company had provided an explanation to the person concerned and on September 16, 2020, the portal was demolished by the management of PT ASM. Then there was another last mediation at the level of the Regional Secretary of Ketapang Regency on October 26, 2021 which presented various relevant agencies where at the meeting the company said that it had compensated all areas that had been planted with oil palm and had legal evidence. The results of interviews with management obtained information that until the implementation of this audit, there were no further claims for land claims from Teguh Santoso.

Based on the results of public consultations with related agencies (Land Office of Ketapang District, Seriam Village and Badang Berendam Sub-Village) information was obtained that currently there are no more land disputes that occur, but previously there have been land claims from several parties, but these have been resolved by company through a mediation process with various parties.

#### 4.8.3

No evidences show that there is any acquisition process through dispossession or forced abandonment. Based on public consultation with related government agencies of Ketapang District and village representatives (Seriam Village and Badak Berendam Sub-Village) and interview previous land owners, known that all land acquisition between local people and company representatives conducted as mutual agreement and the compensation process are done directed to the land owner and not diminish the legal/customary right, landowners are given the freedom to release their land without coercion.

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

Determination of FFB prices to Plasma Cooperatives, following the determination of the price of FFB from the West Kalimantan Province FFB Pricing Team, for example the Minutes of the Results of the Meeting on the Determination of the Purchase Price of Oil Palm FFB for Plantation Production in West Kalimantan Province for the first period of January 2022. As an example, for the price of FFB with a plant age of 10-20 years of IDR 3,022.98 and a plant age of 25 years of IDR 2,704,61.

Based on the results of interviews with representatives of the Agro Seriam Mandiri cooperative and the Bawal Sejahtera Mandiri Cooperative, it is known that the FFB price set by the company is based on the price from the West Kalimantan Provincial Plantation Service. Information related to FFB prices will be conveyed by the company via telephone and farmers can also directly access information on FFB prices.

#### 5.1.2

The determination of the price of FFB to farmers is determined by the West Kalimantan Provincial Plantation Service. In determining the price of FFB, farmers are also involved. The determination of the FFB price is always known by the Plasma Farmer Cooperative because every time there is an update on the FFB price, the company always provides information to the cooperative leadership to be informed to all its members. This is in line with the results of consultations with the cooperative management which stated that the company will inform the company regarding the FFB price information to the plasma farmers.

#### 5.1.3

As explained in indicator 5.1.2, the price of FFB to farmers is determined by the West Kalimantan Provincial Plantation Office. In determining the price of FFB, farmers are also involved. The determination of the FFB price is always known by the plasma farmers. The price agreement has also been explained in the cooperation agreement between the company and the farmers where the price of FFB is based on the price set by the Plantation Office. For the determination of the premium value until the assessment activity is carried out there has been no determination of the premium value between the company and the farmer.

#### 5.1.4

Based on the results of interviews with the cooperative chairman of the Agro Seriam Mandiri Cooperative and the Bawal Sejahtera Mandiri Cooperative, it was found that the cooperative had understood the contract/ Mou with the company and there was no coercion from the company. So far, the cooperation with the company has been going well and the cooperative has the authority to make decisions.

#### 5.1.5

The company can show a cooperation agreement with the Agro Seriam Mandiri Cooperative and the Bawal Sejahtera Mandiri Cooperative, namely:

- The Company shown agreement between company with Agro Seriam Mandiri Cooperative number 01 ADD1/SPK-ASM/VIII/2010 for smallholders development with area 1,321 Hectare, time period of this agreement is 30 year with full manage system.
- Cooperation Agreement for Development and Management of Oil Palm Plantation with Partnership Pattern of 608 Ha with PT Gunajaya Harapan Lestari (Group BGA) with Number 01 ADD/SPK-GHL/XII/2012 with a validity period of 1 cropping cycle (approximately 30 years of age).
- Letter of Agreement on Palm Oil Management Cooperation between Maju Sejahtera Farmers Group and PT Agro Sejahtera Manunggal which was made on February 6, 2009 with a validity period of 1 cycle (25 years). Based on the document, it is known that the management of oil palm land is carried out by the company and the price of FFB is set according to the price of the West Kalimantan Province Plantation Service.

Based on document verification, it is known that the agreement has complied with the provisions as evidenced by the agreement between the two parties, has a timeframe, and is transparent.

#### 5.1.6

The company can show proof of payment of FFB to FFB Suppliers such as Proof of FFB Payment to the Agro Seriam Mandiri Cooperative for the period January-March 2022 which was paid on April 27, 2022 which has been received by the cooperative

management as evidenced by the minutes and signatures of both parties and payment receipts as well as documentation in the form of photos of the handover of payments. The payment for the Bawal Sejahtera Mandiri Cooperative was paid by PT Gunajaya Harapan Lestari because the Cooperative was Plasma from PT Gunajaya Harapan Lestari. The results of document verification, for example, for the payment of FFB for the period I January 2022, it is known that the FFB payment has been in accordance with the price set by the West Kalimantan Provincial Plantation Office.

Based on the results of interviews with representatives of the Agro Seriam Mandiri Cooperative and the Bawal Sejahtera Mandiri Cooperative, it is known that so far there have been no complaints regarding the price or payment of FFB made by the Company. The cooperation between the Cooperative and the Company is going quite well.

#### 5.1.7

The company has carried out the results of testing the scales carried out by the Department of Cooperatives, UMKM, Trade and Industry of Ketapang Regency, namely:

- Certificate of weigh bridge test results with Number 012/SKHP/MET-THE//2022 dated January 3, 2022 for Avery Weigh Tronix Type E 1205 with serial number 140750683 with a capacity of 40,000 Kg from the technical implementing unit for the legal metrology area Type a Cooperative Service, UMKM, Trade and Industry of Ketapang Regency with the results of being ratified based on Law of the Republic of Indonesia Number 2 of 1981 and will be re-calibrated on January 25, 2023.
- Certificate of weigh bridge test results with Number 013/SKHP/MET-THE//2022 dated January 3, 2022 for Avery Weigh Tronix Type E 1205 scales with serial number 110950167 with a capacity of 40,000 Kg from the technical implementing unit for the legal metrology area Type A Cooperative Service, UMKM, Trade and Industry of Ketapang Regency with the result that it was legalized based on the Law of the Republic of Indonesia Number 2 of 1981 and will be re-calibrated on January 25, 2023.

Based on field visit sighted that Pembangunan Raya POM have 2 weighbridges.

#### 5.1.8

Based on the results of interviews with Agro Seriam Mandiri, which is a Plasma Cooperative, it is known that the company has socialized RSPO certification to Smallholders' Cooperatives. Currently, the Seriam Mandiri Agro Cooperative has become the scope of RSPO certification. Meanwhile, the Bawal Sejahtera Mandiri Cooperative which is a plasma of PT Gunajaya Harapan Lestari (BGA Group) has not yet received RSPO certification. The results of interviews with company representatives revealed that PT GHL, including the Bawal Sejahtera Mandiri Cooperative, is in the process of achieving RSPO certification and has been included in the Time Bond Plan.

#### 5.1.9

The Company has Communication and consultation procedures are explained in the communication procedure with no. ASM-SUST-SOP-08-R1, Revision No. R1 on 14-02-2017. The procedure has been socialized to stakeholders on 25-02-2017 by the CSR Department and Sustainability Department. The company also has a communication forum by involving stakeholders (Strategic Social Handling Forum).

Based on the complaint logbook for the period 2021-2022, there was a letter from the ASM cooperative on January 24, 2021 regarding a complaint regarding the payment of the remaining plantation produce. The Company has responded to the complaint by holding a meeting with the cooperative on January 27, 2021 and has shown the Minutes of Agreement between the Company and the cooperative.

Status: Comply
----------------

### 5.2

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

#### 5.2.1

Based on document verification and interviews with the company and representatives of plasma smallholders, it is known that the Agro Seriam Mandiri Cooperative has been certified RSPO and is within the scope of RSPO certification. Meanwhile, the Bawal Sejahtera Mandiri Cooperative which is a plasma of PT Gunajaya Harapan Lestari (BGA Group) has not yet received RSPO certification. The results of interviews with company representatives revealed that PT GHL, including the Bawal Sejahtera Mandiri Cooperative, is in the process of achieving RSPO certification and has been included in the Time Bond Plan.

### 5.2.2

Based on document verification and interviews with the company and representatives of plasma smallholders, it is known that the Agro Seriam Mandiri Cooperative has been certified RSPO and is within the scope of RSPO certification. In addition, based on the results of interviews with representatives of farmers who became the sampling audit, it was found that the farmers had understood the RSPO and the company had also conducted socialization related to plantation management in accordance with the principles and criteria of the RSPO as well as cooperative managerial training to cooperative management to manage cooperatives well.

### 5.2.3

The legality of FFB production from farmers from the Agro Seriam Mandiri Cooperative and the Bawal Sejahtera Mandiri Cooperative in the form of HGU Plasma from the company and the farmers' land is not located in the forest area. In addition, the three cooperatives have also received RSPO certification which has become the scope of RSPO certification (Agro Seriam Mandiri Cooperative).

### 5.2.4

Based on field observation and interview with management representative sighted that there are no independent smallholders. Actually, there is only scheme smallholders with full managed scheme, and it has been included to the RSPO certification scope.

### 5.2.5

The company shows evidence of reviewing and publicly reporting on the progress of the farmer support program on a regular basis, which is explained in the management review report of the partnership department as well as in the plantation business development report which is reported to the Ketapang Regency Government.

Status: Comply

## PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

### 6.1

Any form of discrimination is prohibited.

#### 6.1.1, 6.1.2 and 6.1.3

The Company has policies related to equal opportunities and treatment to obtain employment opportunities in the Internal Office Memo Document (No: 383/Reg 4B/X/2019) concerning Child Protection Policy and Women Workers, Same Policies and Opportunities in Employment Opportunities (Human Rights) and the Association and Gathering Policy which is valid on 1 September 2019. This policy explains that the company provides equal treatment regardless of ethnicity, religion, race, nationality, gender, sexual orientation, membership union, political affiliation, or age. The fundamental aims is to ensure diverse and representative profiles of workers through the promotion equality of labor.

The results of the employment document review prove that certification unit does not discriminate and treat all workers equally, the following is evidence that can be shown by the company:

- The composition of workers consisting of various ethnic groups, religions, gender and workers' origins. The existing workers do not only come from one area but come from several areas spread throughout Indonesia such as Java, Sumatra, Kalimantan and others. During the audit, there was no information regarding migran or AKAD workers (Angkatan Kerja Antar Daerah) in certification unit.
- Recruitment of workers based on the results of selection, performance appraisal, ability and expertise of workers.
- Worker placement and training are carried out in accordance with their expertise / type of work, such as prospective harvest workers are placed as harvest workers and receive regular harvest training.
- Women workers are given equal rights, wages and opportunities to get promotions with male workers of the same type of work, for example there are several maintenance foreman who are female workers.

Based on the results of interviews with workers (harvester, pesticide applicator, upkeep and mill operator), it is known that workers have never felt that the certification unit has discriminated against since they first working until now. This is because all activities from recruitment, performance appraisal, promotion, and union, each worker is given the same opportunity regardless of ethnicity, caste, nationality, religion, disability, gender, sexual orientation, gender identity, membership in worker unions, affiliations. politics or age. There is no difference between the communication between superior and workers because of the things mentioned above, so that

the workers do not feel isolated or discriminated against by the superiors. This has resulted in the absence of discrimination issues from 2021 to the present.

Based on the results of the study of labor documents, it is known that since 2021 until now there have been no migrant workers, no daily contract workers (BHL), contract worker (PKWT), all workers working in the certification unit are permanent workers and staff. All the rights for each employment status has been distinguished.

These explanations can conclude that the certification unit has policy and treated all workers equally (based on skill, quality and eligibility) without discrimination based on gender, ethnicity, religion, health conditions or others and has carried out all recruitment activities in accordance with applicable policies and procedures owned without any act of discrimination.

#### 6.1.4

A pregnancy test for workers is carried out just to ensure that pregnant workers are not allowed to do work with chemicals, not as a basis for discriminating against these workers. If declared pregnant, the worker will be transferred to a safer job but still equal in terms of wages and other benefits, so that there is no discriminatory action. This is made clear by the results of interviews with women workers in spraying and upkeep activities stating that female workers are required to have monthly pregnancy testing at the clinic to ensure that no female workers working with chemicals are pregnant / breastfeeding and testing the pregnancy is not a discriminatory measure given by the certification unit.

#### 6.1.5

Certification unit have gender committee and are still active until today in the certification unit which is with structure is: Advisor → Chairman → Secretary → Members. The structure of the gender committee not only consists of female workers but also includes male workers. The main objective of forming a gender committee is to provide a forum that can accommodate the aspirations / complaints of workers (especially women), as company partners in carrying out the activities of socialization related to gender and other policies related to workers' reproductive rights. In carrying out its activities this gender committee always collaborates with the bipartite so that the socialization of matters related to women's rights can be conveyed properly and there is no discrimination in terms of gender. The workers also knew of the existence of the gender committee because it had been routinely socialized by its management, the last socialization related to the gender committee and the activity was attended by workers and housing residents. The results of this socialization can be seen with the absence of differences in company operational activities such as promotional activities, the same status of workers without gender bias because overall are given equal opportunities for all genders (male or female) in work.

The results of interviews with maintenance workers (male and female workers) and representatives of the gender committee revealed that until now there were no reports / issues / complaints related to gender reported by the workers and at the moment the activities carried out were gender meetings during children healthcare (*posyandu*), women recitation weekly and others. Currently the certification unit is more focused on gender bias and equality for women because the most vulnerable parties in plantation operational activities are women, but this does not mean that the certification unit does not focus on other genders. This is evidenced by the absence of any issues or incidents related to this from 2021 until now (May 2022).

#### 6.1.6

Equal payment of wages has been made by certification unit properly, taking into account the ability, performance, expertise, length of work and other factors as a basis for remuneration. So that the payment of wages provided is in accordance with the burden / duties / types of work respectively. For example, employee with initial KMD (harvester), RSN (harvester) and JKN (harvester) who get wages in May 2022 whose value is in accordance with the minimum wage, but with different amounts based on years of service, ability, attendance and job performance (structure and scale wage). This is in line with statements from workers who were interviewed with types of work as harvesters who have the same type of work but have different wage scales based on their performance, length of work in the company, productivity and other factors.

In addition, based on the results of interviews with Bipartite Committee representatives, it was found that the certification unit already has a wage scale structure for each worker based on position, class, work performance, and not based on gender differences or origins.

The results of interviews with workers (harvesting, spraying and mill operators) in note that workers already know that there is a wage



scale structure for each level of workers and this has been proven by the difference in the monthly wage income presented on the pay slip. The monthly wages received are in accordance with the grade owned by each worker and so far there have been no complaints / errors regarding this matter.

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 certification unit has procedures related to recruitment, selection, employment, promotion, retirement and termination of employment which are generally described in the Company Regulation and others manpower procedures written in Bahasa. This Company Regulation explains the working conditions and rights / obligations of workers such as, recruitment, selection, transfer, promotion, performance appraisal, remuneration, discipline, overtime, and other provisions. PT Agro Sejahtera Manunggal already has a Company Regulation for the period 2021-2023 which has been ratified by the Director General of Industrial Relations and Labor Social Security with Decree No. 4/HL.00.00/00.0000.210715006/B/VII/2021 dated 27 July 2021.

The Company Regulation has been routinely disseminated by the certification unit to all employees, one example of the socialization that was carried out was on 04-07 Februari 2022 which was attended by all workers on muster morning. The results of interviews with workers (harvesters, sprayers, upkeep and mill operators) and Bipartite Committee know that workers have a sufficient understanding of their rights (wages, overtime, incentives, fines, etc.) listed in the Company Regulation and in accordance with routine socialization provided by the certification unit. Workers' wages in 2021/2022 have been accordance with the minimum wage set by the government, wage based on years of service, ability, attendance and job performance (structure and scale wage) and there are no late payments every month.

A review of the May 2022 wage document for harvester, upkeep and mill operators proves that the wages received are accordance with the minimum wage and in accordance with the wage scale structure determined by the certification unit for 2022. For example, employee with initial KMD (harvester), RSN (harvester) and JKN (harvester) who get wages in May 2022 whose value is in accordance with the minimum wage, but with different amounts based on years of service, ability, attendance and job performance (structure and scale wage).

Based on the description above, it can be concluded that the certification unit already has documentation of wages and work requirements in accordance with applicable labor regulations for workers in the national language, along with explanations for workers in a language they understand.

### 6.2.2 & 6.2.3

The certification unit has Company Regulation are made in a Bahasa that explains the working conditions and rights / obligations of workers such as recruitment, selection, transfer, promotion, performance appraisal, working hours, remuneration, discipline, deduction, overtime, sick leaves, holiday entitlement, maternity leave and other provisions. Explanations related to the contents of the Company Regulation include:

- Employee Acceptance (recruitment, selection, transfer, promotion, performance appraisal) which explains that all workers wishing to join the company must follow the specified requirements including: being over 18 years old, having a health certificate, taking a selection exam, and other requirements.
- Working Time which explains that there are 2 types of working time in the company, namely by working 8 hours per day or 5 working days in a week and 7 hours per day or 6 working days in a week, in which the total working hours are 40 hours in a week a week.
- Wages which explains the wage that cannot be lower than the minimum wage set by the government every year, granting rice allowance to all workers according to its calculation, and other explanations.

In addition to being generally stated in Company Regulation, the certification unit also has a decree, policy, memorandum and work contract for workers in orientation period that specifically explain these matters. An example is:

- Governor of West Kalimantan Decree No. Kpts.1462/DISNAKERTRANS/2021 dated November 29, 2021 concerning the Minimum Wage for Ketapang Regency in 2022 with the minimum wage in Ketapang Regency is Rp. 2,876,252,- and will take



effect on January 1, 2022.

- Memo No. 005/MEMO-BGA/HC-POP/1/2022 dated January 7, 2022 concerning Determination of Wages for PTH and PTB Employees in 2022, which explains that the minimum wage in 2022 is Rp. 2,876,252,- and will take effect on January 1, 2022. In the memorandum there is also a structure for the scale of wages for workers based on years of service, namely from the lowest wages to PTH workers with less than a year of service and the highest wages to workers with PTB U8 status.
- May 2022 salary slips with the employee with initial KMD (harvester), RSN (harvester) and JKN (harvester) have a different based on wage scale structure 2021/2022 and all wages above the minimum wage.
- Overtime payment in April 2022 that has been accordance with applicable laws for employee with initial HRM (boiler operator) and CWB (boiler operator).
- List of women workers that has been given maternity leave and pregnant workers in 2021 and until May 2022.
- Unit certification has provisions related to deduction / penalty which have been stated in the Company Regulation and further explanation is set out in an internal memo.
- In the payroll document, there is information that states the results of the worker's wages in one month according to the work performance of each worker. Payroll has also been accurate for each worker, for example the number of days worked in a month, premium payments, fines, deductions from workers' wages and other information that is in accordance with facts in the field.
- Proof of giving maternity leave to workers and granting annual leave to employees.
- Etc.

Since 2021 to May 2022 there has been no change in policy, but what has changed is the decision related to the minimum wage which has changed every year following the government's decision. Regarding the change in the minimum wage decision, it has been routinely submitted annually to workers at the beginning of the year and this is reinforced by the results of interviews with field workers and Bipartite Committee representatives who are clear about any changes in the minimum wage every year. Based on the description above, the certification unit has demonstrated legal compliance related to working conditions, such as compliance with minimum wage, working hours, overtime, maternity leave and other compliance.

The results of interviews with workers (harvesters, sprayers, upkeep and mill operators) and Bipartite Committee know that workers have a sufficient understanding of their rights (wages, overtime, incentives, deductive, fines, etc.) listed in the Company Regulation and in accordance with routine socialization provided by the certification unit. Workers' wages in 2022 have been accordance with the minimum wage set by the government and there are no late payments every month, working hours is seven (7) hour a day with 6 days in a week and for the overtime has been paid in accordance with applicable regulations.

A review of the May 2022 wage document for harvesters, sprayers, upkeep and mill operators proves that the wages received are accordance with the minimum wage and in accordance with the wage scale structure determined by the certification unit for 2022. For example, workers' wages with initial KMD (harvester), RSN (harvester) and JKN (harvester), all wages accordance with the minimum wage and he wage scale structure determined by the certification unit for 2022.

Based on the foregoing, it can be concluded that the certification unit has procedures and provisions related to wages, work requirements (regular working hours, deductions, overtime, sick leave, vacation rights, maternity leave, etc.) well documented and thoroughly implemented in each unit.

#### 6.2.4

The certification unit has provided welfare facilities to occupants in the form of housing, clinics, water supply, drinking water depot, electricity, education, transportation and other facilities. The results of the field visit in the housing area revealed that workers were provided with adequate housing facilities with 2 bedrooms, 1 bathroom and there was daycare for children. The house is inhabited by 1 family and specifically for workers who are not married then 1 house will be filled by 2 workers. This is in line with the results of interviews with housing residents stating that the facilities provided by the certification unit are houses, electricity, availability of clean water, transportation of school, school (kindergarten, elementary, middle and high school), child daycare, places of worship (mosque & church), sport facilities and others. In general, the facilities provided by the certification unit are good / suitable for use by workers and their families. The certification unit has also conducted monitoring for the condition of the feasibility of the facilities provided every year, such as housing that is repaired if there is damage (usually if there is damage the worker will inform it and it will be handled directly by the repair company), the availability of electricity that has been provided by the a generator, and the availability of clean water which is always monitored for its feasibility every 6 months (the results of monitoring clean water in the residential area do not show any test parameters that exceed the threshold).

### 6.2.5

Certification unit has made it easier for workers and their families to obtain food sources by providing employee cooperatives that sell the daily needs of workers and provide access to vegetable traders to sell in the workers' housing area. In addition, there are also workers who open small business stalls to sell daily necessities in each housing. Based on interviews with workers (harvesters, sprayers, upkeep and mill operators), housing residents, bipartite and gender committee, it is known that workers have no difficulty in getting food sources because the company has provided cooperatives that sell daily necessities and the existence of vegetable sellers given access to sell at home. In addition, workers can buy these needs into markets around the area of the certification unit with less difficult access.

### 6.2.6

In Indonesia no living wage standard is established, so certification unit still implemented the national minimum wages for all workers. In addition to the payment of minimum wages, certification unit has been conducting an assessment of the prevailing wages and in-kind benefits provided to workers in the certification unit aligned with the RSPO Guidance for Implementing a Decent Living Wage. The certification unit has the determination of assessment prevailing wage and all kind of benefits for DLW simulation in 2022 has been included in the calculation of main wage, housing facility, education, electricity, water sources, healthcare and others. The results of these calculations are known that the standard of DLW currently given / simulated by the certification unit is based on local price and above the stipulation of the minimum wage.

Based on the explanation above, it can be concluded that the unit of certification has a Decent Living Wage calculation based on prevailing wage and in-kind benefits provided by the certification unit.

### 6.2.7

At the time the audit assessment was carried out, the certification unit no longer had workers with casual daily contract (BHL) and contract workers (PKWT) status. All existing workers is permanent worker and staff. This is also accordance by the results of a review of labor register documents where there are no contract workers working in permanent jobs (e.g., harvesting, process operators and others). The certification unit also reports all of their workers to the Manpower Ministry on a regular basis and it has also been re-confirmed during interviews with the Manpower Agency that the use of casual daily contract (BHL) and contract workers (PKWT) no longer owned by the company.

Status: Comply
----------------

## 6.3

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

### 6.3.1

The certification unit has a in the Company Regulation Period 2021-2023, especially in clause 21 about Bipartite forum. The implementation of this policy is by forming a Bipartite Cooperation. The document is published in Bahasa which can be understood by all employees. In addition, the certification unit has a Company Regulation which states that employees have the right to establish labour unions and become members / leaders of labour unions in accordance with applicable regulations.

Based on interviews with bipartite representatives who explained that currently the company does not yet have a labor union, this is because the employees who work in the company have quite a high turnover and also the awareness of workers to form a union is not yet owned. Therefore, the company has established a Bipartite Committee is in accordance with the applicable laws and regulations and has been recorded at the Manpower Office. The company is giving freedom for workers to express their opinion and also, did not give any intervention related to bipartite activity, but together with worker representatives to organize the activities so far. Bipartite Committee has registered to Manpower and Transmigration Agency of Ketapang Regency in 09 April 2021.

Based on the foregoing, it can be concluded that the certification unit has published a statement acknowledging the freedom of association and the right to collective bargaining in the national language, in which the statement is explained to all workers in a language they understand and can prove its implementation.

### 6.3.2

The certification unit has records of meetings between workers and management representatives. The following are examples of records of meetings conducted by Bipartite Committee in 2022. For examples:

- Minutes of the meeting on 01 March 2022 between the representatives of the Bipartite and the company related to the negotiations for the discussion of the use of PPE and use of helmets as PPE in accordance with SNI which was attended by as many as 8 participants.
- Minutes of the meeting on 05 April 2022 between the representatives of the Bipartite and the company related to the negotiations for the government policies that allow workers to go home for Eid, and mandatory health protocols when leaving or returning from Lebaran homecoming activities from/to the company which was attended by 13 participants.

Based on the results of interviews with Bipartite and their members who are workers in each unit, it is known that the bipartite holds meetings every month (if there is an issue, if not they will be holds meeting when the issues arrive) with those accommodated in meetings between worker representatives and management representatives. This is also supported by the results of a review of worker complaint documents, it is known that the existing issues are only complaints related to the lack of supporting facilities, but this has also been continuously improved by the certification unit to be better.

Based on this explanation, it can be concluded that every meeting between the certification unit and the bipartite has been well documented and available at the time of the audit.

### 6.3.3

In establishing the Bipartite Committee, the company does this by means of deliberation and together with the workers to determine who will later be elected as representatives of each party (workers and employers) and will then be registered with Manpower Agencies. The election process in this formation, workers are given full freedom, this is evidenced by the results of interviews with workers who are members of the Bipartite Committee who stated that the company only chose representatives from the employer side while workers were given the freedom to choose their respective representatives. The result is a balanced number of representatives of workers and employers in the Bipartite Committee, while for the current period the chairman of the bipartite is still from the employer and this is based on the results of the previous deliberation.

Based on interviews with bipartite representatives who explained that the company had given freedom of association and at present bipartite have been formed. The establishment of the bipartite is in accordance with the applicable laws and regulations and has been recorded at the Manpower Office. Certification unit is giving freedom for worker to express their opinion and also, certification unit did not give any intervention related to labor bipartite activity.

Status: Comply

## 6.4

**Children are not employed or exploited.**

### 6.4.1, 6.4.2, 6.4.3 & 6.4.4

The certification unit has a policy regarding the age requirements of workers which was in Company Regulation which explains that the company does not tolerate the use of child labor, nor does it exploit children in all of its operational areas and facilities. That policy states that it is forbidden to employ child labor and under the age of 18 (eighteen) years, this is evidenced by the Identity Card (KTP) at the time of employee recruitment. The results of the verification of documents revealed that there were no workers under the age of 18. In addition to having a policy governing the minimum age for workers for workers, the certification unit also includes clauses on child protection and prohibitions on hiring workers under the age of 18 in any agreement with the contractor. The policy was socialized to workers and to the contractor when signing the work agreement.

Based on field visits and interviews with workers in the fields, it is known that the minimum age for work is 18 years, and no workers found below the minimum age specified. This is supported by the results of a review of company and contractor workers' document which proves that there are no workers under the age of 18 at the time of entering work.

Based on the results of the review of the cooperation agreement document with the contractor, it is known that in the agreement has a separate clause to ensure that the contractor does not employ minors (under 18 years old) and complies with the prevailing laws and regulations in Indonesia.

Based on this, it can be concluded that the unit of certification has a policy on child protection including the prohibition of child labor

and has been well documented and known to all workers.		
	Status: Comply	
<b>6.5</b> <b>There is no harassment or abuse in the workplace, and reproductive rights are protected.</b>		
<b>6.5.1, 6.5.2 &amp; 6.5.3</b> <p>Company has a policy to prevent all forms of sexual harassment and violence in the Sexual Harassment procedure number BGA-SOP-HC-311.2-R0. In an effort to maintain decency, a Gender Committee was formed in accordance with the policy, which stated that the company did not tolerate sexual harassment and violence against women in the workplace. policy mentioned that employees are obliged to support morality and security in the work place, as well as to avoid any form of sexual harassment and violence objected to all workers. The policies explains that every worker is entitled to receive protection against sexual harassment in the workplace and Sexual harassment is an offense and if convicted of sexual abuse offenders will be penalized in accordance with applicable regulations. The certification unit has socialized to the employees, and the representatives of the committee gender are available in each division. One of the programs of the gender committee itself is to socialize all employees regarding the company's commitment to prevent all forms of violence and maintain decency.</p> <p>In addition, on IOM (Intern Office Memo) No.: 175/AC-IV/X/2013 dated October 22, 2013 also inform about Company responsibility related to women worker work at night. The policy describes:</p> <ul style="list-style-type: none"> <li>• Unit manager are prohibited from employing pregnant women employees who according to doctors' information is harmful to their health and safety and if they work between 11:00 p.m. to 07:00 a.m.</li> <li>• Unit Manager who employs female employees between 11:00 p.m until 07:00 a.m. are obliged to provide nutritious food and drink (fulfill 1,400 calories) given directly, maintain decency and security during the workplace.</li> <li>• Unit Manager are obliged to provide shuttle transportation for female employees who leave and go home from 11:00 p.m to 05.00 a.m.</li> </ul> <p>The management has carried out an assessment of the needs of young mothers in semester 2 of 2021 by asking for their opinions, as well as taking actions to meet the needs that have been identified. For the examples for that and based on information from management representatives, it is known that in order to accommodate the needs of new mothers, especially in terms of privacy, giving breastfeed for children has been provided breastmilk Corner at the daycare. In addition, information obtained from female nursing mothers is given a special time to provide breast milk for their children. May be done at the ASI Corner and their respective homes during break hours.</p> <p>Based on interviews with female workers and gender committee, the policy had disseminated to workers through socialization with workers and in the last year period, that hasn't any issue/incident related to sexual harassment, violence at work/reproductive rights. Based on the field visit to the housing complex show that to accommodate the needs of new mothers, breastfeeding corners have been provided in the office area and child care area. Since 2021 until the assessment was carried out there were criteria for the target assessment is pregnant workers and new mothers. This is based on the results of a review of documents identifying the presence of pregnant, new mothers and lactating women in 2021 to May 2022.</p> <p>Based on the explanation above, it can be concluded that the certification unit has policies related to preventing harassment, sexual violence, protection of reproductive rights and identifying the needs of new mothers, all of which have been implemented properly and proven according to the results of field observations and interviews with workers.</p>		
<b>6.5.4</b> <p>The complaint handling mechanism and system is explained in Procedure of Communication No. ASM-SUST-SOP-09 for communication and Grievances Resolution with no. SOP-BGA-SOP-HC-311-1-R0, that approved on April 25<sup>th</sup> 2012 for Grievances. Complaints can be submitted through recording in the logbook that has been provided, directly to the foreman, through the suggestion box, through the gender committee, the bipartite, the hotline and e-mail provided by the company and through the RSPO website.</p> <p>Based on the results of interviews with representatives of bipartite and gender committee it is known that the workers have understood the procedures and mechanisms for submitting complaints/complaints to the company, this is because the company has routinely socialized the procedure by posting warnings/complaints signposts related to this.</p>		

Based on the explanation above, it can be concluded that the certification unit has a complaint mechanism that guarantees the anonymity and protection of the complainant which is known by all levels of workers and has been well documented.

Status: Comply

## 6.6

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

#### 6.6.1 and 6.6.2

The certification unit have policies related to human right is presented in Office Memo Internal Document (No.:001/ASM-SUST/V/2018) concerning Child Protection Policy and Women Workers, Same Policies and Opportunities in Employment Opportunities (Human Rights) and the Association and Gathering Policy which is valid on 31 May 2018. The policy explains that the certification unit will respect workers' rights in accordance with applicable regulations, such as child labor, forced labor, and elimination of discrimination. The procedures related to human resources management shows that every worker has a work agreement that describe specific job description.

There are no migrant workers who work in the company's operational area. All workers come from within one country (although from various regions). In addition, each worker has been provided with a clear work contract. The rights and obligations of workers are also clearly stated in Company Regulation, and in work agreements. Based on employee list and observation in field known that there is no migrant workers, forced labor. Every worker has a work agreement that describe specific job description, there is no substitution of contract without prior consultation and agreement from the worker, for example:

- There is no retention for identity, because all labor documents for individuals are in the form of photocopies and not original items such as ID cards, diplomas, family cards and others.
- There is no contract substitution, because all existing contract workers currently work in accordance with existing contracts such as contract workers for maintenance activities only doing maintenance activities and do not employ workers other than those stated in the contract.
- The freedom of workers in resigning, because if the worker wants to resign there is no understanding or prohibition from the company to the worker concerned. This is evidenced by the presence of workers who resigned to move to work and the company gave all their rights as fully resigned workers without any shortcomings.
- There is no coercion in doing overtime work, workers who do overtime at the company can refuse if ordered to do overtime activities because overtime is not the worker's obligation and the company also does not prohibit this.

Based on employee data in May 2022 and interview with workers (mill and estate), most of the workers came from local communities, Javanese, Batak, Melayu and other ethnicity. They have the recruitment process in the certification unit and is in accordance with applicable employee acceptance procedures. Based on the results of interviews with workers in plantation and mill, it is known that currently there are no migrant workers, retention of identity, payment recruitment fees, contract substitution, involuntary overtime, lack of freedom of workers to resign, penalty for termination, debt bondage, and withholding bondage. This is because the certification unit has carried out its operations in accordance with applicable regulations.

There is no significant obstacles related to employment or violations of Company Regulation. For example, for the harvesters works daily based in 7 working hours. Certification unit provides output targets that can be obtained in less than 7 hours of work. If the harvester obtains more output within or more than 7 working hours, then the harvester will get the harvest premium payment. No penalty is given to the harvester if it does not get output due to natural factors such as rain. Based on payment list on May 2022, the harvesters have earned in accordance with the minimum wage.

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 certificate holder has a OHS Committee structure which has been ratified by the Decree of the Manpower and Transmigration Office of the Ketapang Regency Government No. 650/03/NAKER/TAHUN 2022 dated 03 January 2022 April 2022 concerning the Ratification of the OHSPT Agro Sejahtera Manunggal Committee. The organization also has an OHS-licensed Secretary with the initials YBRS, but is currently still in the process of arranging a Letter of Authority and Appointment to the Ministry through PJK3, dated June 03, 2022.



The CH also said that the evaluation was also carried out during the OHS Committee meeting which was held regularly every month. For example, the OHS Committee meeting in March 2022 which was held on 07 March 2022, which was attended by management and members, with discussions including evaluating work accidents and evaluating the need for road signs and road safety.

#### 6.7.2.

Based on the results of field observations, it is known that there are evacuation routes and gathering points both at the Mill and at the Office. There is also a first aid bag for harvesting activities in Block B18 Division 3 Raya Estate Development. The results of the interview with the first aid officer, it is known that he has understood the functions and contents of the first aid box. Likewise, during a visit to the Mill area, a first aid kit was available and the officers had understood the function and contents of the first aid kit.

The CH has the SOP ASM-SUST-SOP-27-R00 regarding Factory and Building Fire Management which was ratified on January 10, 2022 explaining among others the general requirements for placing hydrants easily visible, boxes easy to open, having nozzles and hoses.

Based on observations at Mills and interviews with management representatives during observations, it is known that:

- The hydrant to the left of the loading ramp station only has a hydrant box and a hydrant pipe.
- The hydrant behind the loading ramp station near the clarification station only has a hydrant pipe.
- Hydrant area sterilizer has a box, pipe, hose, and nozzle, but the connection in the pipe is loose, and the connection in the hose is leaking.
- Hydrant engine room area has box, pipe, hose, and nozzle in good condition.

The CH shows the minutes of explanation regarding the condition of the hydrant, that the root of the problem was the results of the audit observation to PRYM on June 09, 2022 which explained that there was no PIC monitoring hydrant, some hydrant hoses were not in proper condition, and some tools were used for simulation on June 2, 2022 which had not been returned.

Based on this evidence, it is known that the company has not been able to show sufficient evidence of implementing emergency response procedures at the work site. This is a **Non-conformity No. 2022.04 with minor category**.

#### 6.7.3

The results of field observations both at the estate and at the mill, it is known that workers have used PPE obtained from the company for free. The CH has also provided a rinse house for self-cleaning activities for spray workers, so that workers can change into personal clothes. The results of interviews with spray workers, it is known that spray workers have used the rinse house after finishing work.

The CH has a procedure regarding PPE in SOP BGA-SOP-CCS-1106.1-R0 which was ratified on 27 September 2011. This procedure regulates, among others, the type of PPE per type of work, such as regarding the use of earmuffs at boiler and kernel stations and helmet use in warehouses.

The results of observations at Mill and interviews with workers, it is known that 2 operators at the Boiler station wear earplugs and 1 operator at the kernel station does not use hearing protection. This is not in accordance with the type of PPE that has been arranged according to the procedure. The CH also showed the PPE handover document on April 8, 2022, it was known that the boiler and kernel area workers received PPE for ear protection in the form of earplugs which was not in accordance with the procedure.

Based on the results of the field visit at the Fuel / Solar Warehouse in Bengkuang Raya Estate, it was found that the warehouse staff did not use head protection equipment (helmets).

Based on this evidence, it is known that the company has not been able to show evidence that all workers have used the relevant PPE in accordance with the procedures they have. This becomes a **Non-conformity No. 2022.05 with Major category**.

#### 6.7.4

The company already has a list of employees that also includes the participant numbers of BPJS Employment and BPJS Health for 1,113 workers consisting of PTH and PTB. Based on a review of the company's employee list document for May 2022 and proof of payment for BPJS Health in May 2022 and BPJS Employment in April 2022, it is known that the company has registered, ensured and paid all its employees in the BPJS Health and BPJS Employment programs, which consist of Work Accident Insurance (JKK).),



Death Security (JKM), Old Age Security (JHT) and Pension Guarantee via Bank Transfer, with proof of payment as follows:

- Proof of payment of BPJS Employment for the period of April 2022 which has been paid for as many as 1,113 workers (according to the last number of workers in April 2022) on May 13, 2022 via Bank transfer.
- Proof of BPJS Health payment for the period of May 2022 which has been paid for as many as 544 workers on May 9, 2022 via Bank transfer. The payment of BPJS Health contributions paid is smaller than the total existing workers because there are 442 workers who have been registered as BPJS Health participants who get PBI and as many as 127 workers who have been registered in the E-Dabu application but the registration status is still in the process of being delayed due to the existence of invalid ID card data and other data that has not been accepted by the system).

Based on the results of interviews with the management of the Bipartite and workers (harvesters, sprayers and mill operators), it is known that the certification unit has provided health insurance for workers and their families (wife and children) and employment insurance for all workers.

#### Non-Conformity No. 2022.06 minor category raised to Major

- The company currently has registered and recorded all of its workers in the BPJS (Health and Employment) program which can be shown by other supporting documents such as proof of payment and data collection of workers registered in the BPJS program. The last payment for BPJS Health was made on May 9, 2022, while for BPJS for Employment on May 13, 2022.
- Based on the results of interviews with contractors and transporters, it is known that the workers have been registered in the BPJS Health and Employment programs, but this has not been shown to the team of auditors. In addition, from the results of the review of contractor evaluation documents where in the evaluation results for the fulfillment of BPJS registration there are 2 transporters who have received full marks, but the evidence cannot be shown by the company.
- In the Audit document List of Legal Provisions and Manpower Regulations No. 04/ASM/SUST-LR/XI/2020 Revision 02 dated 01 April 2022 which was approved by the Regional Head (RH). The document states that it has complied with Government Regulation no. 14 of 1993 junto no. 84 of 2013 concerning the Implementation of Jamsostek article 9 paragraph 2 which states that the Employment Accident Insurance Contribution, Death Benefit and Health Care Insurance are fully borne by the entrepreneur.
- Based on the results of interviews with the process operator, it is known that in July 2020 there was a work accident at the sterilizer station which caused 1 worker to die and 1 worker to be permanently disabled. In addition, the LTA (Lost Time Accident) document of PT Agro Sejahtera Manunggal is known in the January-April 2022 period there were 8 work accidents that caused 26 days lost. However, from the two information, the company has not been able to show evidence of reporting work accidents and claims to BPJS Employment in accordance with applicable regulations (Government Regulation No. 13 of 1993).

The company has not been able to show evidence that all workers including workers from third parties/contractors have been registered in the BPJS (Health and Employment) program and its implementation is in accordance with applicable laws and regulations, from reporting work accidents to claims.

#### 6.7.5

The CH has maintained a record of work accidents and recorded using LTA. It is known that in 2021, the value of FR is 29.5 and SR 24.

6.7.2

Status: Non-conformity No. 2022.04 with minor category.

6.7.3

Status: Non-conformity No. 2022.05 with Major category

6.7.4

Status: Non-Conformity No. 2022.06 minor category raised to Major.

### 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

Based on document verification and interviews during the onsite audit, it is known that there has been no revision of the IPM Control procedure, namely in the BGAAGRKS-PTKS-PHT dated January 4, 2011 regarding pest and disease control. Based on this procedure, the company conducts a pest census on a regular basis. The results of the 3rd census document review are not the latest, namely the censuses of Oryctes, Thirataba, and Rats with results below the threshold that requires chemical control. The results of

field observations in harvesting activities, Block B18, Division 3, Raya Estate Development, it was found that there were no pest attacks or traces of pest attacks.

### 7.1.2

Based on field observations, it is known that the company has used *Turnera ulmivolia* as a useful plant in controlling Nettle Caterpillars. The plant is used as a host for the predatory Nettle Caterpillars. The results of observations in Blocks A28 and A29 of Pembangunan Raya Estate and Block F55/56 Belaban Raya Estate, it is known that the condition of the plants is well maintained.

### 7.1.3

Based on the review of pest control documents and pest control procedures owned by the company, there is no pest control using fire. The results of interviews with related management representatives revealed that the company did not use fire in pest control. The results of field visits in harvesting, spraying, and maintenance activities at both Pembangunan Raya Estate and Belaban Raya Estate, did not find any traces of the use of 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

The CH already has guidelines for the use of pesticides for pests and herbicides for weeds. In Internal Agriculture & Technical Circular No. 016/IOM/RSC/V/2015 dated 9 May 2015 regarding recommendations for the use of herbicides for selective weeding and for the pikul and disk markets, it can be seen that the use of pesticides starts from plants <4 years, 4-7 years and >7 years. For example, glyphosate is used for tares and bamboo and cypermethrin for rats.

### 7.2.2

The certificate holder shows the results of monitoring or recording usage records for all pesticides used for the period January - May 2022 (including active ingredients used and LD50 dose, area of pesticide use, number of active ingredients used per hectare, and number of active ingredients used per hectare). For example, the use of Glyphosate as much as 2,965 Liters; have an oral LD50 > 5,000 mg/kg; application area 3,698 ha; with active ingredients per area of 0.8 Liter/ha.

### 7.2.3

The results of the Oryctes, Thirataba, and Rat census studies in March, April, and May 2022 revealed that there were no attacks above the threshold for chemical control. The results of field observations revealed that the company has planted beneficial plants such as *Turnera subulate*, *Turnera ulmivolia*, and *Antigonon leptosus*. Based on field observations, it is also known that the company has developed Owls as Rat predators. This is shown from the activities shown in the Barn Owl Box, such as dirt and fur in Block B18 Division 3 Pembangunan Raya Estate. Based on this, it is known that the use of pesticides is minimized in accordance with the IPM plan.

### 7.2.4

Based on interviews with company representatives, it was found that there was no use of pesticides for prophylactic purposes. The results of field observations and interviews with pesticide applicators showed that pest control was not carried out for prophylactic purposes.

### 7.2.5

Based on the review of the pesticide use document in 2022, it is known that the active ingredients of the pesticides used are methyl metsulfuron, glyphosate, glyphocinate, and triclopyr which are identified in WHO pesticides class U, U, O, and class III. The results of observations and interviews with spray workers, it is known that workers use pesticides made from methyl metsulfuron and glyphosate.

### 7.2.6

Based on field observations and interviews with pesticide applicators, who are working as wholesalers in Blocks G51 and G52, it is known that workers have been able to explain the technique of spraying, using PPE, and cleaning themselves according to procedures. the results of the document review, it is also known that pesticide handling training was carried out to the foreman of the Belaban Raya Estate on 22 March 2022. Meanwhile for workers in the Raya Estate Development, it was held on 02 May 2022.

### 7.2.7

Based on field observations to the chemical mixing place of the Pembangunan Raya Estate dan Bengkuang Raya Estate. It is known that the pesticides have been stored neatly separately from other materials. The warehouse has been equipped with MSDS, emergency response facilities, adequate ventilation, and is locked because the area is limited.

### 7.2.8

Based on field observations at the Chemical Warehouse, as well as interviews with operators in each Plantation and Mill, it is known that used pesticide containers will be stored in temporary shelters for Hazardous and Toxic waste which were built with OHS and environmental aspects in mind. The water used for rinsing will be reused as mixing water for chemical activities.

Based on the results of field visits to employee housing areas, it was found that there were no traces of used pesticide packaging, for example as water reservoirs or flower pots.

### 7.2.9

Based on interviews with company representatives, they also explained that airborne pesticides were not applied. Pesticide application using a sprayer, according to the results of the pest and disease census. Based on field observations did not find the application of pesticides through the air.

### 7.2.10

The CH shows a doctor's letter from region 4B dated June 10, 2022, regarding the selection of blood chemistry examinations for employees exposed to chemicals. In 2022, the Cholinesterase examination for herbicide, rodenticide and pesticide applicators has been discontinued. This is because organophosphates such as paraquat are not used. The examination was replaced by liver function (SGOT, SGPT) and kidney function. The results of the health examination study, it is known that Health examinations have been carried out in 2021 and 2022. The 2022 MCU will be held on 6-7 June 2022, along with the audit.

### 7.2.11

Based on field observations and interviews with pesticide applicators, who are working as wholesalers in Blocks G51 and G52, it is known that there are no pregnant and lactating workers who apply pesticides.

Status: Comply
----------------

## 7.3

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

### 7.3.1

The company shows identification of waste sources for the 2021/2022 period with details: ex sacks of fertilizer, inner plastic of fertilizer sack, used oil from generator, used neon/lights, wastewater, EFB, Shell, fiber, dash of incinerator, dash of boiler, domestic waste, paper and others.

Sources of emissions include:

- CO<sub>2</sub> Gas: Transportation of FFB, CPO Shipping, Operation of heavy equipment, operation of generator & electric pumps, management of WTP, boilers, laboratory activities, waste ponds and Mill processes.
- Gas NO<sub>2</sub> & SO<sub>2</sub>: Activities in the laboratory.
- Gas CH<sub>4</sub>: Fertilizing activities and WWTP ponds.

### Hazardous and Toxic waste

Hazardous Waste generated by the Estate and Mill will be stored in the Temporary Storage of Hazardous Waste owned, then transported by a licensed third party which will then be handed over to the licensed hazardous waste manager. The company already has a Hazardous Waste Temporary Storage Permit and it is still valid.

The company has and can show documents that can prove that hazardous waste is only sold/transferred to parties who have permits from the Ministry of Environment and Forestry, and the Director General of Transportation through proof of Hazardous Waste Manifest documents on behalf of PT Semesta Langgeng Sentosa. The following are some examples of manifest data from the transportation carried out on May 13, 2022 which was transported with a vehicle numbered KH 8513 GN, including:

- 1.32 Tons of used oil with Manifest AZG 0004348
- 1 Ton Used Filter with Manifest AZG 0004345
- 6.72 Kg used lamps with Manifest AZG 0004400
- Used Packaging of Hazardous and Toxic Materials as much as 2,174 Tons with Manifest AZG 0004388
- Medical Waste as much as 40.28 Kg with Manifest AZG 0004421.

#### Solid waste

The solid waste produced by the company is shell, fiber and EFB. The management plan is carried out by reusing solid waste such as shells and fiber to be reused as boiler fuel. Meanwhile, solid waste such as EFB is reused by applying it to plantation areas. This is evidenced by the results of field visits during audit activities that the company has utilized shells and fiber for boiler fuel, while EFB has been reused for plantation land.

#### POME

POME generated from the factory is reused for Land Applications. Before being channeled to LA, POM is first managed at the WWTP with the aim that the quality of POME that is flowed to LA is in accordance with the provisions. This is evidenced by the results of field visits at the WWTPs, it is known that before being distributed to LA, POME is first in the WWTPs, besides that there are no indications of environmental pollution by the company.

Based on document verification and field observations, the following evidences were obtained:

- SOP for Waste Management for Office Housing with Number ASM-SUST-SOP-33 which explains that all employees and workers in housing, offices and other work facilities are required to dispose of waste in the trash cans provided.
- The results of field observations at the Pembangunan Raya Estate Employee Housing found that there were several piles of garbage behind the employee housing that were not disposed of in the trash cans provided.
- The results of field observations at the Bengkuang Raya Estate Employee Housing found that there was a pile of garbage behind the employee housing that was not disposed of in the trash can provided.
- The results of field observations at the Belaban Estate Employee Housing found that there was a pile of garbage behind the employee housing that was not disposed of in the trash can provided.

Based on the evidence above, the Company has not been able to show evidence that the Domestic Waste Management is in accordance with its SOP. **Non-conformity No. 2022.07 with Minor Category.**

#### **7.3.2**

Based on interviews with company management, Estate Managers, Mill Manager and Hazardous Waste Warehouse Officers are known to have understood the handling of waste disposal, especially hazardous waste and non-hazardous and toxic waste in accordance with the procedures owned by the management unit. Based on the results of field visits to residential areas, it is known that there is no use of hazardous and toxic waste as a water reservoir.

#### **7.3.3**

Based on document verification and field observations, the following evidences were obtained:

- Office Residential Waste Management SOP Number ASM-SUST-SOP-33 which explains that every household head must control the waste produced by his household and it is strictly forbidden to destroy waste by burning it.
- The results of field observations in the housing area of Pembangunan Raya Estate employees revealed that there were 4 points of burning domestic waste.
- The results of field observations in the housing area of Pembangunan Raya Mill employees revealed that there was 1 point of burning domestic waste.

Based on the above evidence, the Company has not been able to show evidence that it does not use open burning for waste disposal. **Non-conformity No. 2022.08 with Minor Category.**

7.3.1	Status: Non-conformity No. 2022.07 with Minor Category.	
7.3.2	Status: Non-conformity No. 2022.08 with Minor Category.	
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 and 7.4.4**

The CH has a procedure for improving soil fertility as stated in document no. SOP BGAAGRKS-PTKS-PMK dated January 4, 2011 and BGA-AGR-KS-SOP-09 dated May 25, 2011 regarding Fertilization. The procedure states that the fertilization program should be based on an annual leaf and soil analysis. In order to increase soil pH in peatlands, plantation managers have carried out water management, for example as seen in Division 4 Block B60 Bengkuang Raya Estate for water gates.

The CH has maintained records of fertilization applications. Based on document review and interviews, it is known that the company has fertilizer recommendations for 2021 and 2022. In the records of fertilization records for 2021, it is known that there are fertilizers that are not applied 100%, such as Granular NPK in the BLRE which is applied 82%. The results of the PDCA review in December 2021, it was found that the cause was due to the late supply of fertilizer and high rainfall. For other fertilizers, 100% has been applied, such as TSP, Dolomite, Borate, CuCO<sub>4</sub>, and NPK Bio.

**7.4.2**

Records of leaf and soil tissue analysis have been shown by the company. The procedure for taking leaf and soil samples is presented in document no. 153/RSC-ADM/XII/15 dated 7 December 2015, while the mechanism is explained in detail in the Internal Memo of the Head of Oil Palm Research No. 004/IOM/RSC/III/ 15 dated February 1, 2015. Soil and leaf analysis was carried out at the BGA Analytical Laboratory Research Department, accredited KAN LP-1508-IDN. The last soil analysis was released on July 5, 2021 with test parameters including acidity (pH), Organic C, N, C/N, P, Ca, Mg, K, CEC. For the last leaf analysis on March 5, 2022 with test parameters including N, P, K, Mg, Ca, B, and Cu

**7.4.3**

There is a nutrient recycling strategy available through the application of EFB and land application. The results of the document review show that in 2021, 47,750 tons of EFB have been applied for PRYE, BRYE, and BLRE. Meanwhile for land applications, the equivalent has been applied to 221,954 tons. The results of field observations in the land application area in Block D4 Division 3 PRYE, it is known that the bad flat is in good condition and there is no spillage of the application land flow into the environment.

Status: Comply

**7.5**
**Practices minimise and control erosion and degradation of soils.**
**7.5.1**

The CH has shown the marginal area map as stated in the marginal area map of PT. ASM with a scale of 1 : 85,000. The map explains the types of marginal land found in the area of PT. ASM, as spodic sand (1,766 ha), low land nonmineral soil (953 ha), and lowland mineral soil (5,230 ha).

According to the Table above, it could be concluded that there were fragile soils within estate operational areas, as shows through the presence of peat soil, mineral acidic sulfate and very sandy soil texture. However, information of soil condition in KKPA ASM was included on PYRE areas. Furthermore, there were also presence of marginal soils through peat (developed), mineral lateritic and alluvial. Thus, main limitation of PT ASM operational areas was due to acidic soils, very sandy soil texture and low fertility.

**7.5.2**

Based on interviews with management representatives, it is known that there is no replanting plan and new planting plan for the PT ASM area. Based on the document area statement, that the oldest planting year in PT. ASM is the 2009 planting year and the youngest planting year is 2012. The BGAAGRKS-SOP-17 company SOP on plant age is 25 years and after that it is rejuvenated. Rejuvenation also explains technical policy explaining that the considerations for rejuvenation are as follows

- Average tons of FFB production per hectare
- Cost per Ha and cost price per kg of FFB
- Difficulties cut power fruit
- Consideration of CPO and PK selling prices on the market
- Availability of capital to carry out rejuvenation
- Location / area of plant blocks that are rejuvenated

Based on field visit to BLRE, BRYE and PRYE, its known that there is no found a very steep area and replanting activities.

### 7.5.3

Based on interviews with management representatives, it is known that there is no replanting plan and new planting plan for the PT ASM area. At the time of the audit there were no new oil palm plantations, but the company had shown a map of the slope class area of PT. ASM with a scale of 1: 15000 made by GIS Assistant A which shows no very steep areas. As for the assault class at PT. ASM is divided into 5 namely:

Slope class		hectare			PT. ASM
Class	%	PRYE	BRYE	BLRE	
A	0-5	2235	2273	2470	6977
B	5-8	36	32	32	102
C	8-13	6	-	-	6
D	13-10	-	-	-	-
E	>20	-	-	-	-

Based on the results of field visits conducted by auditors to PRYE, BRYE, and BLRE, no new land clearing was found either on peat, marginal or mineral lands.

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

Based on interviews with management representatives, it is known that there is no replanting plan and new planting plan for the PT ASM area. Soil type maps and topographic maps are available at the company. Based on a study of the distribution map of PT Agro Sejahtera Manunggal's soil type with a scale of 1:150,000 for the January 2020 period from the Research Department, it is known that there is no peat area in Pembangunan Raya Estate, but there is a peat area of 628.02 ha in Belaban Raya Estate and 259, 38 Ha in Bengkuang Raya Estate. All peat soils in the PT Agro Sejahtera Manunggal area with a total area of 887.40 Ha are shallow peat with a depth of <3 m. From the data on the year of planting in the peat area, it was concluded that no new plantings were carried out on peatland after November 15, 2018. Related to the map of soil types and topographic surveys it is known that the type of soil in PT. ASMs are Sulfaquepts, Dystrudepts, Plinthudults, Paleudults, Haplosaprists, Haplohumods, Quartzpsammments, and Haplofibrists. For the slope map, the dominant slope of 0-5% is 6.977 ha.

#### 7.6.2

The company has SOP related to the management of marginal land as stipulated in volume 3 of SOP-BGAAGRKS-SOP-16 which describes marginal land that is often used in oil palm cultivation, including

- Peatlands
- Tidal land
- Sand field

From interviews with company management, it was found that there were no additions or new plantings on marginal land. The area of the statement explains that the oldest planting year is 2009 and the youngest planting year is 2012.

Based on the results of the field visit to the marginal land in block A27 division III PRYE, management has been carried out in accordance with the SOP, namely the existence of discontinuous trenches, the application of empty lengths, and management of ground management vegetation by planting nephrolepis.

#### 7.6.3

Based on interviews with company management, it was found that the company did not carry out new planting activities in their area. This is also reinforced from the results of the field visit conducted by the auditors to PRYE, BRYE, and BLRE, not finding any new land clearing in peat, marginal or mineral lands.

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 interviews with company management, it was found that the company did not carry out new planting activities in their area. Based on the document review of the area of the statement, it is known that there is no new planting on peatlands in progress. And based on field visits, that found no new planting in peat areas contained in BRYE and BLRE. Besides that, based on field observations in BLRE, BRYE, and PRYE, no new planting areas were found, either on mineral land, marginal land or peat land.

### 7.7.2

The CH has carried out an inventory of peatlands in accordance with the RSPO peat inventory template and reports have been made to the RSPO as evidenced by an email sent by Devaladevi Sivaceyon (devaladevi@rspo.org) to Martin M (martin.mach@bumitama).com on 31 October 2019 with email subject: Bumitama RSPO Peat Inventory and has been declared correct.

However, there is OFI in ASA-1 regarding unreported peat areas. The company re-showed proof of delivery of peat inventory to RSPO (ghg@rspo.org) on March 29, 2021, which explained the inventory of all peat areas in PT ASM with a total area of 887.40 Ha.

### 7.7.3

The CH has maintained monitoring records of peat subsidence. The results of the document study show that there are 2 subsidence poles in BRYE and 5 in BLRE with a peat area of +-887 ha. Monitoring results during 2021 revealed that peat subsidence is between 1.9 - 3.8 cm. The results of field observations in Block G62 BLRE and Block E64 Division 4 BRYE, it is true that there is monitoring of peat subsidence.

### 7.7.4

In the previous audit, The CH explained the water and land cover management program by consolidating embankments to prevent flooding in BRYE and planting *Nephrolepis biserrata* in PRYE. In this audit, The CH explained the peatland management program, such as the construction of water barriers in each block, the construction of reservoirs as water reserves, sluice gates, monitoring of piezometer water levels and surface water, reduction of peat subsidence. The water divider serves to maintain the availability of water in the block. To avoid excess water, overflow is made. The results of field observations at BLRE Blocks F59, F 62, G62, and F/G 69 are known to have water barriers and monitoring of surface water levels. The results of the visit at Block B60 Division 4 BRYE, there has been a water gate for water management. The results of field visits in the area also found that there were land cover plants such as *Nephrolepis* sp.

### 7.7.5

Based on interviews with management, the CH has not conducted a drainage study for the planted peatlands because the company is still guided by the RSPO drainability assessment which states that the study was conducted at least five years before replanting or fifteen years after the first planting. Based on the study of the company statement area, it is known that the oldest planting year in the plant was in 2009 so that the oldest plant age is still 13 years.

### 7.7.6

The CH demonstrates the application of peat management in accordance with applicable regulations. The has 7 subsidence monitoring points and a piezometer for an area of 887 ha, 2 in PRYE and 5 in BLRE. The results of the document review, it is known that during 2021, the average water level monitoring in the piezometer is 11 cm from the ground surface. The results of field observations at BLRE Block G62 and BRYE E64, it is known that there is water level monitoring using a piezometer. For TMA monitoring in the BLRE trench, it is known at F59 11 cm from the ground surface and at F69 13 cm from the ground surface.

### 7.7.7

The CH has monitored HCV areas or peat areas bordering oil palm plantations by installing HCV area signs, maintaining water level elevations outside the plantation area at all times, installing signs of fire-prone areas, and installing water level monitoring stakes in the water level at outlet area. Based on the results of the field visit at the Block F69 BLRE, water level gauges inside and outside the outlet ditch were found. For the HCV area that has been planted in Block G58 BLRE, it is known that pesticides and chemical fertilizers are not applied, and there is a signboard related to the danger of fire.

Status: Comply

### 7.8

Practices maintain the quality and availability of surface and ground water

### 7.8.1

The company has implemented a water management plan consisting of:

- Do not apply chemicals in river border areas
- Not disposing of liquid waste into rivers but reusing it to plantation land. Before being used, the liquid waste must be managed at the WWTP so that the quality meets the standards set by the government.
- Utilizing water for factory processing in accordance with the standards set by the company.
- Conduct river water quality testing.
- Wetland/peat protection with water level maintenance.

Based on field observations in the Bengkuang river border area in Block D39-40 Bengkuang Raya Estate, it can be seen that the company has managed water sources by installing signboards as HCV areas and painting on oil palm trees as spray boundaries.

The company has a surface water quality monitoring program conducted every semester by the Sucofindo Laboratory on November 25, 2021. The monitoring location is on a river for the scope of the company's operational areas, namely the Muara Kendawangan River, Kendawangan River, Kediuk River, Muara Membuluh River, Sungai Buluh 1, Sungai Bengkuang 2, Bengkuang River, and Belaban River. Currently the company is testing surface water using quality standards that refer to PP RI No. 22 of 2021 Class IV. The results of the test will then be reported to the relevant Office through the RKL-RPL Report every semester. Based on the test results, it is known that there are parameters that are not in accordance with the quality standard, namely the pH parameter. This is due to the natural condition of the plantation area which is dominated by swampy and low land, this is also explained in the environmental document in the initial environmental baseline.

Note: The company's RKL/RPL matrix does not explain that river water quality testing is carried out upstream or downstream, so the company only conducts one sample test in each river. While the pH that is not in accordance with the quality standard is caused by the natural condition of the plantation area which is dominated by swampy and lowland soil, this is also explained in the environmental document in the initial environmental baseline.

The results of observations and interviews with workers show that the company has also provided access to clean water for workers by providing hygienic water for drinking and water for daily needs.

### 7.8.2

Wet streams in the company area are protected by the company. This is evidenced by the results of field observations in the Bengkuang River Border area in Block D39-40 Bengkuang Raya Estate it is known that the river border is protected by the company. Some of the activities carried out by the company are placing signs as limits for chemical application and planting *Pulai*, *Matoa*, *Cempedak* plants, etc. In addition, there are no traces of chemical application in the tributary border and there are no oil palm plantations in the river border area and there is a boundary between oil palm plantations and the river border area. In addition, the company also does not have a replanting plan in the next 3 years.

### 7.8.3

The company can show a document of the results of measuring the quality of liquid waste that is applied to the land, namely the document of the test results of liquid waste for the period May 2021 - April 2022. The test is carried out by a KAN accredited laboratory (LP-966-IDN) using quality standards that refer to the Minister of Environment Decree Number 28 2003. Based on the analysis of the test documents, it shows that all the parameters tested are in accordance with the applicable quality standards. For example, the test results in the period February 2022 with the results of BOD 476 (BM: <5,000) and pH 7.57 (BM: 6-9), April 2022 with the results of BOD 2434 (BM: <5,000) and pH 7.76 (BM) : 6-9) In addition, the test results in the period December 2021 with the results of BOD 3370 (BM: <5,000) and pH 7.60 (BM: 6-9).

The company has a Wastewater Utilization Permit based on the Ketapang Regent's Decree number 256/DPMPTSP-D.B/2019 dated May 8, 2019 concerning Permit for Utilization of Wastewater to Soil for Application on Soil at the Oil Palm Plantation of PT. Agro Sejahtera Manunggal covers an area of 282.31 Ha (28 Blocks) located in Kendawangan District, Ketapang Regency. The decision is valid for 5 (five) years. The Land Application Block area is located at Block B36-41; C42-43, D42-53; E42-43 and E46-51.

Based on the results of field observations in the Land Application Block D43 area, it is known that the location of the liquid waste application on the land is in accordance with the location stated in the Land Application permit, besides that there is no indication of

overflowing of the liquid waste that is flowed. The results of observations at WWTP also found that liquid waste has been managed at WWTP, there is a pond to manage liquid waste, there is no indication of leakage and overflow in the WWTP pond and a flow meter to calculate the amount of liquid waste that flows into the application area is available and functioning properly. In addition, the company also has a Monthly Land Application work program in 2022 which is carried out to ensure the condition of the liquid waste pipe leading to the land application does not leak and pollute the environment. The activities carried out by the company include cross-checking the condition of the land application pipe, as well as monitoring the flow according to the Flatbed rotation.

The auditor team has also verified OFI on previous assessments related to the quarterly reporting format for liquid waste management. The results of the verification show that the liquid waste management reporting format carried out by the company includes data on measurements of liquid waste and liquid pH, as well as data on the results of soil testing every year.

#### 7.8.4

The company can show records of water use for the period January 2021 – December 2021. Based on this data, the average water use for the FFB processing process is 23,905 M3/Month while the total water use is 286,871 M3/Year. The budget for water use is 1.30 M3/ton FFB, while the actual water usage is 1.01 M3/ton FFB. the use of water is still in accordance with the established water usage budget.

The company can show a technical recommendation for a water resource exploitation permit for factory and domestic activities in Ketapang Regency, West Kalimantan Province, PT Agro Sejahtera Manunggal with Number SA0203-BWS24/225 on March 31, 2022. The technical recommendation states that the company must apply for a concession permit water resources no later than 60 calendar days since the issuance of technical recommendations. The company has sent an application for a water resources concession permit on 20 May 2022 via email to [licensingsda@pu.go.id](mailto:licensingsda@pu.go.id). Then there is an email reply from the email [permitsda@pu.go.id](mailto:permitsda@pu.go.id) which states that the permit application submitted by the company has been received, only that there is a lack of supporting documents, namely water balance documents and technical design drawings approved by the hall.

Based on the explanation above, the company already has a document on the use of water for the FFB processing process, and the process of issuing an extension of the water resource concession permit will be verified again at the time of the next assessment.

Status: Comply

#### 7.9

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

##### 7.9.1

The plan to increase the efficiency of the use of fossil fuels and optimize the use of renewable energy by the company is to use shells and fiber as boiler fuel which is used to generate turbines to generate electricity. The use of energy generated from the turbine is monitored every day.

Pembangunan Raya POM has an Energy efficiency document in 2021 for the use of fossil fuels or the use of renewable fuels. The calculation of efficiency with the use of fossil fuels during 2021 (January-December) is concluded as follows FFB Processed during 2021 is 283,376 tons using renewable fuels such as shells of 16,067.40 tons and fiber of 33,963.24 tons. The turbine produced from the use of Shell and Fiber is 2,934,360 Kwh or 10.35 Kwh/Ton FFB, while the generator used is 582,469 Kwh. The efficiency of renewable energy used by the company is 83.46%.

Status: Comply

#### 7.10

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

##### 7.10.1

The company also has conducted GHG emission calculations period 2021 use of Calculator Palm GHG version 4.0. Accurate data has been put into the RSPO PalmGHG Calculator (Palm GHG version 4.0) and has been verified. Summary of net GHG emissions from PalmGHG calculator of the audit report which calculation option is applied "Apply full Version".

Summary of Net GHG Emissions

Emission per product	tCO2e/tProduct
----------------------	----------------

CPO	1.20
PK	1.20

<b>Production</b>	<b>t/yr</b>
FFB processed	283,376.11
CPO produced	68085.17
PK produced	14410.24

<b>Extraction</b>	<b>%</b>
OER	24.03
KER	5.09

<b>Land use</b>	<b>Ha</b>
Planted area on mineral	13401.17
Planted on peat	887.40
Total area planted	14288.57
Conservation Area (Forested)	63.55
Conservation Area (Non-Forested)	153.44
FFB Production per hectare	25.46

#### Summary of field emission and Sinks

Description	Own crop		Group		3 rd Party	Total
Emissions Sources	tCO2e	tCO2e/ tFFB	tCO2e	tCO2e/ tFFB	tCO2e	
Land conversion	24660.57	0.71	19054.13	0.29	7352.60	51067.29
CO2 emissions from fertilizer	6795.97	0.20	2263.99	0.03	1516.17	10576.12
NO2 emissions from peat	6642.86	0.19	0.00	0.00	0.00	6642.86
NO2 from Fertilizer	3377.33	0.10	1104.31	0.02	643.91	5125.54
Fuel consumption	181.06	0.01	523.89	0.01	601.15	1306.10
Peat oxidation	48452.03	1.40	0.00	0.00	0.00	48452.03
Sinks						
Crop sequestration	-45694.80	-1.32	-31553.27	-0.48	-18234.91	-95482.99
Sequestration in Conservation area	-586.88	-0.02	0.00	0.00	0.00	-586.88
Total	43828.14	1.27	-8606.96	-0.13	7646.57	42867.74

#### Summary Oil Mill Emissions and Credits

Remarks	tCO2e	tCO2e/t FFB
Emissions sources		
POME	55546.52	0.20
Fuel consumption	874.59	0.00
Grid electricity	0.00	0.00
Credits		
Export of grid electricity	-5.54	0.00
Sales of PKS	0.00	0.00
Sales of EFB	0.00	0.00
Total	56415.56	0.20

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

Divert to compost (%)	0
-----------------------	---

Divert to anaerobic digestion (%)	100
-----------------------------------	-----

#### POME Divert to Anaerobic Digestion

Divert to anaerobic pond (%)	100
Divert to methane capture (flaring) (%)	0
Divert to methane capture (electricity generation) (%)	0

The auditor team has verified the GHG palm that has been carried out by the company. Based on the verification results, it is known that the GHG palm input data is in accordance with the actual conditions. This is evidenced by the results of verification of the amount of FFB production from the Raya Pembangunan Estate, Bengkuang Raya Estate, and Belaban Raya Estate, the planted area of the Raya Pembangunan Estate, Bengkuang Raya Estate, and Belaban Raya Estate, and the distribution of planting years, as well as the area of HCV. GHG emissions in 2021 are lower than in 2020. This is because in 2021 the company has reduced emissions by applying chemicals and fertilizers according to recommendations, and utilizing shells and fiber as renewable fuels.

#### 7.10.2

Based on area statement verification, field observation to the estates and interview with managements. It is known that there is no new development area on this audit scope since 2014.

#### 7.10.3

Based on document review and interviews with company representatives, it was found that there were no new developments. The company has identified the source of pollution in the mill and estate, the document informs the source (station/activity), pollution and emission sources, impacts (human, work equipment, environment) and impact control. For example, from the boiler it produces boiler ash, steam and chemical pollution, from the engine room it produces pollution in the form of noise.

Efforts to reduce pollutants carried out by the company include:

- Monitoring air quality and emissions from boilers and generators
- Carry out liquid waste management in WWTPs before being used in plantations
- Perform regular machine maintenance.
- Optimizing the use of fertilizers according to recommendations
- Use of fiber and shells in the mill to reduce diesel fuel.

The company has carried out emission tests from boilers and generators, as well as ambient air quality conducted in semesters 1 and 2 of 2021 by the Sucofindo laboratory. Based on the results of the document review, it is known that the results of the tests carried out are in accordance with the provisions stipulated by the Government.

Status: Comply
----------------

#### 7.11

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

##### 7.11.1

Based on the verification of the area statement document, it was found that there were no new plantings or replanting activities carried out by the company. The results of field observations during the audit activity did not find any traces of land burning by the company.

##### 7.11.2

In determining land fire prevention and control measures, the company carries out several activities, namely:

- Fire emergency response simulation training for employees, for example on May 23, 2022, which was attended by the Estate and Factory Fire Task Force.
- The company has an emergency response team to handle fire emergencies. The company already has an emergency response team for every estate and factory.
- Have facilities and infrastructure for emergency response prevention and management of land fires.
- Conducting socialization of land fires to the surrounding community, for example on March 12, 2022 which was attended by 20 communities around the company.
- Monitoring land fires through fire patrols, hot spots (hotspots), and through fire towers which are carried out every day. For

example, the results of fire monitoring for the April 2022 period revealed that there were no hotspots in the company area.

The auditor team has also carried out fire control simulations for the fire task force team at Pembangunan Raya Estate and Bengkuang Estate as well as testing the company's fire control facilities and infrastructure. The simulation results show that the Company's fire task force team can run the simulation well and firefighting equipment can be used at any time.

### 7.11.3

The company has also involved stakeholders in adjoining locations for fire prevention and control measures by conducting socialization of land fire control to the community, for example on March 12, 2022 which was attended by 20 participants. The results of interviews with representatives of the village community around the company revealed that the company had socialized fire control to the community. In addition, in the company area there is also a signboard prohibiting land burning activities and the dangers of land fires.

Status: Comply

### 7.12

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

#### 7.12.1 and 7.12.8

The company cleared land after November 2005 without prior identification of HCVs. Based on the Plantation Document Review, the company started planting oil palm from 2009 – 2012 and HCV identification was carried out in 2011.

In this regard, PT ASM has conducted a land use change analysis conducted by PT ATA Marie in 2016. Based on the LUCA report, several information was obtained, including the following:

- Land clearing prior HCV assessment 2005-2011
- Total areas of management unit 5630 ha
- Total area of non-compliant land clearance 4206.27 ha
- Total area of final conservation liability (ha) 768.72 ha
- Organization who conducted LUC analysis: PT Ata Marie
- Data when data completely was received 4 July 2016
- Date when report was prepared: 17 November 2017 (Second Clarification)
- Result of LUC Analysis methodology review: Pass

The company has also re-done the land use change analysis in 2018 (for the Agro Seriam Mandiri Cooperative) and based on the LUCA report, some information was obtained, including the following:

- Land clearing prior HCV assessment 2005-2010
- Total areas of management unit 3121.13 ha
- Total area of non-compliant land clearance 2271.77 ha
- Total area of final conservation liability (ha) 0 ha
- Organization who conducted LUC analysis: PT Ata Marie
- Data when data completely was received 27 September 2018
- Date when report was prepared: 12 October 2018
- Result of LUC Analysis methodology review: Pass

In relation to the liability amounting to 768.72 ha in the 2016 LUCA study, the Company has excluded the area from the scope of certification.

#### 7.12.2

The company has identified the HCVs listed in the PT Agro Sejahtera Manunggal HCV Identification Report conducted in 2011 in collaboration with the Faculty of Forestry, IPB. The scope of the HCV assessment according to the location permit is 8,000 ha, of which 7,250 ha have been planted. Based on the results of the HCV identification, an HCV area of 102.64 Ha was found (HCV 1.1, 1.2, 1.3 1.,4, HCV 4.1, and HCV 6) which consists of:

Protected area type	Area
---------------------	------



	(ha)
Bengkuang River Border (Bengkuang Raya estate)	61.55
Peat area in block F57-F60 (Belaban Raya estate)	28.90
Conservation area 1 (Pembangunan Raya estate)	10.57
Conservation area 2 (Pembangunan Raya estate)	1.62
<b>Total</b>	<b>102.64</b>

Based on the document review, it is known that PT Agro Sejahtera Manunggal is not required to conduct an HCS study because there is no new land development after November 2018.

### 7.12.3

Based on the notice on the RSPO website it is known that the High Forest Cover Landscapes and High Forest Cover Countries have not been established by the RSPO. So that this standard has not yet been assessed.

### 7.12.4

The company already has an HCV program for 2022/ 2023 based on the results of the evaluation of the realization of HCV management in the previous period which is carried out annually. The plan contains a plan for management, monitoring, time management and the person in charge of implementation. The HCV management matrix describes the management plan consisting of:

- Socialization of the existence of HCV areas to employees and the surrounding community.
- Installation of Boundary Marks.
- Signboard Installation and Maintenance.
- Rehabilitation and Enrichment.
- HCV Patrol and Boundary Patrol.
- Monitoring the presence of wildlife.

The company has also carried out a management review of high conservation value areas which was carried out on June 2, 2022. This activity was carried out to analyze the opportunities and challenges of the identified potential HCVs in the hope that they will be input for the next HCV management plan. The activity was carried out by involving stakeholders such as the surrounding village community and employees as evidenced by the attendance list and documentation in the form of photos of the activity.

An integrated management plan has been developed in consultation with relevant stakeholders and includes directly managed areas and broader and relevant landscape level considerations. This is evidenced by the company's HCV management plan which was developed by involving stakeholders such as the surrounding village community and employees. Management activities planned by the company also include areas that are managed directly and take into account the wider landscape such as maintaining the presence of HCV (Bengkuang River), anticipating land fires in the company area and in the area around the company, increasing employee and community knowledge by conducting HCV socialization.

The Auditor Team has also carried out OFI's assessment on previous assessments related to the HC evaluation by involving stakeholders with the wider landscape to prevent damage to the HCV area. The results of the verification show that the company has conducted an HCV evaluation by involving stakeholders such as the community and workers.

The company can show some implementation of the HCV management and monitoring plan for the period 2021 and 2022, for example:

- Monitoring of the riparian HCV area from hunting disturbances, animal traps, illegal logging, chemical application for the period of 18 December 2021. Based on the monitoring results, there was no disturbance in the river border HCV area and HCV 6.
- Minutes of HCV socialization including the presence of important species were conducted on 8 November 2021 to 9 participants.
- Minutes of socialization of HCVs including the presence of important species were conducted on 23 February 2022 to 11 participants.
- Minutes of socialization of HCV and important species conducted on December 30, 2021 which was attended by 37 surrounding communities.
- Biodiversity Monitoring. The company can show a Biodiversity monitoring report for the January 2022 period. The report explains

that in the January 2022 period there are still direct and indirect encounters with wild *Biawak*, *Tupai*, *Burung Tekukur*, dan *Burung Kutilang*.

- Making stakes and signboards. During 2021, the addition of an HCV signboard has been carried out at one point.

#### 7.12.5

Based on document verification, it was found that there were HCV 6 (sacred places) in PRYE. Interviews with community leaders in Seriam Village obtained information that there are no HCV areas that overlap with local community rights. The entire HCV area, including the HCV 6 area, is located on PT Agro Sejahtera Manunggal's Cultivation Rights (HGU) land.

#### 7.12.6

The company has a program to educate the workforce about RTE species status. The program is also included in the Company's HCV management plan. The program includes activities to increase knowledge and skills for all staff and plantation employees, especially special officers in charge of managing HCV/HCV and monitoring important species, especially endangered species.

The company routinely conducts socialization to the community and workers in the company regarding the existence of endangered plants and animals, which is carried out in conjunction with the socialization of HCV areas, for example:

- Minutes of HCV socialization including the presence of important species were conducted on 8 November 2021 to 9 participants.
- Minutes of socialization of HCVs including the presence of important species were conducted on 23 February 2022 to 11 participants.
- Minutes of socialization of HCV and important species conducted on December 30, 2021 which was attended by 37 surrounding communities.

Based on interviews with harvest, spray and fertilizer officers at PRYE Estate, BRYE, BLYE and the Cooperative, it is known that the company prohibits workers from keeping protected animals and plants and is prohibited from catching, hunting, and killing animals as well as prohibiting the destruction of HCV areas.

#### 7.12.7

The company has monitored the HCV area including flora and fauna in the company area. The monitoring results show that there is no threat to the HCV area such as hunting for animals. Animal traps, there is no indication of the application of chemicals on the river border where the company is located. The company has also evaluated the results of HCV monitoring carried out in the 2021 period which was carried out with the company's management on June 2, 2022.

Based on the results of interviews with the Company's PIC, it is known that the results of the monitoring evaluation for the 2021 period are used as input for the HCV management plan for 2022.

Status: Comply
----------------

## 3.2 Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or ✓
ASA-2 & ASA-3	PT Agro Sejahtera Manunggal - Subsidiary of Bumitama Agri Limited did not use RSPO trademark and CB Logo. However, Bumitama Agri Limited has licensees with number 1-0043-07-100-00.	✓
	Status: Comply	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or ✓
ASA-2 & ASA-3	PT Agro Sejahtera Manunggal - Subsidiary of Bumitama Agri Limited did not use RSPO trademark and CB Logo. However, Bumitama Agri Limited has licensees with number 1-0043-07-100-00.	✓
	Status: Comply	
3.	Implementation of Certificate and Logo is not used on product	X or ✓
ASA-2 & ASA-3	PT Agro Sejahtera Manunggal - Subsidiary of Bumitama Agri Limited did not use RSPO trademark and CB Logo. However, Bumitama Agri Limited has licensees with number 1-0043-07-100-00.	✓
	Status: Comply	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or ✓
ASA-2 & ASA-3	PT Agro Sejahtera Manunggal - Subsidiary of Bumitama Agri Limited did not use RSPO trademark and CB Logo. However, Bumitama Agri Limited has licensees with number 1-0043-07-100-00.	✓
	Status: Comply	

### 3.3 Summary of RSPO Partial Certification.

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

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

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

MUTU Auditor has verified company partial certification and concludes that:

- There are 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 are no labour disputes that are not being resolved through an agreed process
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	Based on the document review, there is a company internal audit that was conducted on 2021 and the positive assurance is at this table that is also been verified.
2.1.2	No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.3 (it has changed be Criterion 7.12 in P&C 2018)	<p><b>PT Langgeng Muara Makmur Sejahtera</b></p> <ul style="list-style-type: none"> <li>- RaCP Plan document are wait for LUCA documents to be submitted and approved by RSPO.</li> <li>- HCV conducted March 2012 by Forestry IPB.</li> </ul> <p><b>PT Andalan Sukses Makmur</b></p> <ul style="list-style-type: none"> <li>- LUCA was sent on January 2015 to RSPO</li> <li>- Documents RaCP Plan are wait for LUCA approved by RSPO</li> <li>- HCV was conducted on October 2013 by Sonokeling Akreditasi Nusantara</li> </ul> <p><b>PT Investa Karya Bhakti</b></p> <ul style="list-style-type: none"> <li>- LUCA was sent on 13 June 2016 to RSPO</li> <li>- Documents RaCP Plan are wait for LUCA approved by RSPO</li> </ul> <p><b>PT Gunajaya Harapan Lestari</b></p> <ul style="list-style-type: none"> <li>- LUCA has not been submitted to RSPO</li> <li>- HCV was conducted on October 2012 by Forestry IPB</li> </ul> <p><b>PT Windu Nabatindo Sejahtera</b></p> <ul style="list-style-type: none"> <li>- LUCA was sent on 19 June 2016 to RSPO</li> <li>- Documents RaCP Plan are wait for LUCA approved by RSPO</li> <li>- HCV was conducted on March 2012 by Forestry IPB</li> </ul> <p><b>PT Ladang Sawit Mas</b></p> <ul style="list-style-type: none"> <li>- LUCA was sent on 16 July 2014 to RSPO</li> <li>- Documents RaCP Plan are wait for LUCA approved by RSPO</li> </ul>

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

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		NPP notification are at RSPO website.
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 are no land conflicts.</p> <p><b>Auditor verification</b></p> <p>There are land conflicts and has been resolved with RSPO Grievance procedure or Dispute Settlement Facility.</p>
2.1.5	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3 (it has changed be Criterion 4.2 in P&C 2018).	<p>There are 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></p> <p>There is labour dispute in uncertified unit i.e PT Bumitama Gunajaya Abadi. The dispute has been resolved as we can seen in RSPO website that the status of dispute in closed for monitoring.</p>
2.1.6	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1 (it has changed be Criterion 4.2 in P&C 2018).	<p><b>PT Langgeng Muara Makmur Sejahtera</b></p> <ul style="list-style-type: none"> <li>Izin Prinsip Arahana Lokasi No. 525.21/660/Ek.SDA/IX/2014 dated 12 September 2014 5,325 Ha</li> <li>Location Permit SK District Kotawaringin Timur No. 188.45/330/Huk-BPN/2014, 23 September 2014 5,370 Ha</li> <li>Environment Permit No. 660/2140/BLH-Ek.SDA/2015, 19 October 2015 for 5,325 Ha</li> <li>IUP No. 188.45/490/Huk-Ek.SDA/2014, 19 December 2014 4,810.72 Ha</li> <li>SK HGU No. 5/HGU/KEM-ATR/BPN/2017, January 10th 2017.</li> </ul> <p><b>PT Andalan Sukses Makmur</b></p> <ul style="list-style-type: none"> <li>Izin Prinsip Arahana Lokasi SK District Kotawaringin Barat No.590/105/Pem-XI/2012, November 21 2012 for areal 9,000 Ha.</li> <li>Location Permit SK District Kotawaringin Barat No.525/68/XII/2012, December 18th 2012 for 9,275 Ha</li> <li>IUP No. 525/45/ek, 06 February 2013</li> <li>HGU on process.</li> </ul> <p><b>PT Investa Karya Bhakti</b></p> <ul style="list-style-type: none"> <li>Izin Prinsip Arahana Lokasi No. 590/09. Pem-II/2014, 3rd February 2014 for areal 14,500 Ha.</li> <li>Location Permit SK District Kotawaringin Barat No. 525/62/IX/2014, 1st September 2014, 11,746.74 Ha</li> <li>IUP No. 525/014/EK, April 21 2015, 5,700 Ha</li> </ul> <p><b>PT Rohul Sawit Industri and PT Masuba Citra Mandiri</b></p> <ul style="list-style-type: none"> <li>HGU on process</li> <li>Panitia B Inti No. 03/RSL/HGU/2015 seluas 1,893.11 Ha</li> <li>Panitia B Plasma No. 04/RSL/HGU/2015 seluas 938,16 Ha</li> </ul> <p><b>PT Gunajaya Harapan Lestari</b></p>



Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ul style="list-style-type: none"> <li>Izin Prinsip Arahani Lokasi No. 525/426/Bappeda-D year of 2007, 08 May 2007 for areal 3,000 Ha.</li> <li>Location Permit SK District Kendawangan No. 265 year of 2007, 28 June 2007 for 3,000 Ha</li> <li>Revision Location Permit No. 370 year of 2008, 07 October 2008 for 3,000 Ha</li> <li>Extension Location Permit No. 415 year of 2010, 27 July 2010 for 3,000 Ha</li> <li>IUP No. 365/DISBUN-D/2012, August 23rd 2012 for 1,750 Ha</li> <li>HGU No. 62/HGU/KEM-ATR/BPN/2016, 1,973.45 Ha</li> </ul> <p><b>PT Windu Nabatindo Sejahtera</b></p> <ul style="list-style-type: none"> <li>Izin Prinsip Arahani Lokasi No. 02.04.28/525.26/463/XI/EkBang/03, 8th November 2003 for areal 7,000 Ha.</li> <li>Location Permit SK District Kotawaringin Timur No. 165.460.42, 26 February 2004 for 5,370 Ha</li> <li>IUP No. 525.26/152/V/EkBang/2004, 17 May 2004 for 5,370 Ha</li> <li>Permit Location No. 374.460.42, December 13 2006 for 5,000 Ha (Revision)</li> <li>IUP No. 525.26/386/V/EkBang/2007, May 30th 2007 for areal 5,000 Ha (Revision)</li> <li>Kadastral Map No. 355-15.05-2007, July 6th 2007 for areal 4,998.76 Ha</li> <li>Surat Permohonan HGU 003/WNS-Dir/VII/2007, July 11th 2007 for areal 5,000 Ha.</li> </ul> <p><b>PT Windu Nabatindo Abadi</b></p> <ul style="list-style-type: none"> <li>Sertifikat HGU No. 37/HGU/BPN RI/2014 seluas 1,987.8 Ha</li> <li>Sertifikat HGU No. 48/HGU/KEM-ATR/BPN/2015 tanggal 20 Mei 2015 seluas 5.773 Ha</li> </ul> <p><b>PT Nabatindo Karya Utama</b></p> <ul style="list-style-type: none"> <li>Sertifikat HGU No. 17/HGU/KEM-ATR/BPN/2016 tanggal 07 April 2016 seluas 3,298.63 Ha</li> </ul> <p>HGU on process for Ladang Sawit Mas, PT Lestari Gemilang Intisawit, PT Agro Manunggal Sawitindo, PT Karya Makmur Langgeng, and PT Gemilang Makmur Subur</p> <p><b>Auditor verification</b> Land legal process is still going on and there is a detail update progress documented by the company for each year.</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

NCR No.	:	2020.01	Issued by	:	Satria Adi Putra
Date Issued	:	31 January 2020	Time Limit	:	30 April 2020
NC Grade	:	Critical	Date of Closing	:	18 April 2020
Standard Ref. & Requirement	:	1.1.3 Managed records of requests for information and responses provided.			
Evidence observed (filled by auditor):					
1. The company has presented the Register Letter of Entry - D & L-Part-CSR Dept Area 7A document, which contains information on recording in the format of date, letter number of entry, description of information, subject, data, person in charge and information.					
2. Procedure No. ASM-SUST-SOP-09 Rev 01 dated 3 December 2019 article 7.2.4 states that:					
- Point A: Information originating from external and internal must be responded by the unit manager or the party appointed by the relevant Public Relations / CSR / D & L no later than 15 days after the information is received.					
- Point B: Written response must be signed by the Unit Manager before it is submitted to the External / Internal party (who requests the information) and distributed to the relevant stakeholders.					
- Point D: Communications originating from external sources must be documented in the External Communication Log (Appendix 7.1)					
Non-Conformance Description (filled by auditor):					
The company has not been able to demonstrate that the implementation of information management is in accordance with the procedures that it has.					
Root Cause Analysis (filled by organization audited):					
Lack of knowledge from units related to the implementation of communication procedures					
Correction (filled by organization audited):					
1. Re-socialization to officers appointed at both estate and factory units related to recording internal information					
2. Improve the communication log book so that it complies with RSPO requirements					
Corrective Action (filled by organization audited):					
Monitoring and evaluating through internal audits and management review meetings					
Assessor Evaluation and Conclusion (filled by auditor):					
Verification 17 April 2020					
The company has shown evidence of improvements including:					
- Improved Monitoring of the Internal and External Complaints Logbook Records for each Estate with an additional format in the form of input date data input.					
- Minutes of employee complaint responses at Pembangunan Raya Estate on March 5, 2020. In addition, documents are available in the form of photos attaching complaints handling.					
- Minutes of employee complaint responses at Bengkuang Raya Estate on March 5, 2020. In addition, documents are available in the form of photos attaching complaints handling.					
- Minutes of employee complaint responses at Belaban Raya Estate on March 5, 2020. In addition, documents are provided in the form of photos attaching complaints handling.					
- Minutes of the dissemination of air pollution hazards to the public and PT Agro Sejahtera Manunggal contractor on March 3					

2020. In addition, attachments are provided in the form of photo documentation.

Based on the evidence of improvements sent there are still questions that need to be further verified by the auditor team including the realization of the corrective action "re-socialization to officers appointed at both estate and factory units related to recording internal information".

Has this been done? Please include proof of its improvement.

**Related to the above, the Non-Conformity No. 2020.01 declared unfulfilled.**

#### Verification April 18, 2020

The company has shown evidence of improvement in the form of an official report on the SOP of Complaints of Employees on March 3, 2020, which was attended by 10 participants of PIC complaints handling. Photos and attendance attached.

**Related to this, the Non-Conformity No. 2020.01 has been declared fulfilled.**

**Verified by** : Satria Adi Putra

NCR No.	:	2020.02	Issued by	:	Trismadi N
Date Issued	:	31 January 2020	Time Limit	:	ASA-2
NC Grade	:	Non-Critical	Date of Closing	:	30 March 2021 (Remote Audit ASA-2)
Standard Ref. & Requirement	:	3.4.2 For the unit of certification, a SEIA is available and social and environmental management and monitoring plans have been developed with participation of affected stakeholders.			

Evidence observed (filled by auditor):

During the audit activities, there are several evidences sighted as follows:

1. Social Impact Management Plan Implementation year of 2019, such as:
  - a. Land tenurial problem solving: there is double claim and differential of land acquisition prices, it was solved by good communication with the local communities.
  - b. Smallholders Performance: not all community get scheme smallholders, lack of smallholder's performance information, cooperative members from outside communities, it was solved by mediation and socialization by Plantation Agency, Cooperative, Head of Village, and cooperative members.
  - c. Development of Community Economic: lack of entrepreneur skills and knowledge of communities, it was solved by make a CSR program in accordance to evaluation of specific project.
  - d. Development of Education quality: lack of education facilities, it was solved by make an education infrastructure on the CSR program.
  - e. Community health elucidation and development of community health: lack of awareness about health knowledge, it was solved by conducting health socialization and medical check up.
  - f. Increasing the preservation of local culture: lack of awareness the youth generation to preserve the local culture, the solution: providing assistance and participating in the preservation of local culture.
  - g. Improvement of worker welfare: OHS training has not been conducted regularly, the completeness of workers PPE is still lacking, worker union have not been formed, the settlement is by providing PPE's and restructuring of worker union and well cooperates in supporting company operations.
  - h. Increasing of clean water supply: during the dry season, there are several communities have difficulty accessing of clean water, the solution is providing wells and toilet in 2015.
  - i. Electrical connecting for the community in 2011.
  - j. Good communication with related smallholders.
  - k. Based on complaint log book in PRYE period of October to December 2019 sighted that there are several complaints from the workers. For example: related to the damage of septic tank, leaky roof, and clean water has not been distributed to the housing. This information also obtained by interviews with the several employees in PRYE.

Non-Conformance Description (filled by auditor):

However, not all issues or impact of company operations have been identified on the social and environmental management and monitoring plans.
<b>Root Cause Analysis (filled by organization audited):</b> Lack of knowledge from sustainability and CSR staff regarding the new 2018 RSPO P&C requirements regarding stakeholder participation.
<b>Correction (filled by organization audited):</b> 1. Conduct training and refresh training for relevant staff on the 2018 RSPO P&C requirements 2. Identify and evaluate the issues / aspects of the impact of social management, both internally and externally, in a participatory manner by involving relevant stakeholders.
<b>Corrective Action (filled by organization audited):</b> Monitoring through internal audits and management review meetings every year to ensure that the requirements requested related to participatory identification of social issues / impacts can be met.
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Verification March 30, 2021</b> The company has shown evidence of the following: <ul style="list-style-type: none"> <li>- Social Management Plan 2020 with programs carried out, among others: Resolving tenure problems around the company, improving plasma performance and socialization, improving the community economy, improving the quality of community education, counseling and improving the quality of public health, building communication and networks with all stakeholders who related to PT. Agro Sejahtera Manunggal, Improve the preservation of local culture of the local community, Increase the availability of clean water, Make manpower improvements, Improve Labor Facilities.</li> <li>- The 2020 social impact management implementation evaluation report shows that the company has implemented all social programs that have been determined, for example those related to monitoring and repairing employee housing facilities, carrying out clean Friday activities for monitoring and maintenance in housing, repairing housing facilities damaged and conduct conditionally clean water supply using fire fighting cars.</li> <li>- The company has conducted public consultations with stakeholders regarding social management and monitoring plans as well as evaluating the implementation of social programs with the following evidence:             <ul style="list-style-type: none"> <li>• Minutes of the PT Agro Sejahtera Manunggal Gender Committee Meeting which will be held on January 21, 2021.</li> <li>• Minutes of the Socialization of the Freedom of Association Policy which will be held on February 24, 2021.</li> <li>• Meeting with community leaders with the Social Management Review agenda which was held on December 16, 2020 which was attended by representatives of the Seriam Village government and community leaders.</li> <li>• Filling out a questionnaire to several community representatives related to the social management review conducted in December 2020.</li> </ul> </li> </ul> <p>Regarding the proof of improvement that has been given, the nonconformity No. 2020.02 has been declared fulfilled.</p>
<b>Verified by</b> : <b>Nurdin Chaeriana</b>

NCR No.	: 2020.03	Issued by	: Trismadi N
Date Issued	: 31 January 2020	Time Limit	: 30 April 2020
NC Grade	: Critical	Date of Closing	: 1 April 2020
Standard Ref. & Requirement	3.4.3. (C) The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.		

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

Based on environment monitoring and management realization on Semester I year of 2019 discussing the impact of plantation and mill operations on several aspects, such as: air quality; vibration & noise; soil&water conservation; liquid & solid waste management; fire potential; disruption of flora & fauna; and public unrest.

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

However, the evaluations made by the management unit have not been explained trend evaluation, critical level evaluation, and compliance evaluation in accordance to Environment Minister Decree Letter number 45 year of 2005. And also, there has not been shown evidence that evaluation been carried out in a participatory manner involving all stakeholders (internal&external).

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

Lack of knowledge of new sustainability staff about RSPO P&C Compliance (it causes there are changing of sustainability staff).

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

1. The management unit conducted training about environment monitoring and management realization in accordance to Environment Minister Decree number 45 year of 2005.
2. The management unit revised the environment monitoring and management realization in accordance to Environment Minister Decree number 45 year of 2005.
3. The management unit sending revised the of environment monitoring and management realization to the relevant agency.

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

The management unit will conduct monitoring this report template by regularly internal audit and annual management review.

**Assessor Evaluation and Conclusion (filled by auditor):**
**Verification on 1 April 2020**

The management unit were shown several evidences, such as:

- Revision of Environment monitoring and management realization semester II year of 2019, for example:
  1. Soil and Water Conservation Parameter
    - a. Trend evaluation: surface water quality analysis in Bengkuang River, Membuluh I River, Membuluh II River, Belaban River, Bengkuang Estuary, Kediuk River, Kendawangan River, Kendawangan Estuary there are several changing trend from Semester I of 2018 till Semester II of 2019.
    - b. Critical level evaluation: the non conformity (above limit) of surface water quality, such as: BOD and pH parameters on several rivers. It causes that there are peat soil area on the certification unit, resulting in decomposition of organic matter, and also caused of high rainfall level.
    - c. Compliance evaluation: the company will be revised the test parameter and river water class from Class II to the Class IV, it considering the environment conditions that the river affected by tides.
  2. Public Unrest Parameter
    - a. Trend evaluation: since semester I of 2018, social conflicts decrease from 12 cases to the nine cases.
    - b. Critical level evaluation: the social conflict faced by certification unit, such as conducted road access corticalization, harvesting ban, and efforts to stop mill operations. However, these activities don't represent the communities, it only from individual to take advantage.
    - c. Compliance evaluation: the certification unit has conducted communication and consultation with the communities, in an effort to minimize public unrest. It also carried out the implementation of CSR programs.
- Environment monitoring and management realization reported to the Environment Agency of Ketapang Regency dated 24 March 2020.
- RSPO P&C 2018 workshop dated 17 till 18 December 2019 in BGA Head Office (Jakarta) attended by 24 persons sustainability team, included from PT ASM.

**Auditor Conclusions:**

Based on above explanations, this nonconformity has been closed.

Verified by : Trismadi N

NCR No.	: 2020.04	Issued by	: Satria Adi Putra
Date Issued	: 31 January 2020	Time Limit	: ASA-2
NC Grade	: Non Critical	Date of Closing	: 30 March 2021 (Remote Audit ASA-2)
Standard Ref. & Requirement	: 3.7.2 Managed training records, if possible, are carried out individually.		
<b>Evidence observed (filled by auditor):</b> The company has shown the Recapitulation of List of Operating Permit Documents for plantation and factory employees detailing the type of training that is owned / given to company employees.			
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show that all training records for contract workers have been recorded and managed.			
<b>Root Cause Analysis (filled by organization audited):</b> Lack of knowledge from HRD staff regarding the new RSPO 2018 requirements to ensure that all employee training records (both permanent employees and non-permanent contracts) are maintained			
<b>Correction (filled by organization audited):</b> <ol style="list-style-type: none"> <li>1. Training 2018 RSPO P&amp;C requirements for relevant staff / employees managing the training</li> <li>2. Include the contract employees / contractors in the relevant training program as appropriate / needed</li> <li>3. Record and maintain training records for contract employees and contractors</li> </ol>			
<b>Corrective Action (filled by organization audited):</b> To Monitor, evaluate, and manage training records through internal audit mechanisms and annual management review meetings			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Verification on 30 March 2021</b> The company has shown evidence of improvement: <ul style="list-style-type: none"> <li>• Socialization of RSPO P&amp;C to Managers, EHS Mill, sustainability, and other staff on February 4, 2021</li> <li>• Training program for employees and contractor employees for the period of 2021</li> <li>• Minutes of socialization for CPO and Kernel contractors on 27 December 2020</li> <li>• The results of the RSPO internal audit which was conducted on 11 January 2021. From the results of the internal audit, there were no discrepancies related to employee training.</li> </ul> In relation to this explanation, the discrepancies have been fulfilled.			
Verified by	: Asystasya Aishah Silalahi		

NCR No.	: 2020.05	Issued by	: Brigitta Prita
Date Issued	: 31 January 2020	Time Limit	: 30 April 2020



NC Grade	: Critical	Date of Closing	: 7 April 2020
Standard Ref. & Requirement	3.8.16 Registration of Transactions i. Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date. ii. Remove: RSPO certified volumes sold under a different scheme or as conventional, or in case of underproduction, loss or damage shall be removed in the RSPO IT platform.		

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

Based on mass balance data on April – December 2019, it is known that:

**CPO.**

Apr-Dec 2019 (MT)	
CSPC Sold as RSPO Claim	5,250
CSPC Sold as Conventional	45,905
CSPC Production	13,876
Non CSPC Production	38,173
Total CPO Production	52,049
Stock RSPO	8,626
Remove	7,732

**PK**

Apr-Dec 2019 (MT)	
CSPK Sold as RSPO Claim	0
CSPK Sold as Conventional	9,335
CSPK Production	2,533
Non CSPK Production	7,031
Total PK Production	9,564
Stock RSPO	229
Remove	2,304

Based on Palm Trace of Pembangunan Raya mil date on January 30, 2020 it is known:

Stock Overview								
Member Information				License Information				
Member Name	Pembangunan Raya Mill, PT Agro Sejahtera Manunggal			License ID	CB83089			
Member ID	RSPO_PO100004866			Issued By	PT Mutuagung Lestari			
Member Country	INDONESIA			Issued On	28-03-2019			
Member Category	Oil Mill			Start Date	25-03-2019			
Core Product	Palm Oil			End Date	24-03-2020			
				License Status	Active			
Product	Supply Chain Model	Certified Volume*	Announced Volume*	Volume Allocated as Credits*	Volume Sold as Physical*	Volume Sold as Credits*	Volume Removed*	Remaining Certified Volume*
CSPK	Mass Balance	2,782	0	0	0	0	2,267	515
CSPC	Mass Balance	22,256	0	0	5,250	0	0	17,006
FFB_estates	Mass Balance	78,096	0	0	0	0	0	78,096
FFB_scheme_or_ass...	Mass Balance	14,636	0	0	0	0	0	14,636

\* Volumes in MT

Certified Volume\* = Original Certified Volume + Carry Over Volume + Extended Volume

Page 1 of 1  
[Download Transaction PDF](#) | [Print](#) | [Export to Excel](#)

**Non-Conformance Description:**

Based on the data above, RSPO certified volumes have been sold conventionally and no evidence of removing for CSPC of 7,732 MT and CSPK of 2,304 MT.

<b>Root Cause Analysis :</b> Lack of experience from the new EHS Officer and the lack of monitoring from the Sustainability and Commercial Staff so that there is still a difference between the CSPK and CSPO credits that have been removed.	
<b>Correction :</b> Removing related to the remaining / difference in CSPO and CSPK credit that has been used for conventional sales.	
<b>Corrective Action :</b> Joint monitoring monthly and quarterly by sustainability and commercial dept for each report and CSPK & CSPO production and sales data entry.	
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verification, Februari 5, 2020.</b> Based on palm trace data on February 5, 2020, CSPK has been remove of 2,304 MT and CSPO of 7,732 MT.  <b>Verification, April 7, 2020.</b> The company shows the minutes of supply chain socialization regarding the separation of RSPO & Non-RSPO FFB on March 19, 2020, located in the meeting room of Pembangunan Raya Mill to the relevant PIC with 10 participants. The material presented included the socialization of ordering procedures, claims, stamps use, identification procedures and product traceability, the separation of administration of certified and non-certified blocks, administrative records of separation FFB introduction letters of block RSPO and others. In addition, minutes of the supply chain data inspection was carried out on April 6, 2020 by the relevant PIC. Based on the explanation above, the non-conformance No.2020.05 has been fulfilled.	
<b>Verified by</b>	: Brigitta Prita

NCR No.	: 2020.06	Issued by	: Satria Adi Putra
Date Issued	: 31 January 2020	Time Limit	: ASA-2
NC Grade	: Non Critical	Date of Closing	: 30 March 2021 (Remote Audit ASA-2)
Standard Ref. & Requirement	: 4.2.3 The certification unit strives to keep the parties in the complaint case informed of the progress of the case, including in relation to the agreed schedule and so that the results are shared with relevant stakeholders.		
<b>Evidence observed (filled by auditor):</b> The company has shown a complaint book that is in every estate and mill in which there are several formats are not uniform, including: <ul style="list-style-type: none"> <li>a) Belaban Raya Estate with Recording Format (Date, Name, Complaint, Follow Up, Person in Charge)</li> <li>b) Bengkuang Raya Estate (Div III) with Recording Format (Name, Division, Issue, Response, Deadline)</li> <li>c) Pembangunan Raya Estate with Recording Format (Date, Employee Name, Division, Issue, Solution, Timeframe)</li> <li>d) Pembangunan Raya Mill with Recording Format (Number, Name of Worker, Position, Worker Complaints, Management Responses, Initials)</li> </ul>			

The company has a Procedure No. ASM-SUST-SOP-09 Rev 01 dated 3 December 2019 article 7.2.4 states that:

- a) Point A: Information originating from external and internal must be responded to by the unit manager or the party appointed by the relevant Public Relations / CSR / D & L no later than 15 days after the information is received.
- b) Point B: Written response must be signed by the Unit Manager before it is submitted to the External / Internal party (who requests information) and distributed to the relevant parties concerned.
- c) Point D: Communications originating from external sources must be documented in the External Communication Log (Appendix 7.1)

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

The company has not been able to demonstrate that the implementation of complaints management is not in accordance with the procedures that it has.

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

The Communication Procedure has not yet been disseminated to all related units regarding the complaint book recording format

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

1. Outreach to all units regarding the implementation of the complaint book format so that it can be uniform throughout all units in accordance with communication procedures
2. Ensure that the complaint book is in the same format

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

Monitoring implementation through internal audit mechanisms and annual management review meetings

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

**Verification on 30 March 2021**

The company has provided root cause analysis and corrective action and has shown evidence of improvement in the form of:

- Socialization of the employee complaint / complaint logbook confirmation to employees on January 11, 2021.
- External and Internal Communication Log of PRYE with the format of Name, Address, Position, Complaint, date of complaint, response, date of response and description.
- External and Internal Communication Log of BLRE with the format of Name, Address, Position, Complaint, date of complaint, response, date of response, and information
- External and Internal Communication Log of BRYE in the format of Name, Address, Position, Complaint, date of complaint, response, date of response, and description.
- External and Internal Communication Log of PRYM Unit in the format of Name, Address, Position, Complaint, date of complaint, response, date of response, and information
- The results of the RSPO internal audit which was conducted on 11 January 2021. From the results of the internal audit, there were no discrepancies regarding complaints from employees.
- External and internal communication logs are in the same format. Based on this explanation, the discrepancies have been fulfilled.

Verified by : Asystasya Aishah Silalahi

NCR No.	: 2020.07	Issued by	: Satria Adi Putra
Date Issued	: 31 January 2020	Time Limit	: ASA-2
NC Grade	: Non Critical	Date of Closing	: 30 March 2021 (Remote Audit ASA-2)

Standard Ref. & Requirement	<p>6.2.6 DLW is given to all workers, including workers who work on a piece / quota basis, the calculation of wages is based on a quota that can be achieved during regular working hours.</p> <p>Procedural Note: The RSPO Task Force for workers will prepare DLW implementation guidelines, including detailed rules for how to calculate DLW that is expected to be completed in 2019. The RSPO Secretariat will seek to establish DLW guidelines for each palm oil producing country where RSPO members operate. , where the benchmark of the Global Living Wage Coalition (GWLC) is not yet available</p>
<p><b>Evidence observed (filled by auditor):</b></p> <ol style="list-style-type: none"> <li>1. The company has shown PT ASM's Decent Living Wage Fulfillment Checklist document which contains elements of available facilities, information and document / record references. The elements of the facility include employee wages, food and beverages, clothing, housing, education, health, transportation, recreation and savings.</li> <li>2. Eligible Wage Calculation Document (Implementing DLW).</li> <li>3. RSPO Guidance For Implementing A Decent Living Wage document endorsed by the RSPO standard Standing Committee on 1st of June 2019 which states that "if the prevailing wages doesn't match the DLW, the members will have to develop an implementation plan within their respective operation "</li> </ol> <p><b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show evidence that the implementation plan in the operational perspective has been made in accordance with the guidelines of the RSPO Guidance For Implementing A Decent Living Wage.</p>	
<p><b>Root Cause Analysis (filled by organization audited):</b> Lack of knowledge from HRD staff regarding the fulfillment of the new 2018 RSPO requirements regarding prevailing wage calculations and implementation plans according to the RSPO Guidance For Implementing A Decent Living Wage (calculations are not appropriate).</p>	
<p><b>Correction (filled by organization audited):</b></p> <ol style="list-style-type: none"> <li>1. Outreach the 2018 RSPO P&amp;C to HRD / administration staff</li> <li>2. Carry out recalculation and ensure the DLW calculation is in accordance with the RSPO Guidance For Implementing A Decent Living Wage</li> </ol>	
<p><b>Corrective Action (filled by organization audited):</b> Monitoring through internal audit mechanisms and management review meetings every year to ensure the calculation of a living wage is in accordance with the RSPO Guidance For Implementing A Decent Living Wage</p>	
<p><b>Assessor Evaluation and Conclusion (filled by auditor):</b></p> <p><b>Verification on 30 March 2021</b> The company has provided root cause analysis and corrective action and has shown evidence of improvement in the form of:</p> <ul style="list-style-type: none"> <li>• Socialization of RSPO P&amp;C to Managers, EHS Mill, sustainability, and other staff on February 4, 2021</li> <li>• Calculation of prevailing wage based on RSPO Guidance For Implementing A Decent Living Wage. In kind benefits calculated include housing, electricity, water, education, clinics, transportation, work clothes, food, and calculating the average monthly wage of workers.</li> <li>• The results of the RSPO internal audit which was carried out on January 11, 2021. From the results of the internal audit, there were no discrepancies with the prevailing wage.</li> </ul> <p>Based on this explanation, the discrepancies have been fulfilled.</p>	
Verified by	Asystasya Aishah Silalahi

<b>NCR No.</b>	: 2020.08	<b>Issued by</b>	: Satria Adi Putra
<b>Date Issued</b>	: 31 January 2020	<b>Time Limit</b>	: 28 June 2021
<b>NC Grade</b>	: Non Critical raise to Critical (Major)	<b>Date of Closing</b>	: 19 May 2021
<b>Standard Ref. &amp; Requirement</b>	6.7.4 All workers are given health care and are covered by accident insurance. Costs arising from work-related incidents, which result in injury or illness, are covered in accordance with national law or by the certification unit if national law does not provide protection		
<b>Evidence observed (filled by auditor):</b> 1. The company has shown the Audit document List of Legal and Regulatory Provisions and Regulations No: 004 / ASM-LR / XI / 2019 Rev 4 dated 18 November 2019 which was approved by Region Head 4B. The document states that it has fulfilled Government Regulation No. 14 of 1993 juncto No. 84 of 2013 concerning the Implementation of Social Security article 9 paragraph 2 which states that contributions to work accident insurance, death insurance and health care insurance are fully borne by employers. 2. Document of the number of BPJS Health PT ASM 2019 which states that the average number of BPJS Health participation is 8% of the total workers. In addition there is a target of registration in Phase-1 2020 is 25% of the number of members. 3. Based on interviews with local contractors (Angkut TBS - Agro Seriam Mandiri), there are 8 drivers who do not have health insurance (information is currently on progress, but progress cannot yet be demonstrated).			
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to demonstrate that all workers are provided health care and are covered by accident insurance in accordance with applicable regulations.			
<b>Root Cause Analysis (filled by organization audited):</b> 1. The company is committed to increase BPJS Health membership for employees, besides that the company remains committed to continuing to provide health and medical facilities for all employees both through internal company medical personnel, as well as benefits / health insurance and work accidents to cover outpatient medical expenses, inpatient / MCU and maternity. However, no document from the management of PT ASM has yet been shown that guarantees this commitment. 2. Not all workers have been included in the BPJS Health program because not all employees have been identified (who are already PBI / Contribution Assistance Recipients and still have administrative problems) 3. There has not been an evaluation of the contractor regarding the obligation to fulfill the RSPO P&C requirements in accordance with the agreement			
<b>Correction (filled by organization audited):</b> 1. Creating programs and compliance to increase annual BPJS Health membership 2. Make IOM from PT ASM management related to PT ASM's commitment to continue to provide health benefits / insurance and work accidents for all employees (especially for those who have not been registered in the BPJS Health membership) 3. Evaluating contractors who are still working that in compliance with the agreement and requirements in the RSPO P&C 4. Identify the membership status of all employees, both those with PBI status, experiencing administrative problems and have already registered 5. Registering employees who have not been registered through the EDABU system			
<b>Corrective Action (filled by organization audited):</b> 1. Conduct programs and annual evaluations by administration head / PT ASM management regarding BPJS Health membership 2. Evaluating the fulfillment of contractor requirements through the existing mechanism in the Contractor Evaluation procedure 3. Monitoring through internal audit mechanisms and management review meetings			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Verification 22 March 2021</b> The unit of certification shows some evidence of improvement as follows:			

- Letter of section head Area 7A number 01 / Wil 7A / I / 2021 dated January 6, 2021 to Region Head Sei Rasau, Regarding Minutes of Monitoring of PT ASM employment and health BPJS participation, as follows:

No	Bulan	Total Karyawan ASM	BPJS TK ASM		BPJS TK KESEHATAN		BPJS TK KESEHATAN	
			Kepesertaan	Presentase (%)	Kepesertaan	Presentase (%)	TK	(%)
1	Jan-20	1.343	1.317	98%	112	8%	-	0%
2	Feb-20	1.333	1.313	98%	116	9%	4	0%
3	Mar-20	1.358	1.336	98%	90	7%	26	-2%
4	Apr-20	1.343	1.322	98%	97	7%	7	1%
5	Mei-20	1.325	1.303	98%	97	7%	-	0%
6	Jun-20	1.315	1.299	99%	97	7%	-	0%
7	Jul-20	1.296	1.283	99%	97	7%	-	0%
8	Agst-20	1.247	1.243	100%	94	8%	3	0%
9	Sep-20	1.277	1.263	99%	96	8%	2	0%
10	Okt-20	1.267	1.260	99%	110	9%	14	1%
11	Nov-20	1.239	1.228	99%	110	9%	-	0%
12	Des-20	1.251	1.238	99%	110	9%	-	0%
Rencana Penambahan								
1	Jan-21	1.231	1.223	99%	110	9%	-	0%
2	Feb-21	1.221	1.211	99%	110	9%	-	0%
3	Mar-21	1.221	1.221	100%	110	9%	-	0%
4	Apr-21	1.221	1.221	100%	200	16%	90	7%
5	Mei-21	1.221	1.221	100%	250	20%	50	4%
6	Jun-21	1.221	1.221	100%	300	25%	50	4%

From this data, it is known that as of December 2020, only 110 employees have been registered (9%). While the program to increase BPJS Health registration in April 2021 is to 200 people (16%).

- Area Controller 7A Letter Number 001 / ASM / AC 7A / I / 2020 dated January 2, 2020, regarding: Health and Medical Expenses Assistance Benefits. That all staff and non-staff employees comply with the following :
  - Outpatient medical expenses
  - Inpatient medical expenses
  - Maternity assistance costs
  - The cost of buying glasses
  - MCU

Permanent employee inpatient medical bills: IDR 80,000 / day and a maximum of IDR 15,000,000 / year.
- Minutes of OHS socialization to contractors on January 24, 2020 regarding: understanding of OHS policies in the company environment, fulfillment of PPE for contractor workers, prohibition of employing underage, health protection provided by the company, BPJS card registration procedures for contractor workers, wages the workers and the complaint book, this activity was attended by 5 contractors.
- Contractor evaluation form, for example: initial SG (FFB transport) on January 24, 2020 where the percentage of fulfillment: 95%.
- Inter Office Memo from Controller Area 7A No 009 / ASM / AC 7A / I / 2020 dated January 8, 2020, regarding: Affirmation of OHS Socialization to 5 Contractors. That the company provides a means of understanding OHS policies to company contractors confirms that all contractors understand all OHS policies, and this confirmation is disseminated to all contractors.

#### The Auditor's Conclusion:

- The progress of BPJS health registration for employees has not been significant, at last year's audit in January 2020 it was 8%. Meanwhile, until December 2020, only 9% of employees have registered in the BPJS Health program.
- Information during last year's audit showed that the employee's BPJS health registration was hampered by administration (for example, they did not have an electronic ID card). So that the company will provide health insurance coverage (internal company) in accordance with BPJS Health. However, from the documents above, it is known that the ceiling for outpatient and inpatient costs for the employee level that is borne by the company is not equal to that of BPJS health.
- The company has not shown documentation of outpatient and inpatient costs for employees who have not registered with BPJS health.
- There is no proof of identification of employees who do not have administrative requirements.
- No evidence has been shown that all contractor employees have also been registered with BPJS health.



So that the discrepancies have not been fulfilled.

#### Verification 30 March 2021 (Remote Audit)

Company showed document:

- Area Controller 7A Letter Number 001 / ASM / AC 7A / I / 2020 dated January 2, 2020, regarding: Health and Medical Expenses Assistance Benefits. That all staff and non-staff employees comply with the following :
  - Outpatient medical expenses
  - Inpatient medical expenses
  - Maternity assistance costs
  - The cost of buying glasses
  - MCU

Permanent employee inpatient medical bills: IDR 80,000 / day and a maximum of IDR 15,000,000 / year.

- Examples of employee medical bills.
- Letter of section head Area 7A number 01 / Wil 7A / I / 2021 dated January 6, 2021 to Region Head Sei Rasau, Regarding Minutes of Monitoring of PT ASM employment and health BPJS participation, as follows:

No	Bulan	Total Karyawan ASM	BPJS TK ASM		BPJS TK KESEHATAN		BPJS TK KESEHATAN	
			Kepesertaan	Presentase (%)	Kepesertaan	Presentase (%)	TK	(%)
1	Jan-20	1.343	1.317	98%	112	8%	-	0%
2	Feb-20	1.333	1.313	98%	116	9%	4	0%
3	Mar-20	1.358	1.336	98%	90	7%	26	-2%
4	Apr-20	1.343	1.322	98%	97	7%	7	1%
5	Mei 20	1.325	1.303	98%	97	7%	-	0%
6	Jun-20	1.315	1.299	99%	97	7%	-	0%
7	Jul-20	1.296	1.283	99%	97	7%	-	0%
8	Agst 20	1.247	1.243	100%	94	8%	3	0%
9	Sep-20	1.277	1.263	99%	96	8%	2	0%
10	Okt 20	1.267	1.260	99%	110	9%	14	1%
11	Nov-20	1.239	1.228	99%	110	9%	-	0%
12	Des 20	1.251	1.238	99%	110	9%	-	0%
Rencana Penambahan								
1	Jan-21	1.231	1.223	99%	110	9%	-	9%
2	Feb-21	1.221	1.211	99%	110	9%	-	0%
3	Mar-21	1.221	1.221	100%	110	9%	-	0%
4	Apr-21	1.221	1.221	100%	200	16%	90	7%
5	Mei 21	1.221	1.221	100%	250	20%	50	4%
6	Jun-21	1.221	1.221	100%	300	25%	50	4%

From this data, it is known that as of December 2020, only 110 employees have been registered

- Memo No. 025 / MEMO-BGA / HC / 03/2021 dated 26 March 2021 from the HC Group Dept. Head regarding the Implementation of 100% BPJS Health Participation in PT ASM. From the memo it was explained that the implementation of BPJS health participation in PT ASM must be completed 100% by 2021.
- Agreement with contractors such as agreement No. 002-WIL-7A / ASM / SPK / IV / 2020 dated April 8, 2020. Article 1 point 3 of the agreement explains one of the obligations of the second party (contractor) to involve employees in BPJS Health and Employment.
- PK transportation contractor evaluation form with no. agreement No 001-WIL-7A / ASM / SPK / IV / 2020.
- Healthy Indonesia Card 5 workers, for example workers with NIK 6104040303730005 with card number 0002299469859.
- Minutes of PT ASM BPJS Health participation data dated March 20, 2021. From these documents it is known that the total number of workers registered by BPJS health is 110 workers. From the data on workers registered by BPJS health in December 2020 and March 2021, the number of workers who were enrolled was still the same.
- The results of verification of work accident documents and interviews with management found that there were work accidents that were fatal in July 2020. Related to this, the company has shown a work accident investigation report, work accident evaluation and its follow-up, a statement letter from the company participating in the work accident insurance program, a case

report stage 1 and stage 2 work accidents. However, there is no evidence that workers have received compensation from the work accidents that occur.

Based on the explanation above, it is concluded that the company has not been able to demonstrate that all workers are provided with health care and are covered by accident insurance in accordance with applicable regulations.

#### **Verification on April 14, 2021**

The company shows evidence of improvement in the form of :

- Minutes of PT ASM BPJS Health participation data dated March 20, 2021. From these documents it is known that the total number of workers registered by BPJS Health is 110 workers. From the data on workers who registered for BPJS Health in December 2020 and March 2021, the number of workers who were included is still the same.
- Registration of BPJS through the e-Dabu system in April 2021, worker with initial AR
- Registration of BPJS through the e-Dabu system in April 2021, worker with initial MN
- Registration of BPJS through the e-Dabu system in April 2021, worker with initial DH
- Registration of BPJS through the e-Dabu system in April 2021, worker with initial RT
- Registration of health BPJS membership data as of April 1, 2021, totaling 60 workers
- Status of BPJS employee membership data as of April 1, 2021
- Statement letter for the transfer of BPJS health (PBI) data for workers with the initials TA, SM, and TM. The letter stated that workers were not willing to be disabled as PBI participants.
- Worker's BPJS employment files with the initials BR consist of ID Card , BPJS employment cards, Phase I accident reports, Phase II Accident Reports and Statement of Company Participating in the Work Accident Security Program.
- Worker's BPJS employment files with the initials HI consist of ID Card , BPJS employment cards, Phase I accident reports, Phase II Accident Reports and Statement of Companies Participating in the Work Accident Security Program.
- The employee compensation payment document with the initials BR consists of:
  - Agreement on termination of employment due to death and payment of compensation to the heirs No. 145 / BGA-HR Reg Kdw / PB / X / 2020 dated 7 November 2020.
  - Photo of handing over severance pay
  - Advances accountability form for repatriation of the body
  - Form for calculating the termination of employment relationship for payment of severance pay for workers who pass away on July 14, 2020
  - Power of Attorney for the heirs dated July 6, 2020

However, the evidence has not been shown, including:

- A recap of BPJS membership status data for employees that informs the number of workers who have registered with BPJS Health, have not registered with BPJS Health, workers have BPJS PBI or workers are unwilling to be disabled as PBI participants.
- Evidence of identification of employees who do not yet have administrative requirements to be registered by BPJS Kesehatan.
- Work Agreement for workers who died

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

#### **Verification on May, 18 2021**

The company shows evidence of improvement in the form of:

- The progress of the 2021 ASM BPJS Health movement, which informs:
  - Total workforce of 1,244 workers.
  - The total number of BPJS Health registered workers until April 2021 is 271 workers.
  - The total number of workers registered with PBI is 527 workers
  - Total workers as dependents are 167 workers
  - A total of 159 workers with invalid identity details and a failure status (PBI, Independent) are 9 workers.
  - The total number of workers who have not registered with BPJS Health (progress in May 2021) is 141 workers.
  - There is a difference between the total workforce (1,244) and the details of workers who are registered with BPJS (271), registered as PBI (527), workers as dependent (167), constrained (159), and unregistered (141) with a total of 1,265 workers
- Examples of registering workers who have constrained by the edabu system.
- Details of BPJS health bills for each PT ASM unit / division

- Identification data of PT ASM's BPJS Health membership status which informs the unit, employee name, family card number, identity number, place & date of birth, BPJS status, registered segment and pending.
- Letter of employment agreement and Worker Appointment Letter with the initials BR and HI.

Based on the explanation above, there is still a data mismatch. So that the discrepancies have not been fulfilled.

#### Verification on May, 19 2021

The company shows evidence of improvement in the form of a BPJS Health Participation registration progress report up to May 5, 2021 (Revised), which informs: The progress of the 2021 ASM BPJS Health movement, which informs:

- Total workforce of 1,244 workers.
- The total number of BPJS Health registered workers until April 2021 is 271 workers.
- The total number of workers registered with PBI is 527 workers
- Total workers as dependents are 153 workers
- A total of 159 workers with invalid identity details and a failure status (PBI, Independent) are 9 workers.
- The total number of workers who have not registered with BPJS Health (progress in May 2021) is 134 workers.

Based on the explanation above, the non-conformity is declared Closed with Observation.

Verified by : Trismadi N & Rizliani A

NCR No.	: 2020.09	Issued by	: Trismadi N
Date Issued	: 31 January 2020	Time Limit	: ASA-2
NC Grade	: Non Critical	Date of Closing	: 30 March 2021 (Remote Audit ASA-2)
Standard Ref. & Requirement	7.2.8. All pesticide containers are properly disposed of and/or handled responsibly if used for other purposes.		

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

During the audit activity there are some evidences, as follows:

1. Procedure ASM-SUST-SOP-52 about Hazardous Waste Management explain about specification of hazardous waste, hazardous waste license, hazardous waste places, and reused of hazardous waste and it recording. In addition that there is also form document number BGA-Form-CCS-1101.1-006-R0 about reused of hazardous waste recording.
2. Based on field observation to the Belaban Raya Estate, Block B50 sighted there are chemical containers such as (Regent, Metaprima, Metafuron) disposed to the land with improperly handling.
3. Based on field observation to the hazardous waste store (satellite) in Bengkuang Raya Estate sighted that the specification are not in accordance to procedure and national regulations, for example: there are no emergency response facilities, no hazardous waste symbol and labels, no balance sheets and logbooks. In addition, the actual hazardous waste stock are used oil (1.5 drums), used oil drums (8 drums), used aprons: 1 drum, used chemical container (10 pcs), metaprima (1 sack), and several used lamps.
4. Based on field observation to the hazardous waste store in PRYM sighted there are hazardous waste stock, such as: chemical container (20 pcs), metaprima (1 sack). However not yet recorded in the updated balance sheet and logbook.
5. Based on interview result with the management sighted that chemical containers is using for distribute chemical on the field. There are also uses to distribute fertilizer to the field. However, there are no recording in accordance to BGA-Form-CCS-1101.1-006-R0.

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

Based on above explanation sighted that the chemical container management not comply with the procedure ASM-SUST-SOP-52.

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

Lack of knowledge from PIC staff in units related to hazardous waste management and recording in accordance with the company's

hazardous waste management SOP.	
<b>Correction (filled by organization audited):</b> 1. Conduct socialization / refresh training to the PIC unit and sustainability staff regarding the management of Hazardous and Toxic Wastes 2. Taking corrective actions both in management and recording in accordance with the company's Hazardous and Toxic waste management procedures and regulations 3. Create a policy / work instruction from the management of PT ASM to ensure that there is no use of used pesticide packaging for other uses	
<b>Corrective Action (filled by organization audited):</b> Monitoring and evaluating compliance through internal audit mechanisms and management review meetings related to the implementation of hazardous waste management	
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verification March 30, 2021</b>  The company shows evidence of improvement as follows: - Minutes of Excerpt of Pesticide Packaging on January 29, 2020 at Block G55 BKRE - Minutes of Genset House Floor Repair on March 16, 2020 at PRYE. - Minutes of Repair of the Genset House Oil Trap Floor at Belaban Raya Estate on March 16, 2020. - Minutes of dismantling of the Temporary Storage of Hazardous and Toxic Waste at BRYE on August 4, 2020 - Minutes of Training on Hazardous and Toxic Waste Management and MSDS (Material Safety Data Sheet) of PT Agro Sejahtera Manunggal Belaban Raya Estate on February 26, 2020, attended by 16 employees. The socialization includes an explanation of the types of Hazardous and Toxic waste, the correct storage of Hazardous and Toxic waste, the delivery of procedures for storing Hazardous and Toxic waste and understanding and reading the MSDS (Material Safety Data Sheet). - Minutes of Training on Hazardous and Toxic Waste Management and MSDS (Material Data Set) of PT Agro Sejahtera Manunggal Belaban Raya Estate on May 13, 2020, attended by 9 employees. The socialization includes an explanation of the types of Hazardous and Toxic waste, the correct storage of Hazardous and Toxic waste, conveying LB3 storage procedures and understanding and reading the MSDS (Material Safety Data Sheet). - Socialization related to Internal Memo (no. 008 / ASM / AC 7 A / I / 2020 dated January 8, 2020) regarding the confirmation regarding all items including Hazardous and Toxic wastes that must be stored in the Temporary Storage of Hazardous and Toxic Wastes which is carried out on the 12th January 2021. - The company shows the 2020-2021 Waste Balance Sheet and the Hazardous and Toxic Waste Logbook up to 2020  Based on the evidence that has been shown, the root cause analysis and the corrective actions that have been taken, the non conformity in this indicator have been fulfilled.	
Verified by	: Trismadi N

NCR No.	: 2020.10	Issued by	: Trismadi N
Date Issued	: 31 January 2020	Time Limit	: ASA-2
NC Grade	: Non Critical	Date of Closing	: 30 March 2021 (Remote Audit ASA-2)
Standard Ref. & Requirement	7.3.2. Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.		
<b>Evidence observed (filled by auditor):</b> During audit activity there are several evidence, such as: 1. Procedure ASM-SUST-SOP-52 about hazardous waste management, explained about hazardous waste building, license submit,			

etc. There are also document BGA-Form-CCS-1101.1-006.R0 about reused of hazardous waste record.

2. Based on field observation to the Belaban Raya Estate, block B50 sighted there are metafuron and metaprima disposed to the land.
3. Based on field observation to the hazardous waste store (satellite) in Bengkuang Raya Estate sighted that the specification are not in accordance to procedure and national regulations, for example: there are no emergency response facilities, no hazardous waste symbol and labels, no balance sheets and logbooks. In addition, the actual hazardous waste stock are used oil (1.5 drums), used oil drums (8 drums), used aprons: 1 drum, used chemical container (10 pcs), metaprima (1 sack), and several used lamps.
4. Based on field observation to the hazardous waste store in PRYM sighted there are hazardous waste stock, such as: chemical container (20 pcs), metaprima (1 sack). However not yet recorded in the updated balance sheet and logbook.
5. Based on interview result with the management sighted that chemical containers is using for distribute chemical on the field. There are also uses to distribute fertilizer to the field. However, there are no recording in accordance to BGA-Form-CCS-1101.1-006-R0.
6. Based on RSPO internal audit result dated 14 January 2020 there are non compliance on indicator 7.3.2 about chemical container using not in accordance to the procedure. However it still found on this assessment.
7. Based on field observation to the Generator Set room in PRYE sighted that there are generator with capacity 125 KvA placed on the soil and without pallet or concret floor.
8. Based on field observation to the BRYE generator set room sighted that the pipe design on secondary containment not accordance to the adequate design to prevent environment pollution cases.
9. Based on field observation to the hatch and carry of *Elaidobious camerunicus* sighted that there used oil for prevention of other insect. The management unit also showing correction by changing the oil with salt water dated 20 January 2020.
10. The management unit showing hazardous waste management reporting period of October till November 2019 on January 2020 to the Environment Agency of Ketapang Regency. However it not explained about hazardous waste balance and logbook in accordance to PP No 101 year of 2014.

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

Based on above explanation sighted that the waste management has not been to the procedure which understand by all workers and staff.

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

Lack of knowledge from PIC staff in units related to hazardous waste management and recording in accordance with the company's hazardous waste management SOP.

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

1. Conducting socialization / refresh training to PIC units and sustainability staff related to hazardous waste management
2. Taking corrective actions both in management and recording in accordance with the company's Hazardous and Toxic waste management procedures and regulations
3. Create a policy / work instruction from the management of PT ASM to ensure that there is no use of used pesticide packaging for other uses
4. Oil trap repair

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

Monitoring and evaluating compliance through internal audit mechanisms and management review meetings related to the implementation of Hazardous Waste management

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

Verification March 30, 2021,

The company has shown evidence of improvement as follows:

- Minutes of Excerpt of Pesticide Packaging on January 29, 2020 at Block G55 BKRE
- Minutes of Genset House Floor Repair on March 16, 2020 at PRYE
- Minutes of Repair of the Genset House Oil Trap Floor at Belaban Raya Estate on March 16, 2020.
- Minutes of dismantling of the Temporary Storage of Hazardous and Hazardous Waste (Satellite) at BRYE on August 4, 2020
- Minutes of Training on Management of LB3 and MSDS (Material Safety Data Sheet) of PT Agro Sejahtera Manunggal Belaban Raya Estate on February 26, 2020, which was attended by 16 employees. The socialization includes an explanation of the types of hazardous



and toxic waste, proper storage of hazardous and toxic waste, delivery of procedures for storing hazardous and toxic waste and understanding and reading the MSDS (Material Safety Data Sheet).

- Minutes of Training on the management of hazardous and toxic waste and MSDS (Material Data Sheet) of PT Agro Sejahtera Manunggal Belaban Raya Estate on May 13, 2020, attended by 9 employees. The socialization includes an explanation of the types of hazardous and toxic waste, proper storage of hazardous and toxic waste, delivery of procedures for storing hazardous and toxic waste and understanding and reading the MSDS (Material Safety Data Sheet).
- Socialization related to Internal Memo (no. 008 / ASM / AC 7 A / I / 2020 dated January 8, 2020) regarding the confirmation regarding all items including B3 waste that must be stored in the Temporary Storage for Hazardous and Hazardous Wastes which was conducted on January 12, 2021 .
- The company shows the 2020-2021 Waste Balance Sheet and the Hazardous and Hazardous Waste Logbook up to 2020
- The 2020 quarterly Hazardous and Hazardous Waste management report which contains information on the balance-logbook and manifest of Hazardous and Hazardous Waste delivery and has been sent to the Government.

Based on the evidence that has been shown, the root cause analysis and corrective actions that have been taken, the nonconformity in this indicator have been fulfilled.

Verified by : Trismadi N

NCR No.	:	2020.11	Issued by	:	Satria Adi Putra
Date Issued	:	31 Januari 2020	Time Limit	:	30 April 2020
NC Grade	:	Critical	Date of Closing	:	01 April 2020
Standard Ref. & Requirement	:	7.7.6 The management of all plantations that are currently still running on peatland is in accordance with the RSPO Guidelines for Best Management Practices (PPT) for the cultivation of oil palm heads that are still running on peat, version 2 (2018) along with related audit guidelines.			
Evidence observed (filled by auditor):					
<div>1. The company has shown a map of the distribution of peat piezometer and peat subsidence, it is known that the area of peat area in PT. ASM covers an area of 887 ha with 4 units of subsidies and piezometers. In addition, there is monitoring of water level monitoring carried out once a month.</div> <div>2. Based on the RSPO Peat Audit Guidance document (P&amp;C 2018) states that:<div>• At least one (1) piezometer per 120 ha, installed in the planted area.</div><div>• Water levels are monitored every week in the collection channel or in the field</div></div> <div>3. The water level (outside the water control structure) at the relevant outlet gate is monitored.<div>a. For areas affected by tidal flow, a daily tidal fluctuation record is available at the outlet point.</div></div>					
Non-Conformance Description (filled by auditor):					
The company has not been able to demonstrate the implementation of peatland management in accordance with the RSPO Peat Audit Guidance document (P&C 2018).					
Root Cause Analysis (filled by organization audited):					
No training has been conducted for water management officers regarding RSPO compliance (RSPO Peat BMP)					
Correction (filled by organization audited):					
<div>1. Peat area management training is conducted by the R&amp;D dept. To water management officers</div> <div>2. Add the piezometer so that it meets the requirements</div> <div>3. Water level monitoring is done every week</div>					



<b>Corrective Action</b> (filled by organization audited): Monitoring is carried out through the implementation of an internal audit by regional sustainability, and the HO and periodically reviewed by the Research Dept.
<b>Assessor Evaluation and Conclusion</b> (filled by auditor): <b>Verification April 1, 2020</b> The company has shown evidence of improvements including: <ul style="list-style-type: none"> <li>- Minutes of adding water level, piezometer and subsidence pole (Belaban Raya Estate) with details of 5 subsidies installed (2 in BRYE and 3 in BLRE / F64 blocks, G58, J72) and 2 installation plans (in BLRE)</li> <li>- Weekly piezometer and water level monitoring data from January to March 2020 on BRYE and BLRE</li> <li>- Documentation in the form of photos of water level monitoring and piezometer from January to March 2020 on BRYE and BLRE</li> <li>- Minutes of the Piezometer socialization on 27-29 February 2020 by Regional Research 7A staff.</li> <li>- Minutes of the Water Management training at the floodgates to officers on March 26, 2020</li> </ul> <p>Related to the evidence of improvements that have been given, the non-conformity No. 2020.11 has been declared fulfilled and will be verified again at the next visit.</p>
<b>Verified by</b> : Satria Adi Putra

<b>NCR No.</b>	: 2020.12	<b>Issued by</b>	: Trismadi N
<b>Date Issued</b>	: 31 Januari 2020	<b>Time Limit</b>	: ASA-2
<b>NC Grade</b>	: Non Critical	<b>Date of Closing</b>	: 22 March 2021
<b>Standard Ref. &amp; Requirement</b>	7.9.1. A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy is in place, monitored and reported.		
<b>Evidence observed</b> (filled by auditor): Based on document verification sighted that: <ol style="list-style-type: none"> <li>1. Diesel and fiber usage for fuel in PRYM period of January to December 2019, for example: diesel usage on December 2019 is 18,230 liter. Whereas fiber usage on December 2019 is 3,138 MT.</li> <li>2. CPO production date from January to December 2019 is 66,373.51 MT.</li> </ol>			
<b>Non-Conformance Description</b> (filled by auditor): However, the unit of certification unit has not been able to shown efficiency of fossil fuel utilization plan and implementation monitoring to reduce the fossil fuel usage and optimize the use of renewable energy.			
<b>Root Cause Analysis</b> (filled by organization audited): Lack of knowledge from EHS PRYM staff regarding the implementation of efficient use of fossil fuels and optimizing the use of renewable energy. (The efficiency of the use of diesel fuel and the use of renewable energy has been calculated, but the analysis and recommendations have not been made).			
<b>Correction</b> (filled by organization audited): <ol style="list-style-type: none"> <li>1. Training / refresh training for EHS mills related to the RSPO P&amp;C requirements, especially regarding the efficiency of the use of diesel fuel and the use of renewable energy</li> <li>2. Make analysis and recommendations from the calculated data that has been made.</li> </ol>			

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

Monitoring through internal audit mechanisms by both regional and HO staff and through management review meetings that are held annually.

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

Verification 22 March 2021

The unit of certification shows some evidence of improvement as follows:

- Minutes of 2018 RSPO P&C Refreshing training on efficiency of fossil fuel use and optimization of renewable energy use on February 4, 2021 attended by 16 staff and management of PT ASM.
- Evaluation of PRYM energy efficiency in 2019 using Shell: 15,105,864 Kg and Fiber: 34,916,193 Kg with total calories produced 182,947,153 K Calories. So that the average energy use of biomass / ton FFB is 0.81 KWH / ton FFB.
- Evaluation of PRYM energy efficiency in 2020 using Shell: 20,519,376 Kg and Fiber: 48,020,642 Kg with total calories produced 218,887,857 K Calories. So that the average energy use of biomass / ton FFB is 0.89 KWH / Ton FFB.

Based on the evidence of improvement, the discrepancies have been fulfilled. And will be verified again at the next assessment.

Verified by : Trismadi N

NCR No.	: 2020.13	Issued by	: Trismadi N
Date Issued	: 31 Januari 2020	Time Limit	: 30 April 2020
NC Grade	: Critical	Date of Closing	: 11 February 2020
Standard Ref. & Requirement	7.10.1 (C ) GHG emissions are identified and assessed for the unit of certification. Plans to reduce or minimise them are implemented, monitored through the Palm GHG calculator and publicly reported.		

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

The unit of certification showing GHG emission inventory by RSPO Palm GHG Calculator version 4.0. However there are several variance data as follows:

Estate	FFB production on RSPO GHG Calculator (ton)	Actual FFB production data (ton)
Bengkung Raya	15,006.27	15,005.16
Belaban Raya	7,253.45	6,682.55
Pembangunan Raya	50,105.66	28,646.36
Koperasi Agro Seriam Mandiri	7,472.01	21,458.30

In addition, there are also different information of Area Agro Seriam Mandiri Cooperative and Pembangunan Raya Estate.

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

The GHG emission inventory has not been in accordance to actual conditions, so the GHG emissions mitigation plan is not appropriate.

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

Lack of experience from the new EHS officer who given the task and the lack of monitoring from Sustainability staff. So the GHG emissions calculation get inaccurate.

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

Sustainability Specialist was conducted recalculation with data that has been review together with EHS officer, GIS, and Estate Manager.

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

Monitoring and reviewing the result of calculations made by sustainability before it send to the RSPO GHG Manager.

**Assessor Evaluation and Conclusion (filled by auditor):**
**Verification on 5 February 2020**

The Unit of Certification was shown revision of GHG emission calculation result, for example about FFB received information. Such as:

1. Belaban Raya Estate Certified: 7,253.45 MT
2. Pembangunan Raya Estate Certified: 28,696.54 MT
3. Bengkuang Raya Estate Certified: 15,006.27 MT
4. Koperasi Agro Seriam Mandiri Certified: 21,409.12 MT (planted:
5. Seriam Jaya Estate Certified: 12,944.18 MT
6. Membuluh Sejahtera Estate Certified: 887.02 MT
7. Kel Tani ASM Non-Certified: 73,631.91 MT
8. Teluk Rengit Estate Non-Certified: 39,899.25 MT

However, there is variance data between GHG calculation with basic information from management unit dated 31 January 2020, there is non certified area which not input to the calculator. Such as:

1. SJYE non certified: 47,066.81 MT (there are no planted area information)
2. MSJE non certified: 44,312.21 MT (there are no planted area information)

**Verification on 11 February 2020**

The Unit of Certification was shown revision-2 of GHG emission calculation result, there are information FFB received from MSJE&SJYE/Fajar Mandiri Cooperative (Non-Certified RSPO) with total 91,379.02 MT. The summary GHG Emissions on below:

**Summary Emission**

Emmission per product	tCO2e/tProduct
CPO	1.20
PK	1.20

Description	Unit	Value
Oil palm planted on mineral soil	Ha	13664.87
Oil palm planted area on peat	Ha	623.61
Total oil palm planted area	Ha	14288.48
Conservation area (Forested)	Ha	68.00
Conservation area (Non-Forested)	Ha	115.10
FFB Production per hectare	t/ha	23.78
OER	%	22.80
KER	%	3.98

**Mill Emissions and Credits**

Emissions Sources	tCO2e	tCO2e/tFFB
POME	57061.86	0.20
Fuel Consumption	545.21	0.00
Grid Electricity Utilisation	0.00	0.00
Credits	-	-
Export of Grid Electricity to Housing & Grid	-4.75	0.00

Sales of PKS	0.00	0.00	
Sales of EFB	0.00	0.00	
Total	57602.31	0.20	

Description	Own plantation		Group plantation		3 <sup>rd</sup> party		Total
Emissions Sources	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFF B	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFF B	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFF B	
Land conversion	27184.64	0.53	18498.50	0.30	9700.87	0.00	55384.01
CO <sub>2</sub> emissions from fertilizer	5332.44	0.10	3078.30	0.43	2102.35	0.00	10513.08
N <sub>2</sub> O emissions from Peat	6312.44	0.12	0.00	0.00	0.00	0.00	6312.44
N <sub>2</sub> O emissions from Fertiliser	4351.70	0.09	2572.76	0.36	1740.56	0.03	8665.02
Fuel Consumption	589.99	0.01	878.41	0.12	927.81	0.00	2396.21
Peat Oxidation	46042.00	0.90	0.00	0.00	0.00	0.00	46042.00
<b>Sinks</b>							
Crop Sequestration	-49298.88	-0.97	-30774.55	-4.31	-23961.44	0.00	-104034.87
Sequestration in Conservation Area	-623.56	-0.01	0.00	0.00	0.00	0.00	-623.56
Total	39890.76	0.78	-5746.58	-0.81	1554.94	0.00	35699.12

**Conclusion:**  
Based on above information, this non conformity has been closed out.

Verified by	:	Trismadi N
-------------	---	------------

## 3.4.2. Identification of Findings, Corrective Actions and Observations at ASA-2 (Remote Audit)

NCR No.	:	2021.01	Issued by	:	Trismadi N
Date Issued	:	30 March 2021	Time Limit	:	28 June 2021
NC Grade	:	Critical	Date of Closing	:	12 April 2021
Standard Ref. & Requirement	:	2.3.1 For all directly sourced FFB, Palm Oil Mill (POM) requires: <ul style="list-style-type: none"><li>• Information regarding the geolocation of FFB origins;</li><li>• Proof of ownership status, right/claim of the land by grower/smallholder;</li><li>• If relevant, valid planting/operational/trading license, or is part of a cooperative which allows the buying and selling of FFB.</li></ul>			
<b>Evidence observed (filled by auditor):</b> Based on the document review, Pembangunan Raya Mill in the 2020 period received FFB from its own plantations and from outside, for example: <ul style="list-style-type: none"><li>- Already have RSPO certificate: Belaban Raya Estate, Bengkuang Raya Estate, Pembangunan Raya Estate, Agro Seriam Mandiri Cooperative, PT Gunajaya Ketapang Sentosa (Seriam Jaya Estate)</li><li>- Not yet RSPO certificate: Teluk Rengit Estate (PT Gunajaya Harapan Lestari), Fajar Mandiri Cooperative (SJYE and MSJE), Maju Sejahtera Farmer Group (smallholder).</li></ul> The company also shows the geolocation for all sources of FFB origin, for example for the geolocation of the Maju Sejahtera Farmer Group with coordinates X = 110.2803680, Y = -2.53244797  However, the company has not been able to show the status of ownership or rights / claims to land by planters / farmers for all FFB suppliers.					
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show proof of ownership status or rights / claims to land by grower/smallholder For all directly sourced FFB.					
<b>Root Cause Analysis (filled by organization audited):</b> Lack of communication between the PT ASM / region and the D&L (Document and License) Head Office so that documents cannot be shown on time, because the permit documents including proof of Farmer Group Ownership are stored at the Head Office by the D&L department and require approval from the Head of D&L to obtain or access the permit document.					
<b>Correction (filled by organization audited):</b> Coordinating with relevant departments to obtain the required permit documents.					
<b>Corrective Action (filled by organization audited):</b> Appoint regional D&L staff as PIC to communicate directly with central D&L, as well as to carry out monitoring through annual management review and internal audit meetings to ensure compliance with indicator 2.3.1 can be met.					
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Auditor Verification, April 12, 2021</b> The company has shown evidence of improvement in the form of geolocation information for direct FFB suppliers as follows: <ul style="list-style-type: none"><li>- PT Gunajaya Harapan Lestari. X coordinate = 110.0977955 Y = -2.72450592</li><li>- Koperasi Bawal Sejahtera Mandiri (PT GHL area). Coordinate X = 110.0897622 Y = -2.74353971</li><li>- PT Gunajaya Ketapang Sentosa and Koperasi Fajar Mandiri. Coordinate X = 110.3441266 Y = -2.49682703</li><li>- Maju Sejahtera Farmer Group. Coordinate X = 110.383108 Y = -2.548846</li></ul>					

The company has also shown proof of ownership status for direct FFB suppliers, including:

- PT Gunajaya Harapan Lestari and Koperasi Bawal Sejahtera Mandiri with HGU Decree number 62 / HGU / KEM-ATR / BPN / 2016.
- PT Gunajaya Ketapang Sentosa and Koperasi Fajar Mandiri with HGU Decree number 85 / HGU / BPN-RI / 2011.
- Kelompok Tani Sawit Maju Sejahtera with the legality of the NIB organization. 14.07.09.16.00322 and land legality in the form of Freehold Certificate (SHM) of 322 SHM for 100 farmers, for example: Certificate No. 35 in the name of Deki Ratriani with an area of 17,200 m<sup>2</sup>, Certificate No. 34 in the name of Dony Pahadi with an area of 18,423 m<sup>2</sup> and a Certificate 39 on behalf of Rizky Indra Pranama with an area of 18,423 m<sup>2</sup>.

Based on the explanation on the root cause analysis, corrective action (prevention) and evidence of improvement shown, the non conformity in this indicator can be declared fulfilled.

Verified by	:	Trismadi N
-------------	---	------------



## 3.4.3. Identification of Findings, Corrective Actions and Observations at ASA-2 + ASA 3 Onsite

NCR No.	:	2022.01	Issued by	:	Sentot Adi Subandono
Date Issued	:	10 June 2022	Time Limit	:	08 September 2022
NC Grade	:	Major	Date of Closing	:	28 August 2022
Standard Ref. & Requirement	:	2.1.1 The unit of certification complies to relevant regulations.			
Evidence observed (filled by auditor)					
1. Boiler Operators					
<ul style="list-style-type: none"><li>Regulation of the Minister of Manpower and Transmigration No. 01 of 1988, in Appendix 1 it is explained that for a boiler capacity &gt;20 T/h - &lt;40 T/h, 1 person class I operator and 1 class II operator are required for each shift, and for a boiler capacity &gt;40 T/h - &lt;60 T/h requires 1 class I operator and 2 class II operators.</li><li>Based on field observations, interviews with workers and Mill Managers, as well as a review of PRYM 2022 machine inventory documents, it is known that PRYM has 2 boiler machines (steam) with a capacity of 40 tons/hour each. The results of the interview were also informed that the factory worked 2 shifts, and already had 3 SIO Class I Steamers which had been shown to the Auditor, but the number was not in accordance with applicable regulations.</li></ul>					
2. Engine room Operators and Electrician Expert					
<ul style="list-style-type: none"><li>Regulation of the Minister of Manpower and Transmigration No. 12 of 2015 in Article 7 it is explained that for companies that have power plants of more than 200 kVA, they are required to have OHS Experts in the field of Electricity.</li><li>Regulation of the Minister of Manpower and Transmigration No. 38 of 2016 in Articles 110, 111 and Table E it is explained that for a prime mover engine with a power of &gt; 214.47 HP, one person must have a power and production aircraft operator for class I and class II each.</li><li>Based on field observations, interviews with workers and Mill Managers, as well as a review of the PRYM 2022 machine inventory document, it is known that PRYM has 2 turbines, each 1,600 kw (2,145.64 kva), 1 generator 320 kva, and 2 generators 524 kva. The results of the interview also revealed that PRYM has 3 operators at the engine room station who apparently do not have an OHS license.</li></ul>					
3. Certified Welder					
<ul style="list-style-type: none"><li>Regulation of the Minister of Manpower and Transmigration No. 2 of 1982 in Article 2, it is explained that this regulation covers the qualification of welders for welding skills of welded joints.</li><li>Based on field observations, interviews with workers and Mill Managers, it is known that PRYM has welding equipment and the existing welders do not yet have a license as a welder.</li></ul>					
Non-Conformance Description (filled by auditor):					
Based on this, it is known that the company has not been able to show sufficient evidence:					
<ol style="list-style-type: none"><li>Boiler Operators in accordance with Regulation of the Minister of Manpower and Transmigration No. 01 year 1988.</li><li>Engine room Operators in accordance with Regulation of the Minister of Manpower and Transmigration No. 38 of 2016.</li><li>Electrical OHS Expert in accordance with Regulation of the Minister of Manpower and Transmigration No. 12 of 2015.</li><li>Certified welder in accordance with Regulation of the Minister of Manpower and Transmigration number 2 of 1982.</li></ol>					
Root Cause Analysis (filled by organization audited):					
Lack of knowledge from the unit manager and EHS mill (still new) regarding mandatory competencies based on applicable regulatory/ regulatory requirements.					
Correction (filled by organization audited):					
<ol style="list-style-type: none"><li>Socialization &amp; Refresh regarding mandatory training needs in accordance with laws and regulations</li><li>Identifying mandatory training needs</li></ol>					

3. Create training programs for mandatory training
4. Implementation of training in collaboration with OHS support Company.

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

Conduct monitoring and evaluation related to mandatory training needs in P2K3 meetings and through internal audits every year and evaluation is also carried out through management review meetings.

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

The company has identified the root cause analysis, corrective actions, and preventive actions that have been accepted. The company also shows evidence of improvement, as follows:

1. Minutes of socialization to unit leaders (estate, Mill, and traction) related to OHS competency standards according to the law, dated July 7, 2022. The socialization was attended by managers, Administration Head, EHS, and other relevant staff.
2. Identify the company's OHS license requirements that have been approved by Area Controller 7A. have been identified such as Electrician OHS Expert for Mill, OHA expert for Mill, OHS Expert of fire for area, OHS License of Boiler, OHS License production engine, welder license, etc.
3. The 2022 training program that has been approved by Area Controller 7A, includes training for class 1 steamers, engine room operators, class 3 welders, and electricians.
4. PJK3 certificate dated June 7, 2022, numbered PUB231/SKT-FSI72/VI/2022 regarding representatives from PT BGA with the initials WA and WPD who have participated in electrical OHS expert coaching on May 17 – June 7, 2022.
5. Certificate of Area Controller 7 dated August 16, 2022 regarding the appointment of PT ASM's Electrical OHS Expert with the initials WPD.
6. Offer inhouse training from PJK3 for OHS licenses for boiler operators, power and production aircraft, welders, and electricians.
7. Communication between the company and PJK3 via email on August 24 regarding the approval of the cooperation in the implementation of inhouse training for steam aircraft training which will be planned for August 29 – September 03 2022. The email also informs PJK3 for the participation of OHS licenses for 2 engine room operators, 4 welders, and 2 electricians in public training. However, it has not been shown. However, there is no evidence of cooperation in fulfilling the OHS license to the related PJK3 and or confirmation of the participation of the K3 license participants from PJK3.

The company has identified root cause analysis, corrective actions, and preventive actions that have been accepted, but there are still records for proof of corrective actions, namely proof of registration/cooperation with PJK3 for OHS licenses. Based on this, the non-conformance is declared **not fulfilled**.

**Auditor Verification August 28, 2022**

The company has added proof of improvement in the form of a certificate from PJK3 number 20214/PT/PJU/VIII/2022 dated August 26, 2022 regarding the implementation of the certification of class 1 steam and engine room operators in house. For OHS certification training for welders, general OHS expert, electrical technicians, and first aid workers in the workplace through public training. PJK3 has also included participants from PT ASM and the date of implementation.

Based on the additional proof of improvement sent, the non-conformance is declared to have been met and will be re-observed at the next audit.

Verified by : Sentot Adi Subandono

NCR No.	: 2022.02	Issued by	: Rindu Galih Rezza Rachmansyah
Date Issued	: 10 June 2022	Time Limit	: ASA-4
NC Grade	: Minor	Date of Closing	:

Standard Ref. & Requirement	2.2.2 All contracts, including those with FFB suppliers, have separate clauses regarding the fulfillment of relevant legal obligations, and can be proven by the relevant third party.
Evidence observed (filled by auditor):	
<p>The company has cooperation with 11 stakeholders who are third parties (1 contractor, 4 transporters and 6 suppliers) in the existing plantation operations. From these third parties, the auditors have conducted document reviews and interviews at the time the audit activities were carried out, the following facts were obtained:</p> <ul style="list-style-type: none"> <li>Interviews with representatives from PT Karya Ragam Indo Agung revealed that the contractors have known to always comply with the laws and regulations (such as minimum wages, child labor, PPE, BPJS and others) that apply in Indonesia and this has been stated in the Letter of Agreement. The contractor also admits that it has complied with all relevant regulations in plantation activities (minimum wage, child labor, PPE, BPJS and others), but this has not been proven in document by the contractor or the company regarding the fulfillment carried out.</li> <li>Interviews with the transporters of FFB (Mr. Riyanto), CPO (CV Kawira Putra) and PK (PT Surya Adi Jaya Kapuas) it was found that the contractors knew to always obey the laws and regulations (such as minimum wages, child labor, PPE, BPJS and others) applicable in Indonesia and this has been stated in the Letter of Agreement. The contractor also acknowledges that it has complied with the relevant regulations in plantation activities (minimum wage, child labor, PPE, etc.) except for BPJS because not all workers have been registered, but this has not been proven in writing by the contractor or the related company fulfillment is done.</li> <li>Contractor evaluation documents for PT Surya Adi Jaya Kapuas and CV Kawira Putra conducted on June 1, 2022 where the evaluation has criteria for compliance with OHS &amp; Environment, employment (age, worker wages and BPJS Health), availability of access for information needs by certification bodies and others. The result of the evaluation is that PT Surya Adi Jaya Kapuas got a score of 96 and CV Kawira Putra got a score of 90. However, the results of this evaluation have not been proven by the company or the contractor.</li> <li>The evaluations mentioned above have only been shown for 2 transporters, while the other 2 transporters and 1 contractor have not yet been able to show proof of their evaluation.</li> </ul>	
Non-Conformance Description (filled by auditor):	
<p>The company has not been able to prove that all contracts, including contracts with FFB suppliers, have separate clauses regarding the fulfillment of relevant legal obligations, and can be proven by the relevant third party.</p>	
Root Cause Analysis (filled by organization audited):	
<ul style="list-style-type: none"> <li>Lack of knowledge from the PIC unit that evaluates contractors and understanding when the assessment must be based on the evidence shown</li> </ul>	
Correction (filled by organization audited):	
<ul style="list-style-type: none"> <li>Conduct training for PICs who evaluate contractors/evaluators</li> <li>Attach the latest contractor evaluation</li> <li>Attaching BPJS Employment and Health/ KIS data that has not been shown / as an attachment to the basic contractor evaluation</li> </ul>	
Corrective Action (filled by organization audited):	
<ul style="list-style-type: none"> <li>Monitoring is carried out through RSPO internal audit activities and will be reviewed periodically through Management Review Meetings</li> </ul>	
Assessor Evaluation and Conclusion (filled by auditor):	
<p><b>Auditor Verification on 29 August 2022</b></p> <p>The company has determined the root of the problem, corrective and corrective actions to meet the discrepancy, in addition to that, supporting evidence has also been shown, namely:</p> <ul style="list-style-type: none"> <li>Minutes of work accident report documents of PT Agro Sejahtera Manunggal as many as 8 people for the period January-</li> </ul>	

March 2022 on 09 June 2022 to BPJS Ketenagakerjaan Ketapang.

- The company shows evidence in the form of complete documents ranging from accident investigation documents, work accident reports (KK1-KK3), employee profiles, BPJS Employment cards, trauma center examination results and other supporting documents for workers with the initials BRH.
- The company shows evidence in the form of complete documents ranging from accident investigation documents, work accident reports (KK1-KK3), employee profiles, BPJS Employment cards, trauma center examination results and other supporting documents for workers with the initials HRW.
- For workers who died as a result of the accident (BRH) the company has shown evidence of a collective agreement between the company and the heirs, details of severance pay to the heirs, proof of transfer of severance pay to the heirs and other supporting documents.
- The company shows the Decree No. 001/SK-RH/ASM-MSRR/VII/2022 dated July 1, 2022 regarding Personal In Charge (Bonardo Napitu) appointed as the officer responsible for registering, monitoring and also managing BPJS claims belonging to PT Agro Sejahtera Manunggal.
- BPJS Health and Employment documents for PT Karya Ragam Indo Agung for three workers who work in the operational environment of PT Agro Sejahtera Manunggal as construction workers.
- BPJS Health and Employment documents for FFB Transporter (Mr. Eko) for two workers who work in the operational environment of PT Agro Sejahtera Manunggal as drivers.
- BPJS Health and Employment documents for FFB Transporter (Mr. Riyanto) for one worker who works in the operational environment of PT Agro Sejahtera Manunggal as a driver.
- BPJS Health and Employment CV Kawira Putra documents for two workers who work in the operational environment of PT Agro Sejahtera Manunggal as drivers.
- BPJS Health and Employment documents for PT Surya Adi Jaya Kapuas for one worker who works in the operational environment of PT Agro Sejahtera Manunggal as a construction worker.
- Minutes of evaluator training – Evaluation of contractors at PT Agro Sejahtera Manunggal on July 8, 2022, which was attended by 15 participants.
- FFB transportation contractor evaluation form (Riyanto) on July 9, 2022 with the result that the contractor got a score of 82 with a rating point consisting of 6 points, namely willingness to have operational access along with information for audit purposes by the certification body, safety and product preservation during shipping, condition of roadworthy vehicles and their regulations, employment and compliance with OHS+Environment.
- FFB transportation contractor evaluation form (Eko) on 09 July 2022 with the result that the contractor got a score of 90 with a rating point consisting of 6 points, namely willingness to have operational access along with information for audit purposes by certification bodies, product safety and preservation during shipping, condition of roadworthy vehicles and their regulations, employment and compliance with OHS+Environment.
- A building contractor evaluation form (PT Karya Ragam Indo Agung) on July 9, 2022 with the result that the contractor got a score of 88 with a rating point consisting of 6 points, namely willingness to have operational access along with information for audit purposes by certification, security and preservation bodies product during delivery, roadworthy condition of the vehicle and its regulations, employment and compliance with OHS+Environment.
- CPO transportation contractor evaluation form (CV Kawira Putra) on July 09, 2022 with the result that the contractor got a score of 90 with a rating point consisting of 6 points, namely willingness to have operational access along with information for audit purposes by certification bodies, safety and product preservation during delivery, roadworthy condition of the vehicle along with its rules, employment and compliance with OHS+Environment.
- PK transportation contractor evaluation form (PT Surya Adi Jaya Kapuas) on July 09, 2022 with the result that the contractor got a score of 96 with scoring points consisting of 6 points, namely willingness to access operations along with information for audit purposes by certification bodies, security and product preservation during delivery, roadworthy vehicle condition and its regulations, employment and compliance with OHS+Environment.

Based on the evidence of improvement above, there are still several things that need to be pointed out, namely:

- Evidence of monitoring through the internal audit mechanism and evaluation through management review meetings will be carried out.
- Please show the list of workers who work for each third party (contractors and transporters) to ensure that all workers have been registered with BPJS.

- Procedures for evaluating contractors. If so, please indicate, and if you don't have one, could this be one of the root causes of this discrepancy. Please explain.
- Please also show proof of compliance other than BPJS which is used as the basis for the company's assessment of the contractor.
- In corrective action, it is only shown for proof of BPJS compliance, while the language of non-compliance is evidence of the overall evaluation. Please pay attention again.

Based on the evidence of improvement and explanation above, it is stated that this discrepancy has not been fulfilled.

Verified by Rindu Galih Rezza Rachmansyah

NCR No.	:	2022.03	Issued by	:	Rahmat Abdiansyah
Date Issued	:	10 June 2022	Time Limit	:	08 September 2022
NC Grade	:	Minor	Date of Closing	:	22 August 2022
Standard Ref. & Requirement	:	3.2.2 As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat by Certification Body during Annual Surveillance Assessment by using the RSPO metrics template.			
Evidence observed (filled by auditor):					
<ul style="list-style-type: none"><li>The PT ASM RSPO Metric Template document obtained the following information:<ol style="list-style-type: none"><li>Demographic data for PRYM, PRYE, BRYE, and BLRE units show that the company has Non-Local workers. but based on the results of the document review there are no Non-Local workers in PT ASM (Migrant Workers and Transmigrant Workers)</li><li>Demographic data of Farmer Supply Base, it is known that there are only 660 farmers consisting of 480 men and 180 women (Agro Seriam Mandiri Cooperative). However, based on the results of document verification, it is known that the company also has a supply base from the Maju Sejahtera and Outgrower Farmers' Group.</li><li>The training data and the number of registered workers for PRYM, PRYE, BRYE, and BLRE units have not been proven.</li><li>Complaint data for the PRYM unit is known as many as 4 Complaints that have been resolved in 2021 but the evidence has not been shown yet.</li></ol></li><li>Based on the Guidance For the 2018 RSPO Principles and Criteria Metric Template it is explained that “The Metric Template needs to be filled out by the Certification Unit before carrying out RSPO certification, Recertification, and annual supervisory audits”. However, the company did not provide a metric template document before the audit activity was carried out.</li></ul>					
Non-Conformance Description (filled by auditor):					
The company has not been able to show evidence that the RSPO Metric Template documents owned are in accordance with actual conditions in the field.					
Root Cause Analysis (filled by organization audited):					
Lack of knowledge unit manager and PIC sustainability unit related to the mechanism for submitting metric template data so that data cannot be shown according to the mechanism.					
Correction (filled by organization audited):					
<ol style="list-style-type: none"><li>Socialization of data requirements and metric template mechanisms</li><li>Fill in the metric template data according to the mechanism</li><li>Submission of supporting data related to training and complaints from the unit</li></ol>					

<b>Corrective Action</b> (filled by organization audited): Monitoring is carried out through the internal audit mechanism and evaluation is carried out in management review meetings	
<b>Assessor Evaluation and Conclusion</b> (filled by auditor):  <b>Auditor Verification on 22 August 2022</b> The company has presented the results of the identification and analysis of root causes and corrective actions for non-conformities that occur. Then, the company sends proof of repairs in the form of: <ul style="list-style-type: none"> <li>Supporting data for filling out metric templates such as reports on trainings conducted in the certification unit, reports on socialization of various activities and policies in the certification unit.</li> <li>PRYM employee complaint book and the company's response to these complaints.</li> <li>Data on names of land plot owners for Maju Sejahtera Sawit Farmers Group with a total of 81 males and 5 females.</li> <li>Updated metric template file with the latest data.</li> </ul> Based on the identification of the root cause analysis and corrective actions described as well as the evidence shown, the discrepancy in this indicator can be declared Fulfilled and will be subject to re-observation in the next audit.	
<b>Verified by</b>	<b>Rahmat Abdiansyah / Hasiholan Sihombing</b>

<b>NCR No.</b>	: 2022.04	<b>Issued by</b>	: Sentot Adi Subandono
<b>Date Issued</b>	: 10 June 2022	<b>Time Limit</b>	: ASA-4
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	: 18 August 2022
<b>Standard Ref. &amp; Requirement</b>	: 6.7.2 Accident and emergency procedures in Indonesian language are in place and clearly understood by all workers. Assigned operatives trained in first aid are present in both field and other operations. First aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.		
<b>Evidence observed</b> (filled by auditor): <ul style="list-style-type: none"> <li>SOP ASM-SUST-SOP-27-R00 concerning Factory and Building Fire Management which was ratified on January 10, 2022, explains, among others, the general requirements for placing hydrants easily visible, boxes easy to open, having nozzles and hoses.</li> <li>The results of observations at Mill and interviews with management representatives during observations, it is known that: <ul style="list-style-type: none"> <li>The hydrant to the left of the loading ramp station only has a hydrant box and a hydrant pipe.</li> <li>The hydrant behind the loading ramp station near the clarification station only has a hydrant pipe.</li> <li>Hydrant area sterilizer has a box, pipe, hose, and nozzle, but the connection in the pipe is loose, and the connection in the hose is leaking.</li> <li>Hydrant area engine room has box, pipe, hose, and nozzle in good condition.</li> </ul> </li> <li>Minutes of the root cause of the audit observation results to PRYM on 09 June 2022 which explained that there was no PIC monitoring hydrant, some hydrant hoses were in poor condition, and several tools were used for simulation on 02 June 2022 which had not been returned.</li> </ul>			
<b>Non-Conformance Description</b> (filled by auditor):  Based on this, it is known that the company has not been able to show sufficient evidence of implementing emergency response procedures at the work site.			



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

There is no PIC that has been specifically appointed to monitor the hydrant box and its contents on a regular basis.

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

1. Appoint a special PIC who conducts periodic inspection/monitoring every month
2. Identify the need for hydrant points
3. Complete the contents of the hydrant box
4. Monitoring and checking the completeness of the hydrant

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

Conduct regular monitoring every month by the appointed PIC (EHS Officer) to ensure the condition of the hydrant can be used in an emergency.

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

The company has formulated a root cause analysis, corrective action, and acceptable preventive action. The company also shows evidence of improvements in the form of:

1. SK 002/SK-Mgr/PRYM/VII/2022 from the Manager of PRYM dated July 1, 2022 regarding the appointment of PIC for PRYM's emergency response facilities, such as hydrants and fire extinguishers. The PIC is in charge of monitoring, procurement processes, repairs, and procurement of emergency response and evacuation training.
2. Minutes of identification and evaluation of hydrant needs, dated June 10, 2022. Result of identification, it is necessary to add hydrants at loading ramp stations line A and C.
3. Minutes of repair of hydrant equipment, dated June 11, 2022. It is informed that the contents of the fire hose and nozzle hydrant boxes have been fulfilled in the thresher, kernel A, kernel B, engine room, sterilizer, laboratory, loading ramp A and C areas.
4. Monitoring of hydrant inspections in July 2022, with the results of 9 hydrant locations being met.

Based on the improvements and evidence shown above, the non-conformance is declared fulfilled and will be re-observed at the next audit.

Verified by : Sentot Adi Subandono

NCR No.	:	2022.05	Issued by	:	Sentot Adi Subandono
Date Issued	:	10 June 2022	Time Limit	:	08 September 2022
NC Grade	:	Major	Date of Closing	:	18 August 2022
Standard Ref. & Requirement	:	6.7.3 Workers use appropriate personal protective equipment (PPE) which is provided free of charge to all workers in the workplace, to cover all potentially hazardous operations, such as pesticides application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.			
Evidence observed (filled by auditor)					
<ul style="list-style-type: none"><li>SOP BGA-SOP-CCS-1106.1-R0 regarding PPE which was ratified on 27 September 2011, the section on types of PPE per type of work, including regulating the use of earmuffs at boiler and kernel stations and helmet use in warehouses.</li><li>The results of observations at the Mills and interviews with workers, it is known that 2 operators at the Boiler station wear earplugs and 1 operator at the kernel station does not use hearing protection. This is not in accordance with the type of PPE that has been arranged according to the procedure.</li><li>Then the PPE handover document was shown on April 8, 2022, it was known that the boiler and kernel area workers received PPE for ear protection in the form of earplugs which was not in accordance with the procedure.</li></ul>					

- Based on the results of a field visit at the Fuel / Solar Warehouse in Bengkuang Raya Estate, it was found that the warehouse staff did not use head protection equipment (helmets).

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

Based on this, it is known that the company has not been able to show sufficient evidence that workers use PPE in accordance with the procedures they have.

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

Lack of employee knowledge, supervision and new staff regarding the standard of PPE used.

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

- Disseminate PPE standards according to SOP
- Provide PPE to employees according to SOP (for ear muffs at Boiler and Kernel stations)
- Monitoring and inspection to ensure the use of PPE is done properly.

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

Conduct periodic PPE monitoring/inspection and evaluate through OHS Committee meetings and management review meetings.

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

The company has identified the root cause analysis, corrective actions, and preventive actions that have been accepted. The company also shows evidence of improvement, as follows:

- Minutes of socialization on the use of PPE, potential hazards in the work area, and sanctions to the BHS (Bumitama Harvesting System), BGS (Bumitama Ground System), BMS (Bumitama Manuring System), Maintenance, Office, and BLRE Warehouse teams on July 13, 2022 .
- Socialization report on the use of PPE, potential hazards in the work area, and sanctions to the BHS, BGS, BMS, Maintenance, Office, and Warehouse teams at BRYE on 11 May 2022.
- Minutes of socialization of PPE standards, mandatory use of PPE in the work area, monitoring of use, and sanctions to PRYM workers on 09 June 2022.
- Minutes of simulation of completeness of PPE, mandatory use of PPE, and sanctions to PRYE workers, April 14, 2022.
- Minutes of handover of PPE earmuffs to PRYM Boiler, Press, and Kernel Operators on 07 July 2022.
- Checklist for monitoring the discipline of using PPE at BRYE on 21 – 23 June 2022, including harvesters, maintenance, foreman, and warehouse officers with the conclusion that all workers have worn PPE, boots and safety helmets.
- Daily checklist for the use of PPE according to the standards of each work area at PRYM for all workers.
- Minutes of inspection of the use of PPE for BRYE warehouse officers on July 12, 2022, with the conclusion that warehouse officers have used the appropriate PPE.
- Minutes of inspection of the use of PPE in the BGS, BHS, and BMS BLRE Teams dated July 18, 2022, with the results that all inspected workers have used the appropriate PPE standards.
- Minutes of inspection of the use of PPE in the BHS, BGS, and BMS PRYE Teams in July 2022, with the results that all inspected workers have used the appropriate PPE standards.

The company has identified root cause analysis, corrective action, preventive action, and acceptable evidence of improvement. Based on this, the discrepancy is declared to have been met and will be re-observed at the next audit.

Verified by : Sentot Adi Subandono

NCR No.	: 2022.06	Issued by	: Rindu Galih Rezza Rachmansyah
Date Issued	: 10 June 2022	Time Limit	: 08 September 2022
NC Grade	: Minor raised to Major	Date of Closing	: 05 September 2022
Standard Ref. & Requirement	<b>6.7.4</b> All workers are provided with health care and covered by accident insurance. Costs incurred as a result of work-related incidents, resulting in injury or illness, are borne in accordance with national law or by the unit of certification if national law does not provide protection.		
<b>Evidence observed (filled by auditor):</b> <ul style="list-style-type: none"> <li>The company currently has registered and recorded all of its workers in the BPJS (Health and Employment) program which can be shown by other supporting documents such as proof of payment and data collection of workers registered in the BPJS program. The last payment for BPJS Health was made on May 9, 2022, while for BPJS for Employment on May 13, 2022.</li> <li>Based on the results of interviews with contractors and transporters, it is known that the workers have been registered in the BPJS Health and Employment programs, but this has not been shown to the team of auditors. In addition, from the results of the review of contractor evaluation documents where in the evaluation results for the fulfillment of BPJS registration there are 2 transporters who have received full marks, but the evidence cannot be shown by the company.</li> <li>In the Audit document List of Legal Provisions and Manpower Regulations No. 04/ASM/SUST-LR/XI/2020 Revision 02 dated 01 April 2022 which was approved by the Regional Head (RH). The document states that it has complied with Government Regulation no. 14 of 1993 juncto no. 84 of 2013 concerning the Implementation of <i>Jamsostek</i> article 9 paragraph 2 which states that the Employment Accident Insurance Contribution, Death Benefit and Health Care Insurance are fully borne by the entrepreneur.</li> <li>Based on the results of interviews with the process operator, it is known that in July 2020 there was a work accident at the sterilizer station which caused 1 worker to die and 1 worker to be permanently disabled. In addition, the LTA (Lost Time Accident) document of PT Agro Sejahtera Manunggal is known in the January-April 2022 period there were 8 work accidents that caused 26 days lost. However, from the two information, the company has not been able to show evidence of reporting work accidents and claims to BPJS Employment in accordance with applicable regulations (Government Regulation No. 13 of 1993).</li> </ul>			
<b>Non-Conformance Description (filled by auditor):</b> <p>The company has not been able to show evidence that all workers including workers from third parties/contractors have been registered in the BPJS (Health and Employment) program and its implementation is in accordance with applicable laws and regulations, from reporting work accidents to claims.</p>			
<b>Root Cause Analysis (filled by organization audited):</b> <ul style="list-style-type: none"> <li>Lack of knowledge from the PIC unit that evaluates contractors and understanding when the assessment must be based on the evidence shown</li> <li>There is no PIC appointed for the management of BPJS Employment to replace the Resigned HR Officer</li> <li>Does not yet have a mechanism / SOP for contractor evaluation for PT ASM</li> </ul>			
<b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"> <li>Conduct training for PICs who evaluate contractors/evaluators</li> <li>Appoint a PIC for the management of BPJS Employment</li> <li>Attaching BPJS Employment and Health/KIS data that has not been shown / as an attachment to the basic contractor evaluation</li> <li>Reporting incident by the appointed PIC</li> <li>Coordination with the PIC related to the July 2020 incident with the HRD PT GKG (BGA Region Office)</li> <li>Making contractor evaluations</li> </ul>			
<b>Corrective Action (filled by organization audited):</b>			

- Monitoring is carried out through RSPO internal audit activities and will be reviewed periodically through Management Review Meetings
- Making SOPs for contractor evaluation for PT ASM

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

##### Auditor Verification on 29 August 2022

The company has determined the root of the problem, corrective and corrective actions to meet the discrepancy, in addition to that, supporting evidence has also been shown, namely:

- Minutes of work accident report documents of PT Agro Sejahtera Manunggal as many as 8 people for the period January-March 2022 on 09 June 2022 to BPJS Ketanagakerjaan Ketapang.
- The company shows evidence in the form of complete documents ranging from accident investigation documents, work accident reports (KK1-KK3), employee profiles, BPJS Employment cards, trauma center examination results and other supporting documents for workers with the initials BRH.
- The company shows evidence in the form of complete documents ranging from accident investigation documents, work accident reports (KK1-KK3), employee profiles, BPJS Employment cards, trauma center examination results and other supporting documents for workers with the initials HRW.
- For workers who died as a result of the accident (BRH) the company has shown evidence of a collective agreement between the company and the heirs, details of severance pay to the heirs, proof of transfer of severance pay to the heirs and other supporting documents.
- The company shows the Decree No. 001/SK-RH/ASM-MSRR/VII/2022 dated July 1, 2022 regarding Personal In Charge (Bonardo Napitu) appointed as the officer responsible for registering, monitoring and also managing BPJS claims belonging to PT Agro Sejahtera Manunggal.
- BPJS Health and Employment documents for PT Karya Ragam Indo Agung for three workers who work in the operational environment of PT Agro Sejahtera Manunggal as construction workers.
- BPJS Health and Employment documents for FFB Transporter (Saudara Eko) for two workers who work in the operational environment of PT Agro Sejahtera Manunggal as drivers.
- BPJS Health and Employment documents for FFB Transporter (Brother Riyanto) for one worker who works in the operational environment of PT Agro Sejahtera Manunggal as a driver.
- BPJS Health and Employment CV Kawira Putra documents for two workers who work in the operational environment of PT Agro Sejahtera Manunggal as drivers.
- BPJS Health and Employment documents for PT Surya Adi Jaya Kapuas for one worker who works in the operational environment of PT Agro Sejahtera Manunggal as a construction worker.
- Minutes of evaluator training – Evaluation of contractors at PT Agro Sejahtera Manunggal on July 8, 2022, which was attended by 15 participants.

Based on the evidence of improvement above, there are still several things that need to be pointed out, namely:

- Evidence of monitoring through the internal audit mechanism and evaluation through management review meetings will be carried out.
- Please show the list of workers who work for each third party (contractors and transporters) to ensure that all workers have been registered with BPJS.
- Procedures for evaluating contractors. If so, please indicate, and if you don't have one, could this be one of the root causes of this discrepancy. Please explain.
- Please also show proof of compliance other than BPJS which is used as the basis for the company's assessment of the contractor.
- In corrective action, it is only shown for proof of BPJS compliance, while the language of non-compliance is evidence of the overall evaluation. Please pay attention again.

Based on the evidence of improvement and explanation above, it is stated that this discrepancy has not been fulfilled.

##### Auditor Verification on 05 September 2022

The company can show some additional evidence as follows:

- PT Karya Ragam Indo Agung labor list document for three workers who work in the operational environment of PT Agro Sejahtera Manunggal as construction workers.
- FFB Transporter (Mr. Eko) labor list document for two workers who work in the operational environment of PT Agro Sejahtera Manunggal as drivers.
- FFB Transporter (Mr. Riyanto) labor list document for one worker who works in the operational environment of PT Agro Sejahtera Manunggal as a driver.
- CV Kawira Putra labor list document for two workers who work in the operational environment of PT Agro Sejahtera Manunggal as drivers.
- PT Surya Adi Jaya Kapuas labor list document for one worker who works in the operational environment of PT Agro Sejahtera Manunggal as a construction worker.
- Communication document with BPJS PIC at the PT GKG Regional BGA Representative Office related to updating the management of work accident reports and claims via WhatsApp (this is done to facilitate management at the district office because PT ASM is quite far away). The last communication was on August 16, 2022 regarding the progress of payment of work accident claims.
- PT Agro Sejahtera Manunggal Sustainability Program document in 2022, in which monitoring related to the application of RSPO internal audit activities and will be reviewed periodically through Management Review Meetings has been included in it.
- Contractor Procedure No. SUST-SOP-038 dated July 1, 2022, where this procedure regulates the selection and evaluation of contractors in collaboration with the company.

Based on the explanation above, the discrepancy in this indicator is declared to have been fulfilled.

Verified by	Rindu Galih Rezza Rachmansyah
-------------	-------------------------------

NCR No.	:	2022.07	Issued by	:	Rahmat Abdiansyah
Date Issued	:	10 June 2022	Time Limit	:	ASA-4
NC Grade	:	Minor	Date of Closing	:	25 August 2022
Standard Ref. & Requirement	:	7.3.1 A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented in accordance with applicable laws and regulations.			
Evidence observed (filled by auditor):					
<u>Limbah Domestik</u> <ul style="list-style-type: none"><li>• SOP for Waste Management for Office Housing with Number ASM-SUST-SOP-33 which explains that all employees and workers in housing, offices and other work facilities are required to dispose of waste in the trash cans provided.</li><li>• The results of field observations at the Pembangunan Raya Estate Employee Housing found that there were several piles of garbage behind the employee housing that were not disposed of in the trash cans provided.</li><li>• The results of field observations at the Bengkuang Raya Estate Employee Housing found that there was a pile of garbage behind the employee housing that was not disposed of in the trash can provided.</li><li>• The results of field observations at the Belaban Estate Employee Housing found that there was a pile of garbage behind the employee housing that was not disposed of in the trash can provided.</li></ul>					
Non-Conformance Description (filled by auditor):					
Based on the evidence above, the Company has not been able to show evidence that the Domestic Waste Management is in accordance with its SOP.					

<b>Root Cause Analysis (filled by organization audited):</b> The inconsistency of clean Friday activities and routine waste transportation is due to the absence of a PIC specifically appointed to carry out monitoring.	
<b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"> <li>• Appoint a Head of Section (Head of Administration Section) of each unit as PIC to monitor clean Friday activities and waste management</li> <li>• Preparation of the Clean Friday Program for all units and the Schedule of Garbage Transport</li> <li>• Consistent clean Friday activities in all units</li> <li>• IOM RH on Waste Management and the Prohibition of Burning Garbage</li> <li>• Minutes of the Clean Friday Socialization and IOM RH related to the ban on burning garbage</li> </ul>	
<b>Corrective Action (filled by organization audited):</b> Monitoring is carried out by the Head of the Unit for clean Friday activities and waste management for each unit and will be evaluated in the management review meeting.	
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Auditor Verification August 25, 2022</b> The company has sent proofs of repairs in the form of: <ul style="list-style-type: none"> <li>• Internal Office Memo Number 025/AC-7A/VII/2022 from Area Controller 7A on July 1, 2022 which explains the Appointment of Personal In Charge Monitoring on Clean Friday which explains that the Head of Section in each unit is the PIC who acts as a companion and monitors the progress of activities clean Fridays and garbage collection and ensure that there is no burning of garbage in the emplacement which is carried out every week.</li> <li>• Internal Office Memo Number 001/IOM/AC-ASM/2022 dated July 4, 2022 regarding PT Agro Sejahtera Manunggal Housing Regulations from Area Controller 7A which explains regulations in employee housing starting from the Cleanliness, Beauty &amp; Health, Order and Courtesy Regulations Occupants, and Security.</li> <li>• PT Agro Sejahtera Manunggal's Clean Friday and Garbage Collecting Program which is set on July 1, 2022. The schedule for Clean Friday is carried out every week. The schedule is for all units, both Estate and Mill.</li> <li>• Minutes of IOM's Socialization and Clean Friday Program to All Employees, both Estate and Mill, which was held on July 1, 2022.</li> <li>• Realization of Clean Friday Activities The management of PT Agro Sejahtera Manunggal's healthy environment which was carried out at the Estate and Mill Housing on August 1, 2022. Also attached are documentation in the form of Photos and Reports of Clean Friday activities.</li> <li>• Root Cause Analysis, Correction, and Corrective Action.</li> </ul> Based on the evidence of improvement sent by the company, the discrepancy in this indicator is declared Fulfilled.	
Verified by	Rahmat Abdiansyah

NCR No.	: 2022.08	Issued by	: Rahmat Abdiansyah
Date Issued	: 10 June 2022	Time Limit	: Next Surveillance
NC Grade	: Minor	Date of Closing	: 27 August 2022
Standard Ref. & Requirement	7.3.3 The unit of certification does not use open fire for waste disposal.		
<b>Evidence observed (filled by auditor):</b> <ul style="list-style-type: none"> <li>• Office Residential Waste Management SOP Number ASM-SUST-SOP-33 which explains that every household head must control the waste produced by his household and it is strictly forbidden to destroy waste by burning it.</li> </ul>			



- The results of field observations in the housing area of Pembangunan Raya Estate employees revealed that there were 4 points of burning domestic waste.
- The results of field observations in the housing area of Pembangunan Raya Mill employees revealed that there was 1 point of burning domestic waste.

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

Based on the above evidence, the Company has not been able to show evidence that it does not use open burning for waste disposal.

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

- Lack of employee knowledge related to the prohibition of burning waste, especially for new employees.
- The inconsistency of clean Friday activities and routine waste transportation is due to the absence of a PIC specifically appointed to carry out monitoring.

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

- Appoint the Head of Section (Head of Administration Section) of each unit as PIC to monitor clean Friday activities and to ensure that there is no waste burning.
- Preparation of the Clean Friday Program for all units and the Schedule of Garbage Transport
- Consistent clean Friday activities in all units
- IOM RH on Waste Management and the Prohibition of Burning Garbage
- Minutes of the Clean Friday Socialization and IOM RH related to the ban on burning garbage

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

Monitoring is carried out by the Head of the Unit for clean Friday activities and waste management for each unit and will be evaluated in the management review meeting

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

##### Auditor Verification on August 25, 2022

The company has sent proofs of repairs in the form of:

- Internal Office Memo Number 025/AC-7A/VII/2022 from Area Controller 7A on July 1, 2022 which explains the Appointment of Personal In Charge Monitoring on Clean Friday which explains that the Head of Section in each unit is the PIC who acts as a companion and monitors the progress of activities clean Friday and garbage collection and ensure that there is no burning of garbage in the Emplacement which is carried out every week.
- Internal Office Memo Number 001/IOM/AC-ASM/2022 dated July 4, 2022 regarding PT Agro Sejahtera Manunggal Housing Regulations from Area Controller 7A which explains regulations in employee housing starting from the Cleanliness, Beauty & Health, Order and Courtesy Regulations Occupants, and Security.
- PT Agro Sejahtera Manunggal's Clean Friday and Garbage Collecting Program which is set on July 1, 2022. The schedule for Clean Friday is carried out every week. The schedule is for all units, both Estate and Mill.
- Minutes of IOM's Socialization and Clean Friday Program to All Employees, both Estate and Mill, which was held on July 1, 2022.
- Realization of Clean Friday Activities The management of PT Agro Sejahtera Manunggal's healthy environment which was carried out at the Estate and Mill Housing on August 1, 2022. Also attached are documentation in the form of Photos and Reports of Clean Friday activities.
- Root Cause Analysis, Correction, and Corrective Action. However, there are still some questions from the auditor on root cause analysis, correction, and corrective actions that must be explained by the company.

Based on the evidence of improvement sent by the company, the non-conformance in this indicator is declared Unfulfilled.

##### Auditor Verification Date 27 August 2022

The Company has sent evidence of improvement in the form of root cause analysis, Correction, and Correction Action in accordance with the Auditor's comments. The implementation of Correction and Corrective Action has been explained in the

verification of the previous proof of improvement.

Based on the evidence sent by the company, the discrepancy in this indicator is declared Fulfilled and will be re-observed at the next assessment.

Verified by	Rahmat Abdiansyah
-------------	-------------------

#### 3.4.4. Opportunity for Improvement

No	Ref.Std.	Description
1	1.1.2	<p>Information is provided in appropriate languages and accessible to relevant stakeholders.</p> <p>The results of the document review and interviews with management representatives revealed that the P2K3 secretary reported in the First Quarter 2022 P2K3 Report was different from the P2K3 structure approved by the relevant Office. Companies are encouraged to report the P2K3 secretary in accordance with the latest P2K3 structure ratification decree.</p>

#### 3.4.5. Noteworthy Positive Components

No	Description
1	Commitment to apply the principles of sustainable palm oil management
2	Good cooperation with the companion team
3	Has realized a partnership with the surrounding farmers community
4	The company has Umrah and Holyland tourism programs for harvest workers with the highest production in the company.
5	No longer using the active ingredient paraquat

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

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Ketapang Regency Environment Agency</b> Interviewee: Environmental Impact Reviewer Date: 6 June 2022 Result:</p> <ul style="list-style-type: none"> <li>Communication between the company and the Environment Agency is going quite well, and the company is cooperative if there are calls and questions from the Environment Agency.</li> <li>The hazardous and toxic waste hazardous waste warehouse permit owned by the company is still valid and has complied with the provisions.</li> <li>Compulsory reports are routinely and completely reported by the Company.</li> <li>So far, there have been no environmental pollution issues carried out by the company.</li> <li>The company has carried out several environmental quality tests in accordance with applicable regulations in Indonesia.</li> </ul>	<p>There are no negative issues from the Ketapang Regency Environmental Service.</p>
<p><b>Agro Seriam Mandiri Cooperative</b> Interviewee: Head Of Agro Seriam Mandiri Cooperative Date: 6 June 2022</p> <ul style="list-style-type: none"> <li>The cooperative is located in Seriam Village</li> <li>The cooperative has 660 members with land legality in the form of SHM and SKT.</li> <li>There is a cooperation agreement between the Cooperative and the Company since 2008.</li> <li>The management of plasma is carried out by PT ASM.</li> <li>The company provides guidance to farmers. These programs, such as fertilization procedures, plant care, appropriate harvesting, provide an understanding of HCV, wildlife, and land fires. In addition, the Company also disseminates understanding regarding the legality of farmers' land such as STDB, SPPL, etc.</li> <li>The price of FFB given to the Cooperative is the price in accordance with the determination of the West Kalimantan Province Plantation Service. So far, there has been no violation of the FFB price provided by the Company.</li> <li>There are no complaints from the FFB payment from the Cooperative. In payment, the company also provides an invoice to the cooperative as proof of payment and the invoice explains the FFB price, FFB amount, total price, grading discounts, etc.</li> </ul>	<p>There is Internet Issues with the link: <a href="https://pontianakpost.jawapos.com/area/ketapang/17/02/2021/petani-ancam-Tutup-pabrik-pt-asm/">https://pontianakpost.jawapos.com/area/ketapang/17/02/2021/petani-ancam-Tutup-pabrik-pt-asm/</a></p> <p>The Auditor Team verified the issue. The problem that occurs is that there is a dualism in the management of the Agro Seriam Mandiri Cooperative so that the payment of the remaining estate produce from PT Agro Sejahtera Manunggal is hampered from being paid to the members of the cooperative. Based on the results of interviews with the Chairman of the Agro Sejahtera Cooperative, it is known that the current Chairman of the Cooperative is the one recognized by the Cooperative. This is based on the decision of the Supreme Court which states that the Cooperative Management on behalf of Ulis is legitimate. Then the Auditor Team was also shown the Decree of the Supreme Court of the Republic of Indonesia Number 1803/K/Pdt/2021 dated August 18, 2021 regarding the civil cassation case between on behalf of Zulkarnain et al (Petitioner) versus Ulis (Respondent) and the Head of the Cooperatives, Small and Medium Enterprises, Trade Service. and Ketapang Regency Industry (Co-Respondent) which states that the legitimate Ulis Management Cooperative Management becomes the Cooperative Management.</p> <p>Regarding the payment of the remaining plantation produce which was delayed, the company has paid the remaining plantation produce to the cooperative. This is evidenced by</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
	the company being able to show proof of payment of the remaining plantation produce to the cooperative, for example the payment on August 9, 2021 for the April-June 2021 payment period which has been received by the Chairman of the Cooperative.
<b>Farmers Group Sawit Maju Sejahtera</b> <b>Interviewee: Farmer's Group Treasurer</b> <b>Date: 9 June 2022</b> <ul style="list-style-type: none"> <li>Farmers Group land management is carried out by the Company. The Farmers handed over their land to the Company because the Farmers could not manage the land and the Farmers had agreed to have their land managed by the company.</li> <li>The agreement started in 2009 with a validity period of 25 years or until replanting and can be reviewed.</li> <li>Members of farmer groups who own land as many as 100 people with land ownership status in the form of SHM.</li> <li>The agreed FFB price is based on the FFB price set by the West Kalimantan Plantation Service.</li> <li>Land acquisition by land owners is obtained from purchases and land from generation to generation.</li> <li>FFB payments are made every 3 months and so far there have been no complaints regarding FFB prices and FFB payments.</li> <li>The company has carried out RSPO socialization and training to farmers such as land fires, HCV, estate security, and farmer group management.</li> <li>There have been talks with the RSPO for farmers' land to follow RSPO certification, but it has not been realized because farmers need further explanation and the profit generated from RSPO certification.</li> <li>In general, land owners reside in Ketapang Regency.</li> </ul>	There are no negative issues from the Farmers Group Sawit Maju Sejahtera.
<b>Bawal Sejahtera Mandiri Cooperative</b> <b>Interviewee: Head of Cooperative</b> <b>Date: 7 June 2022</b> <ul style="list-style-type: none"> <li>The cooperative is located in Bawal Village</li> <li>The cooperative has 295 members with land legality in the form of SHM and SKT.</li> <li>There is a cooperation agreement between the Cooperative and the Company.</li> <li>Cooperative is a plasma from PT GHL (a group with PT ASM).</li> <li>The company provides guidance to farmers. These programs, such as fertilization procedures, plant care, appropriate harvesting, provide an understanding of HCV, wildlife, and land fires. In addition, the Company also disseminates understanding regarding the legality of farmers' land such as STDB, SPPL, etc.</li> <li>The price of FFB given to the Cooperative is the price in accordance with the determination of the West Kalimantan</li> </ul>	There are no negative issues from the Bawal Sejahtera Mandiri Cooperative



Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Province Plantation Service. So far, there has been no violation of the FFB price provided by the Company.</p> <ul style="list-style-type: none"> <li>There are no complaints from the FFB payment from the Cooperative. In payment, the company also provides an invoice to the cooperative as proof of payment and the invoice explains the FFB price, FFB amount, total price, grading discounts, etc.</li> </ul>	
<p><b>Villages around the Company</b> Interviewees:</p> <ol style="list-style-type: none"> <li><b>Seriam Village (Village Head)</b></li> <li><b>Badak Berendam Sub-Village (Sub-Village Head)</b></li> </ol> <ul style="list-style-type: none"> <li>The company absorbs workers from the village.</li> <li>There are no issues regarding environmental pollution for the past 2 year.</li> <li>The company has socialized about protected animals and conservation areas and put-up signs prohibiting hunting of certain animals around the plantation area.</li> <li>Socialization on the prohibition of burning has been carried out for land clearing activities.</li> <li>Communication between the village and the company is not a problem and the company always responds to requests from the village.</li> <li>There were cases of land claims several years earlier, but mediation with various parties has been carried out.</li> </ul>	<p>There are no negative issues from the village community around the company.</p> <p>Regarding the issue of land claims, it has been explained in criterion 4.8</p>
<p><b>7 Previous Land Owner from Seriam Village</b></p> <ul style="list-style-type: none"> <li>The compensation process is transparent and without coercion.</li> <li>The value offered is also agreed by both parties.</li> <li>There are no negative issues related to land compensation.</li> <li>Up to now, the communication between the company and the local villagers is quite good.</li> <li>Evidence of compensation and supporting documents have been provided to each party.</li> </ul>	<p>There are no issues that need further clarification. The information conveyed by stakeholders is in accordance with the data shown by management.</p>
<p><b>Manpower and Transmigration Agency of Ketapang Regency.</b></p> <p>Since 2021 (January) until May 2022, the communication relationship between the company and the agency has been going quite well. Since 2021 the company has implemented labor regulations well since 2021, namely the application of the minimum wage, implementing the wage scale structure, the implementation of OHS has been carried out, has registered its workers in the BPJS program, reported the Manpower Report online, has a Company Regulation that is legalized by the Ministry Employment and already has a Bipartite Committee. Since 2021 there have been no workers who have registered a union with the agency, this is because the workers have not felt the need for it and the company already has a Bipartite Committee for this. The Agency can provide this information based on the results of the last field coaching visit in February 2020 and for</p>	<p>The company has implemented government regulations quite well, starting from the minimum wage that has been set, the structure of the wage scale for each level of workers, the provision of appropriate overtime wages, the active Bipartite Committee and others.</p> <p>Based on the results of the document review and interviews with workers in the field (plantation and factory), it was found that there were no issues related to labor violations, sexual harassment, child labor and other issues. So that there are no issues that need to be further verified from the results of public consultations with the Manpower and Transmigration Agency</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>a virtual coaching visit carried out in May 2022.</p> <p>In addition, there were no industrial relations disputes reported to the agency from 2021 to May 2022. There were no issues related to labor violations, sexual harassment, child labor and other issues.</p>	<p>of Ketapang Regency.</p>
<p><b>Gender Committee.</b></p> <p>The company has established a gender committee organization and until the audit is carried out, the organization is still active. Routine activities carried out by the gender committee are conducting socialization related to the company's gender policy to workers, conducting routine religious activities every month, collaborating with company midwives to carry out <i>posyandu</i> activities and receiving complaints from female workers if anyone reports them. Since 2021 (January-December) until May 2022 there have been no incidents/reports/complaints/issues related to sexual harassment, discrimination against women and child labor in the company's operational scope.</p>	<p>Based on the results of interviews with workers in the field as well as with trade unions, no information was found related to gender, sexual harassment, discrimination or child labor, so there is no need for further verification in this regard.</p>
<p><b>Bipartite Committee.</b></p> <p>In general, the communication relationship between the bipartite parties and the company has been going well. The company is always open to receiving input, suggestions or complaints from bipartite parties or directly from employees. Since 2021 until now the company has implemented the minimum wage, overtime, wage scale structure and other employment provisions properly. Provision of educational facilities (Early Childhood, Kindergarten and Elementary School), First Aid Post, and adequate supporting infrastructure. As a reference for employment in the company apart from the laws and regulations, the company already has a Company Regulation which is legalized by the Ministry of Manpower. The bipartite management consists of representatives of management and representatives of workers who are equal in number, so that there is no excessive intervention during discussions.</p> <p>At the bipartite meeting in May 2022 there was a discussion related to the plan to repair workers' houses which were still in a damaged/leaking condition.</p>	<p>No issues were submitted for further verification.</p>
<p><b>Department of Agriculture, Livestock and Plantation of Ketapang Regency</b></p> <ul style="list-style-type: none"> <li>The company has used certified seeds for all planted oil palm</li> <li>The company has sent LPUP and fire prevention reports on a regular basis</li> <li>The company is quite cooperative with the Office</li> <li>The last plantation class assessment for 2017, is currently in the queue</li> <li>No fire in the last 1 year</li> </ul>	<p>This has been verified in the report.</p>



Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>The company already has fire prevention infrastructure in accordance with the Ministry of Agriculture 5 of 2018</li> </ul>	
<b>Ketapang Regency Land Office</b> <ul style="list-style-type: none"> <li>There are no new location permits and additional HGU</li> <li>There are no reports of land disputes</li> <li>The company has sent reports regularly</li> <li>The company is quite cooperative with the Land Office</li> <li>There is no overlap with the forest area and there are no reports from other parties related to plantation boundary markers.</li> </ul>	This has been verified in the report.
<b>Belaban Estate FFB Transport Contractor</b> <ul style="list-style-type: none"> <li>Location of Kendawangan</li> <li>FFB transport contract has been running for 5 years, currently SPK is still active</li> <li>PPE for workers has been provided</li> <li>BPJS employment for workers has not been registered</li> <li>Never felt evaluated by the company regarding legal compliance</li> <li>Age of workers between 30 – 40 years</li> <li>Workers' wages ± 5 million/month</li> <li>Never give anything to the staff/employees of the company concerned.</li> <li>No complaints against the company, smooth payments.</li> </ul>	This has been verified in the report.
<b>PT Suri Adidaya Kapuas (kernel transport contractor)</b> <ul style="list-style-type: none"> <li>Location: Kendawangan</li> <li>The kernel transport contract has been running for 15 years.</li> <li>Not all workers are registered in BPJS for employment.</li> <li>Workers' wages ± 6 million/month</li> <li>No complaints against the company, smooth payments.</li> <li>Never give anything to the staff/employees of the company concerned.</li> </ul>	This has been verified in the report.
<b>PT Karya Ragam Indo Agung (manufacture of fertilizer warehouse)</b> <ul style="list-style-type: none"> <li>Project obtained from tender at head office</li> <li>Working period during 2021 – present</li> <li>PPE for workers has been provided</li> <li>BPJS Employment and Health have been registered</li> <li>Workers' wages ±3 million + basic necessities + extra fooding</li> <li>No complaints against the company, smooth payments.</li> <li>Never give anything to the staff/employees of the company concerned.</li> </ul>	This has been verified in the report.
<b>CV Kawira Putra (CPO transport contractor)</b> <ul style="list-style-type: none"> <li>Domicile: Ketapang</li> <li>Age of workers is around 30 years old</li> </ul>	This has been verified in the report.

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>Workers' wages <math>\pm</math>5 - 7 million/month</li> <li>Not all workers are registered with BPJS Employment</li> <li>PPE for workers is provided</li> <li>No complaints against the company, smooth payments.</li> <li>Never give anything to the staff/employees of the company concerned.</li> </ul>	

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;"> <div style="text-align: center;"> <p>PT Agro Sejahtera Manunggal CRC Dept Head</p>  <p><u>Jonnes Daulay</u> Monday, 5 September 2022</p> </div> <div style="text-align: center;"> <p>MUTU International Lead Auditor</p>  <p><u>Hasiholan Sihombing</u> Monday, 5 September 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	Ketapang Regency Environment Agency	Ketapang Regency	-	Via phone	6 June 2022	✓	
2	Agro Seriam Mandiri Cooperative	Ketapang Regency	-	Via phone	6 June 2022	✓	
3	Farmers Group Sawit Maju Sejahtera	Ketapang Regency	-	Via phone	9 June 2022	✓	
4	Bawal Sejahtera Mandiri Cooperative	Ketapang Regency	-	Via phone	7 June 2022	✓	
5	Manpower & Transmigration Agency	Ketapang Regency	-	Via phone	6 June 2022	✓	
6	Seriam Village	Ketapang Regency		Direct Interview	6 June 2022		
7	Badak Berendam Sub- Village	Ketapang Regency		Direct Interview	6 June 2022		
8	7 Previous Land Owner from Seriam Village	Ketapang Regency		Direct Interview	6 June 2022		
9	Bipartite Committee	PT Agro Sejahtera Manunggal	-	Via phone	6 June 2022	✓	
10	Department of Agriculture, Livestock and Plantation	Ketapang Regency	-	Via phone	7 June 2022	✓	
11	Ketapang Regency Land Office	Ketapang Regency	-	Via phone	7 June 2022	✓	
12	FFB Transport Contractor	Belaban Estate, PT ASM - Ketapang Regency	-	Via phone	7 June 2022	✓	
13	PT Suri Adidaya Kapuas (kernel transport contractor)	Ketapang Regency	-	Via phone	7 June 2022	✓	
14	PT Karya Ragam Indo Agung (manufacture of fertilizer warehouse)	Ketapang Regency	-	Via phone	7 June 2022	✓	
15	CV Kawira Putra (CPO transport contractor)	Ketapang Regency	-	Via phone	7 June 2022	✓	
16	Gender Committee	PT Agro Sejahtera Manunggal	-	Via phone	6 June 2022	✓	
17	<b>Pembangunan Raya POM:</b> <ul style="list-style-type: none"> <li>• 1 Operators WWTP</li> <li>• 1 Worker in Housing</li> <li>• 1 Operator LA</li> <li>• 1 Operators Water Sources</li> <li>• 1 Operator EBA</li> <li>• 1 welder.</li> <li>• 1 mechanic.</li> <li>• 2 storage workers.</li> <li>• 1 WTP operator.</li> <li>• 3 emergency response members.</li> <li>• 2 workers in pos</li> </ul>	PT Agro Sejahtera Manunggal	-	Direct Interview	7 June 2022	✓	

No	Institution/NGO/ Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
	security • 2 workers in grading station • 1 worker in sterilizer station • 1 worker in press station • 1 worker in engine room • 2 workers in Boiler station • 1 worker in kernel station						
18	<b>Pembangunan Raya Estate:</b> • 2 Worker in Warehouse • 1 Worker in Daycare • 1 Worker in Fuel Warehouse • 1 Worker in Hazardous waste storage • 1 Worker in Workshop • 1 grader operator • 1 foreman and 4 harvesters • 3 picker loose fruit • 1 loader operator • 1 FFB loader	PT Agro Sejahtera Manunggal	-	Direct Interview	7 June 2022	✓	
19	<b>Bengkung Raya Estate:</b> • 2 Worker in Warehouse • 1 Worker in Daycare • 1 Worker in Fuel Warehouse • Workshop • 3 upkeep workers (pesticide operators). • 2 piezometer and subsidence observer. • 1 foreman, 1 clerk dan 4 harvester. • 1 GIS operator.	PT Agro Sejahtera Manunggal	-	Direct Interview	9 June 2022	✓	
20	<b>Belaban Raya Estate:</b> • 4 pickers fruit loose that sprayer applicator • 4 pickers fruit loose • 2 harvesters			Direct Interview	8 June 2022		
21	<b>Cooperative Agro Seriam</b>	Ketapang Regency	-	Direct Interview	7 June 2022	✓	

No	Institution/NGO/ Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
	<b>Mandiri Estate:</b> <ul style="list-style-type: none"> <li>• 2 foreman dan 6 harvesters.</li> <li>• 1 road maintenance worker.</li> <li>• 3 pickers (pesticide operators).</li> <li>• 3 pickers (manurers).</li> </ul>						
22	WALHI	Jakarta	<a href="mailto:informasi@walhi.or.id">informasi@walhi.or.id</a>	Questionnaire via email	31 May 2022		✓
23	WWF	Jakarta	<a href="mailto:wwf-indonesia@wwf.or.id">wwf-indonesia@wwf.or.id</a>	Questionnaire via email	31 May 2022		✓
24	AMAN	Jakarta	<a href="mailto:rumahaman@cbn.net.id">rumahaman@cbn.net.id</a>	Questionnaire via email	31 May 2022		✓
25	Sawit Watch	Jakarta	<a href="mailto:info@sawitwatch.or.id">info@sawitwatch.or.id</a>	Questionnaire via email	31 May 2022		✓



**Appendix 2. Assessment Program**
**ASA-2 Remote Audit**

Date	29 <sup>th</sup> – 30 <sup>th</sup> March 2021	
Audit Program	Clauses To Be Audited	Auditor
<b>Monday, 29 March 2021</b>		
07.30 – 08.00	Remote Opening Meeting of ASI Auditor with Mutuagung Auditor	ASI Auditor & Mutuagung Auditor
08.00 – 09.00	Remote Audit Opening Meeting of Pembangunan Raya POM and the supply bases. (Recorded video conference) <ul style="list-style-type: none"> <li>Opening speech and discussion of remote audit mechanism</li> <li>Presentation of audit objective, audit scope, audit plan discussion, audit sample, transparency and confidentiality clarification)</li> </ul>	All Auditor
09.00 – 12.00	Document verification	All Auditor
12.00 – 14.00	Break	All Auditor
14.00 – 16.30	Document verification	All Auditor
16.30 – 17.00	Daily audit progress meeting	All Auditor
<b>Tuesday, 30 March 2021</b>		
08.00 – 12.00	Document verification	All Auditor
12.00 – 16.00	Break & auditor internal discussion for closing meeting preparation	All Auditor
16.00 – 17.00	Remote Audit Closing Meeting of Pembangunan Raya POM and the supply bases (recorded Video Conference) <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
17.00 – 18.30	Remote Closing Meeting of ASI Auditor with Mutuagung Auditor	ASI Auditor & Mutuagung Auditor

**ASA-2 & ASA-3 Onsite Audit**

DATE	5 – 11 June 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Sunday, 5 June 2022		
07.00 – 15.00	JAKARTA → KETAPANG	All Auditor
15.00 – ...	From the airport to the audit location in Ketapang District	All Auditor
Monday, 6 June 2022		
08.00 – 09.00	Auditor conduct PCR test in accordance with the company procedure	All Auditor
09.00 – 12.00	<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><li>Stakeholders consultation by phone to related agencies</li><li>Stakeholder consultation to affected communities surrounding the plantations, indigenous peoples, local communities and previous land owners by phone</li><li>Interview by phone with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Smallholders, Third Party Supplier (if any), local NGO (if any)</li><li>Document Verification</li></ul>	<b>Management of Unit Certification</b> All Auditor
12.00 – 14.00	<b>Break</b>	All Auditor
14.00 – 16.30	<ul style="list-style-type: none"><li>Continuing stakeholder consultation</li><li>Continuing Document Verification</li></ul>	
16.30 – 17.00	submission of audit progress	
Tuesday, 7 June 2022		
08.00 – 12.00	<b>Field Observation to Pembangunan Raya Estate</b> Aspect to be verified : <ul style="list-style-type: none"><li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV;</li><li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect</li><li>Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place).</li></ul> <b>Field Observation to Cooperative Agro Seriam Mandiri</b> Aspect to be verified : <ul style="list-style-type: none"><li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV;</li><li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB</li></ul>	<b>HHS</b> <b>SAS</b>  <b>RGR</b>   <b>RAB</b> <b>RGR</b>

DATE	5 – 11 June 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
12.00 – 14.00	Application), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect <ul style="list-style-type: none"><li>Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place).</li></ul> Break	HHS SAS & RGR  RAB  All Auditor
14.00 – 16.30	Field observation to Pembangunan Raya POM <ul style="list-style-type: none"><li>Supply Chain verification (FFB Receiving, Weighbridge)</li><li>Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect, security post, FFB Sorting, Processing Activity, Despatch CPO)</li><li>Implementation of Environmental aspect, Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond &amp; land application</li></ul>	
16.30 – 17.00	submission of audit progress	
Wednesday, 8 June 2022		
08.00 – 12.00	Field Observation to Belaban Raya Estate Aspect to be verified : <ul style="list-style-type: none"><li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV;</li><li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect</li><li>Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place).</li></ul>	HHS  SAS & RGR  RAB
12.00 – 14.00	Break	All Auditor
14.00 – 16.30	<ul style="list-style-type: none"><li>Continuing stakeholder consultation (if anything was not done the previous day)</li><li>Continuing Document Verification</li></ul>	
16.30 – 17.00	Submission of audit progress	
Thursday, 9 June 2022		
08.00 – 12.00	Field Observation to Bengkuang Raya Estate Aspect to be verified : <ul style="list-style-type: none"><li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV;</li><li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect</li><li>Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control</li></ul>	HHS SAS & RGR  RAB

DATE	5 – 11 June 2022		
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR	
12.00 – 14.00	Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place).	All Auditor	
14.00 – 16.30	Break <ul style="list-style-type: none"><li>Continuing stakeholder consultation (if anything was not done the previous day)</li><li>Continuing Document Verification</li></ul>		
16.30 – 17.00	Submission of audit progress		All Auditor
Friday, 10 June 2022			
08.00 – 10.00	Continuing Document Verification	All Auditor	
10.00 – 12.00	Interim Meeting (closing meeting preparation)	All Auditor	
12.00 – 14.00	Break	All Auditor and Management of Unit Certification	
15.00 – 16.00	CLOSING MEETING <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>		
17.00 – ....	Travel from mess to the hotel in Ketapang		All Auditor
Saturday, 11 June 2022			
07.00 – 07.30	Travel from hotel to the airport in Ketapang	All Auditor	
07.30 – ....	KETAPANG → JAKARTA	All Auditor	