

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

### **[ ✓ ] Initial Certification**

Name of Management Organisation : Perdana Intisawit Perkasa POM - PT Perdana Intisawit Perkasa, subsidiary of First Resource Ltd  
 Plantation Name : PT Perdana Intisawit Perkasa, Sei Air Hitam Estate  
 Location : Village of Kepenuhan Barat Mulya, Sub District of Kepenuhan, District of Rokan Hulu, Province of Riau, Indonesia  
 Certificate Code : **MUTU-RSPO/173**  
 Date of Certificate Issue : 26 August 2022                      Date of License Issue : 26 August 2022  
 Date of Certificate Expiry : 25 August 2027                      Date of License Expiry : 25 August 2023

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
IC	23 to 27 August 2021	Leonada (Lead Auditor Witnessing), Haikal Ramadhan Kharismansyah (Lead Auditor Witnessed), Afiffuddin, Radytio Puspajana, Johannes Kapri Pandiangan	Harso Yuli Antena	Octo HPN Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
IC	26 August 2022

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Figure 1. Location Map of PT Perdana Intisawit Perkasa

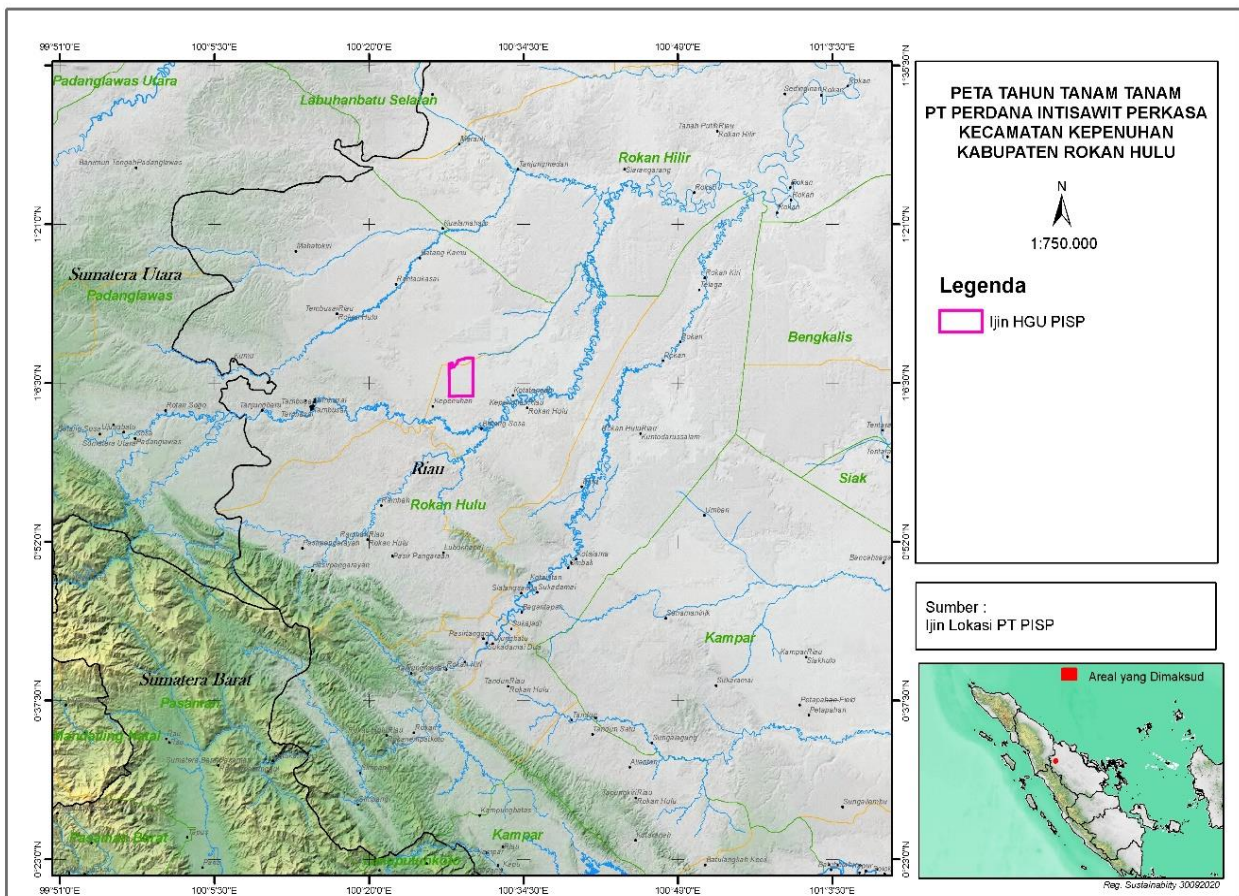
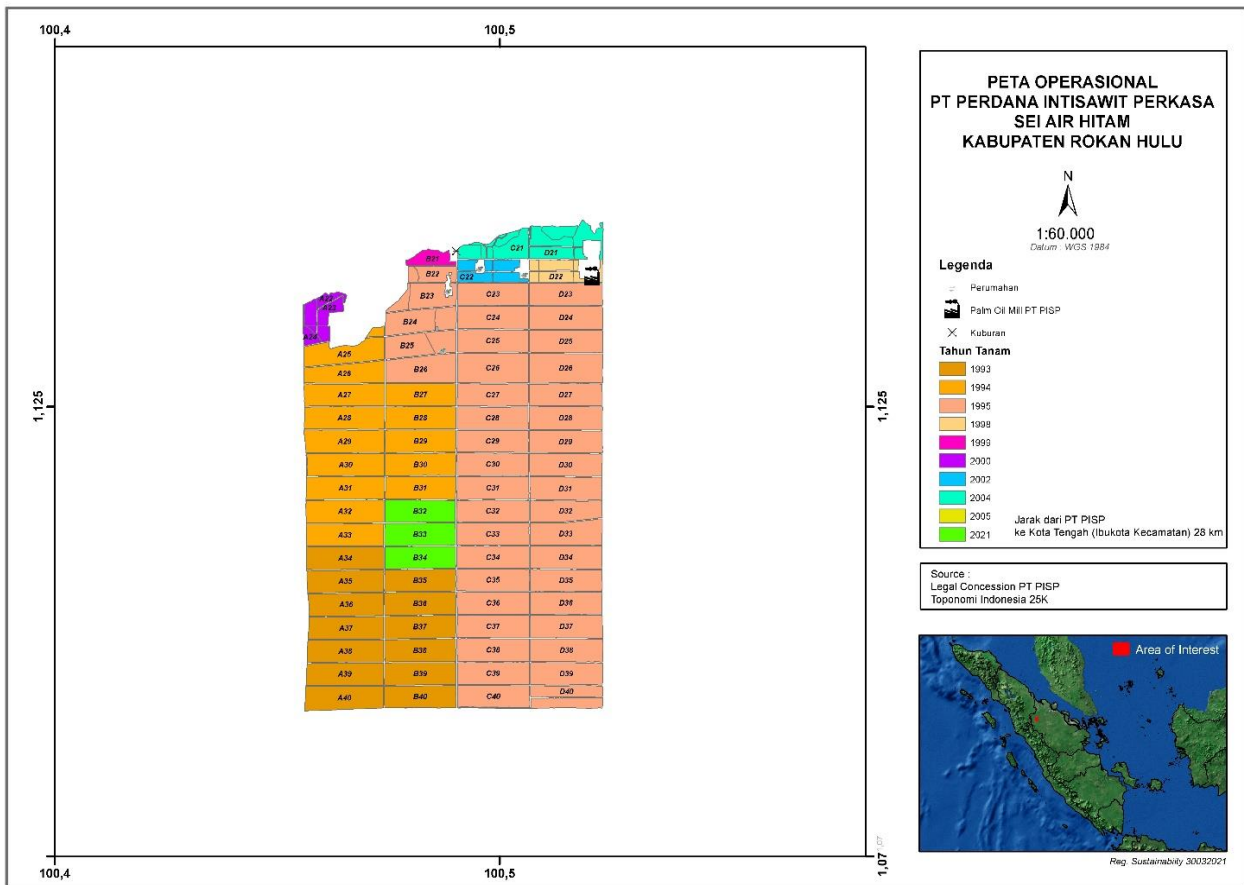


Figure 2. Operational Map of PT Perdana Intisawit Perkasa



Abbreviations Used

AMDAL	:	Analisa Mengenai Dampak Lingkungan (Environment Impact Assessment)
BMP	:	Best Management Practices
BPJS	:	Badan Penyelenggara Jaminan Sosial (Workers Social Security Agency)
BPN	:	Badan Pertanahan Nasional (National Land Agency)
CEO	:	Chief Executive Officer
CLA	:	Collective Labor Agreement
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
EFB	:	Empty Fruit Bunch
EIA	:	Environmental Impact Assessment
FFB	:	Fresh Fruit Bunch
FR	:	First Resources
FR	:	Frequency Rate
HCV	:	High Conservation Value
HGU	:	Hak Guna Usaha (Land Use Tile)
IUP	:	Izin Usaha Perkebunan (Plantation Permit)
IPM	:	Integrated Pest Management
ISPO	:	Indonesian Sustainable Palm Oil
KHT	:	Karyawan Harian Tetap (Permanent Daily Employee)
KUD	:	Koperasi Unit Desa (Village Cooperative unit)
KKPA	:	Kredit Koperasi Primer Untuk Anggota (Primary Cooperative Credit For Members)
OHS	:	Occupational Health and Safety
PIC	:	Person In Charge
P2K3	:	Panitia Pembinaan Keselamatan & Kesehatan Kerja (Guiding Committee Of Occupational Safety & Health)
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PISP	:	Perdana Intisawit Perkasa
PIR-TRANS	:	Perkebunan Inti Rakyat Transmigrasi (Plantation Development for Transmigration)
PK	:	Palm Kernel
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
PUP	:	Penilaian Usaha Perkebunan (Plantation Business Assessment)
RSPO	:	Roundtable on Sustainable Palm Oil
SR	:	Severity Rate
SIA	:	Social Impact Assessment
SHM	:	Sertifikat Hak Milik (Ownership Land Right)
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant

<b>1.0</b>	<b>SCOPE of the CERTIFICATION ASSESSMENT</b>		
<b>1.1</b>	<b>Assessment Standard Used</b>	<ul style="list-style-type: none"> <li>• <i>Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020.</i></li> <li>• <i>RSPO Certification System for Principles and Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020</i></li> </ul>	
<b>1.2</b>	<b>Organisation Information</b>		
1.2.1	Organisation name listed in the certificate	Perdana Intisawit Perkasa POM, PT Perdana Intisawit Perkasa subsidiary of First Resources Ltd.	
1.2.2	Contact person	Bambang Dwi Laksono	
1.2.3	Organisation address and site address	Head Office: 8 Temasek Boulevard #36-02, Suntec Tower Three, Singapore, 038988	
1.2.4	Telephone	+65 6602 0200	
1.2.5	Fax	+65 6333 6711	
1.2.6	E-mail	bambang.dwilaksono@first-resources.com	
1.2.7	Web page address	www.first-resources.com	
1.2.8	Management Representative who completed the application for certification	Bambang Dwi Laksono	
1.2.9	Registered as RSPO member	1-0047-08-000-00 (10 March 2008)	
<b>1.3</b>	<b>Type of Assessment</b>		
1.3.1	Scope of Assessment and Number of Management Unit	1 Palm Oil Mill and its supply base Perdana Intisawit Perkasa Mill, Sei Air Hitam Estate	
1.3.2	Type of certificate	Single	
<b>1.4</b>	<b>Locations of Mill and Plantation</b>		
1.4.1	Location of Mill		
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Perdana Intisawit Perkasa POM	Kepenuhan Barat Mulya Village, Kepenuhan Sub-District, Rokan Hulu Regency, Riau Province, Indonesia	N 1° 8' 26" N      E 100° 29' 39"
1.4.2	Location of Certification Scope of Supply Base		
	<b>Name of Supply Base</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Sei Air Hitam Estate	Kepenuhan Barat Mulya Village, Kepenuhan Sub-District, Rokan Hulu Regency, Riau Province, Indonesia	N 1° 8' 26"      E 100° 29' 39"
<b>1.5</b>	<b>Description of Area Statement</b>		
1.5.1	Tenure		
	• State	2,467.00 Ha	
	• Community	- Ha	



1.5.2	<b>Area Statement</b>						
	• Total area				2,467.00	Ha	
	• Mature area				2,269.61	Ha	
	• Immature area				87.32	Ha	
	• Mill				12.60	Ha	
	• Emplacement & Infrastructure				69.81	Ha	
	• Land Clearing				27.33	Ha	
	• HCV				0.33	Ha	
1.6	<b>Planting Year and Cycles</b>						
1.6.1	Age profile of planting year						
	Planting Year	Hectarage (Ha)					Total
		Sei Air Hitam Estate					
	1993	398.96					398.96
	1994	427.73					427.73
	1995	1,235.52					1,235.52
	1998	22.29					22.29
	1999	54.51					54.51
	2000	30.76					30.76
	2002	22.49					22.49
	2004	77.35					77.35
	<b>Sub Total Mature</b>	<b>2,269.61</b>					<b>2,269.61</b>
	2021	87.32					87.32
	<b>Sub Total Immature</b>	<b>87.32</b>					<b>87.32</b>
	<b>TOTAL</b>	<b>2,356.93</b>					<b>2,356.93</b>
1.6.2	New Planting area after January 2010	-					Ha
1.6.3	Planting Cycle	2 <sup>nd</sup> Cycle					
1.7	<b>Description of Mill and Supply Base</b>						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Perdana Intisawit Perkasa POM	60	163,443.85	34,143.20	20.89	8,782.29	5.37
	<i>*Production data source from 12 months before assessment (August 2020 to July 2021)</i>						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ ha/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Sei Air Hitam Estate	2,467.00	2,269.61	40,619.01	17.89	40,619.01	100

<i>*Production data source from 12 months before assessment (August 2020 to July 2021)</i>					
1.7.3	FFB description from other source				
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	number of smallholders	Production Area (Ha)	Supplied to Mill FFB (tonnes/year)
	KP PISP1 SP1 (Sawit Sumber Rezeki Cooperative)	Associated Smallholder	532	1,066.10	26,259.13
	KP PISP1 SP2 (Sumber Makmur Cooperative)	Associated Smallholder	507	1,012.54	23,597.68
	KP PISP1 SP3 (KUD Sawit Subur)	Associated Smallholder	500	1,000.48	19,093.45
	KP PISP1 SP4 (KUD Jaya Bersama)	Associated Smallholder	500	999.86	20,597.23
	KP PISP1 SP5 (KUD Suka Damai)	Associated Smallholder	381	765.52	19,783.25
	KP PISP1 DK4 (Mitra Makmur Cooperative)	Associated Smallholder	470	940.00	598.58
	KP PISP1 Int KM (KUD Integrasi Karya Makmur)	Associated Smallholder	206	314.83	8,032.23
	KP PISP1 KIS (Integrasi Sawit Sejahtera Cooperative)	Associated Smallholder	122	111.46	1,133.49
	KP PISP1 H.Mulia (Harapan Mulya Cooperative)	Associated Smallholder	91	221.01	3,729.80
	<b>TOTAL</b>				<b>122,824.84</b>
<i>*Source Production Data on 12 months before assessment (August 2020 – July 2021)</i>					
1.7.4	Product categories	<b>FFB, CPO, PK</b>			
<b>1.8</b>	<b>Tonnage of Product</b>				
1.8.1	Past Annual Claim Certified Product	Last Year Projected Certified Volume (MT)		Last Year Actual Certified Volume (mm yy to mm yy) (MT)	
	FFB Processed				
	CPO Production				
	Palm Kernel (PK) Production				
<i>*This part will be verified in ASA-1</i>					
1.8.2	Product selling				
	Type of selling product	Actual selling product for last year (mm yy to mm yy) (MT)			
	CSPO sold as RSPO certified product				
	CSPK sold as RSPO certified product				
	CSPO sold under other scheme				
	CSPK sold under other scheme				
	CSPO sold as conventional				
	CSPK sold as conventional				
<i>*This part will be verified in ASA-1</i>					
1.8.3	Estimate of Certified FFB Claim				
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)
	Sei Air Hitam Estate	2,467.00	2,269.61	42,650	18.79
	<b>TOTAL</b>	<b>2,467.00</b>	<b>2,269.61</b>	<b>42,650</b>	<b>18.79</b>



*Projected FFB production for 12 months of certificate								
1.8.4	Estimate of Certified Palm Product Claim							
	<b>Name of Mill</b>	<b>Capacity (tonnes/ hour)</b>	<b>FFB Processed (tonnes/year)</b>	<b>CPO</b>		<b>Palm Kernel</b>		<b>Supply Chain Module</b>
				<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	
	Perdana Intisawit Perkasa POM	60	42,650	8,200	19.00	2,150	5	MB
*Projected CSPO and CSPK production for 12 months of certificate								
<b>1.9</b>	<b>Other Certifications</b>							
	ISO 9001:2008			-				
	ISO 14001: 2004			-				
	OHSAS 18001:2007			-				
	ISCC			EU-ISCC-Cert-ID230-20220017, valid from 15 July 2022 to 14 July 2023				
	Others			-				
<b>1.10</b>	<b>Time Bound Plan</b>							
1.10.1	<b>Time Bound Plan for Other Management Units</b>							
	<b>Management Unit</b>		<b>Estate (Supply Base)</b>	<b>Time Bound Plan</b>	<b>Location</b>	<b>Status</b>		
	<b>MILL</b>	<b>Time Bound Plan</b>						
	PT Arindo Trisejahtera	2018	PT Arindo Trisejahtera	2018	Riau, Indonesia	Certified		
	PT Meridan Sejatisurya Plantation	2018	PT Meridan Sejatisurya Plantation	2018	Riau, Indonesia	Certified		
	PT Subur Arum Makmur	2020	PT Subur Arum Makmur	2020	Riau, Indonesia	Certified		
	PT Surya Intisari Raya	2021	PT Surya Intisari Raya	2021	Riau, Indonesia	IC		
	PT Perdana Intisawit Perkasa	2021	PT Perdana Intisawit Perkasa	2021	Riau, Indonesia	IC		
	PT Ketapang Agro Lestari	2021	PT Ketapang Agro Lestari	2021	East Kalimantan, Indonesia	IC		
	PT Limpah Sejahtera	2021	PT Limpah Sejahtera	2021	West Kalimantan, Indonesia	Planned		
	PT Panca Surya Agrindo	2021	PT Panca Surya Agrindo	2021	Riau, Indonesia	IC		
	PT Swadaya Mukti Prakarsa	2021	PT Swadaya Mukti Prakarsa	2021	West Kalimantan, Indonesia	Planned		
	PT Mitra Karya Sentosa 2	2022	PT Mitra Karya Sentosa 2	2022	West Kalimantan, Indonesia	Planned		
	PT Citra Agro Kencana	2022	PT Citra Agro Kencana	2022	East Kalimantan, Indonesia	Planned		
	PT Borneo Persada Energy Jaya	2022	PT Borneo Persada Energy Jaya	2022	East Kalimantan, Indonesia	Planned		

PT Borneo Surya Mining Jaya	2022	PT Borneo Surya Mining Jaya	2022	East Kalimantan, Indonesia	Planned
PT Umekah Sari Pratama	2023	PT Umekah Sari Pratama	2023	West Kalimantan, Indonesia	Planned
PT Mitra Karya Sentosa 1	2023	PT Mitra Karya Sentosa 1	2023	West Kalimantan, Indonesia	Planned
PT Muriniwood Indah Industry	2023	PT Muriniwood Indah Industry	2023	Riau, Indonesia	Planned
PT Ciliandra Perkasa	2023	PT Ciliandra Perkasa	2023	Riau, Indonesia	Planned
PT Subur Arum Makmur 2	2024	PT Subur Arum Makmur 2	2024	Riau, Indonesia	Planned
PT Perdana Intisawit Perkasa 2	2024	PT Perdana Intisawit Perkasa 2	2024	Riau, Indonesia	Planned
PT Meridan Sejatisurya Plantation - BA	2024	PT Meridan Sejatisurya Plantation - BA	2024	Riau, Indonesia	Planned
PT Priatama Riau	2024	PT Priatama Riau	2024	Riau, Indonesia	Planned
PT Falcon Agri Persada	2024	PT Falcon Agri Persada	2024	West Kalimantan, Indonesia	Planned
PT Setia Agrindo Mandiri	2025	PT Setia Agrindo Mandiri	2025	Riau, Indonesia	Planned
PT Surya Dumai Agrindo	2025	PT Surya Dumai Agrindo	2025	Riau, Indonesia	Planned
PT Pulau Tiga Lestari Jaya	2025	PT Pulau Tiga Lestari Jaya	2025	West Kalimantan, Indonesia	Planned
PT Borneo Ketapang Permai	2025	PT Borneo Ketapang Permai	2025	West Kalimantan, Indonesia	Planned
PT Gerbang Sawit Indah	2025	PT Gerbang Sawit Indah	2025	Riau, Indonesia	Planned
PT Indogreen Jaya Abadi	2026	PT Indogreen Jaya Abadi	2026	Riau, Indonesia	Planned
PT Setia Agrindo Lestari	2026	PT Setia Agrindo Lestari	2026	Riau, Indonesia	Planned
PT Citra Palma Kencana	2026	PT Citra Palma Kencana	2026	Riau, Indonesia	Planned
PT Karya Tama Bakti Mulia	2026	PT Karya Tama Bakti Mulia	2026	Riau, Indonesia	Planned
PT Bumi Sawit Perkasa	2026	PT Bumi Sawit Perkasa	2026	Riau, Indonesia	Planned
PT Maha Karya Bersama	2026	PT Maha Karya Bersama	2026	East Kalimantan, Indonesia	Planned

\* The revised TBP has been approved by the RSPO according to the email dated 07 October 2021. "Based on the internal discussion and agreement, we agree to approve the revised Time Bound Plan for First Resource to certify all of its management unit beyond the period of 5 years after membership, and based on the new planned year of certification as per attached. This approval is based on justification that you have provided in the earlier email, and the CB will verify the status accordingly

The certification unit has demonstrated a series of requests for revision of the TBP and has received approval from the RSPO on 07 October 2021. Based on the TBP, in 2021 there are 6 business units that are planned to be certified, i.e:

- PT Surya Intisari Raya
- PT Perdana Intisawit Perkasa
- PT Ketapang Agro Lestari

- PT Limpah Sejahtera
- PT Panca Surya Agrindo
- PT Swadaya Mukti Perkasa

PT Surya Intisari Raya, PT Perdana Intisawit Perkasa, and PT Ketapang Agro Lestari are in the certification process, while PT Limpah Sejahtera, PT Surya Agrindo, and PT Swadaya Mukti Perkasa have not yet provided information about the certification process. Referring to the RSPO certification system point 5.5.2 which states that all revisions to the scheduled plan must be reviewed by the CB, the certification unit has the opportunity to ensure and evaluate the implementation of the certification plan as scheduled

1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>
	The associated smallholder planned to be certified within three years after the Mill certified.

2.0	<b>ASSESSMENT PROCESS</b>
2.1	<b>Assessment Team</b>
IC	<ol style="list-style-type: none"> <li>1. <b>Leonada (Lead Auditor Witnessing).</b> Bachelor of agriculture for plant breeding and seed technology programme study, department of agronomy, faculty of agriculture in Bogor Agricultural University. Having experience of more than five years working as a plantation operations staff and sustainability in private company of Indonesian oil palm plantations and is currently working on independent certification bodies as auditor. Training have been followed are: training of Indonesian sustainable palm oil (ISPO) lead auditor, training of RSPO lead auditor, RSPO SCCS training, SA 8000, ISO 17021; 2011, ISO 17065; 2012, ISO 19011; 2011, lead auditor ISO 9001; 2008, ISO 14001; 2005, training of management development program agronomy, training of analysis base solution for operation, training of integrated pest management (IPM), use of limited pesticides training, training management of waste pesticides and fertilizers, training mediation and conflict resolution, RSPO social and worker welfare training, general safety specialist training, health and safety management system (SMK3) auditor. During this assessment conduct as witnesser and supervised Lead Auditor Witnessed</li> <li>2. <b>Haikal Ramadhan Kharismansyah (Lead Auditor Witnessed).</b> Indonesian citizen, Bachelor of Agriculture department of plant and pest disease (Agrotechnology). He has 3 years' experience as an Agronomy Staff in private oil palm plantation in Indonesia. Training which had attended including Basic Management Development Program Agronomy, Integrated Urban Pest Management, Integrated Pest Management, ISO 9001:2015, Auditor ISPO, RSPO Lead Auditor Training, ISO 22000 awareness, RSPO SCCS. Did some audit ISPO scheme with aspects Best management practices. During this assessment verified Legal, FPIC, SCCS and Social.</li> <li>3. <b>Afiffuddin (Auditor).</b> Indonesian citizen, Diploma III majoring Palm Oil Plantation, Bogor Agricultural University. Five years working experience since 2010 at Oil Palm Plantation Company in Indonesia as agronomy operational staff and followed several trainings namely: Basic Plantation Management Program, Auditor Training Indonesian Sustainable Palm Oil (ISPO), Training of RSPO lead auditor, OHS General Expert, OHS System Management based on PP 50 2012 and Management System Certification (ISO 9001-2015/SNI 19011-9001:2015) ISO 17021, ISO 17065, SA 8000 training. He has been involved in several audit activities related to sustainable palm oil certification since 2016 covering Best Management Practices aspect, health and safety aspect and worker welfare aspect. During this audit, He conducted an assessment on OHS and Worker Welfare</li> <li>4. <b>Radytio Puspanjana (Auditor).</b> Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training which was held by National GMT, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospatial Information System, IHT High Conservation Value, IHT Environmental Impact Assessment, IHT Green House Gas and RSPO Lead Auditor Course by Checkmark Training. Since 2015 has been following many audits as auditor base on Best Management Practice and Environment. Aspect audit: Long term management plan, Environment, HCV, GHG.</li> <li>5. <b>Johannes Kapri Pandiangan (Auditor Trainee).</b> Bachelor of Agriculture Department of Agricultural Socio-Economics, Faculty of Agriculture. Has experience of working for 7 years as an operational staff of one of the leading private oil palm plantation companies in Indonesia. The trainings he has attended include: Training on emergency response to forest and land fires by the Riau Province BKSDA, IHT Certification System and ISPO P&amp;C, IHT Awareness ISO 17021 and 17065, IHT Awareness RSPO, Training Lead Auditor ISO 14001:2015, Training Lead Auditor ISO 9001: 2015 and ISPO Training and LA RSPO P&amp;C training 2018. In this audit activity, verification is carried out on aspects of the long-term economic plan, transparency and BMP under the supervision of the Lead Auditor.</li> </ol>
2.2	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
2.2.1	<b>Figure of person days to implement assessment</b>
IC	<p>Number of auditors : 3 auditor; 1 Auditor Trainee; and 1 witnesser          Number of days for <b>Initial Certification</b> at site : 5 days          Number of working days for <b>Initial Certification</b> at site : 15 Working days</p>

2.2.2	<b>Assessment Process</b>
IC	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Perdana Intisawit Perkasa to the requirements of</p> <ul style="list-style-type: none"> <li>• <b>RSP0 Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSP0 Board of Governors on 20<sup>th</sup> April 2020</b></li> <li>• <b>RSP0 Certification Systems for Principles &amp; Criteria and RSP0 Independent Smallholder Standard, Endorsed by the RSP0 Board of Governors on 12 November 2020</b></li> </ul> <p>The assessment was conducted in three 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; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results <b>IC</b> delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (<b>ASA-1</b>). Improvement of findings from Initial Certification findings were observed by auditors at this <b>IC</b> assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of <b>IC</b></p> <p>The opening meeting was held on August 23, 2021 and was attended by representatives of the plantation and mill management of PT Perdana Intisawit Perkasa and 5 members of the sustainability team of the First Resources group as the parent company. The closing meeting was held on August 27, 2021 and was held online and was also attended by representatives of the management and sustainability team. The document review was carried out at the Perdana Intisawit Perkasa Mill Office. At the closing meeting, the management representative accepts the results of the conclusion presentation submitted by the auditor team</p> <p>The assessment program please find Appendix 2</p>
2.2.3	<b>Locations of Assessment</b>
IC	<p><b>Perdana Intisawit Perkasa POM</b></p> <ul style="list-style-type: none"> <li>• <b>Security Pos.</b> Observation and interview related SCSC, Payment, and OHS aspect.</li> <li>• <b>Weighbridge.</b> Observation and interview related SCCS, training, working hour, and social security.</li> <li>• <b>CPO Tank.</b> Observation related CPO storage capacity.</li> <li>• <b>Silo Kernel.</b> Observation related Silo Kernel capacity.</li> <li>• <b>Sortation and Grading.</b> Observation and interview related FFB quality, OHS aspect, work accident, training, and the officer job desk</li> <li>• <b>Mill Drainage.</b> Observations mill effluent lines, sanitation mill and flow of leaching mill.</li> <li>• <b>WWTP.</b> Observation on WWTP, indication of waste overflow, OHS implementation, and interview with worker about worker welfare, OHS, and company's policies.</li> <li>• <b>Solid Waste.</b> Observation of the management of Solid waste consist of EFB, fiber and shell from the production process of mill.</li> <li>• <b>Methane capture/ Biogas Plant.</b> Observations and interviews related to POME management, employment, health checks, OHS, PPE and biogas utilization management. The installation can process 400 – 800 of kilowatt power / month.</li> <li>• <b>WTP.</b> Observations and interviews related to water management, recording of water use, health checks, PPE and waste management.</li> <li>• <b>Empty bunch area.</b> Field observations related to empty bunch management.</li> <li>• <b>Hazardous Waste Temporary Warehouse.</b> Field observations and interview related hazardous waste management, OHS and environmental aspect.</li> <li>• <b>Spare part Warehouse.</b> Field observations and interview related spare part management, OHS, and environmental aspect.</li> <li>• <b>Chemical warehouse.</b> Field observations and interview related chemical management, OHS, and environmental aspect.</li> <li>• <b>Workshop.</b> Field observations and interview related workshop activity, OHS, environmental and worker welfare</li> </ul>

aspect.

- **FFB processing stations (sterilizer, thresher, tippler, press,).** Observations and interviews related to the processing of FFB, yield quality, losses, OSH aspects and employment.
- **Engine room.** Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- **Boiler Station.** Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment
- **Workshop office and processing department office.** Observation and interview of workers regarding the first aid kit and its use.
- **Hydrant simulation.** Observation about emergency response equipment and personnel.

**Sei Air Hitam Estate**

- **Boundary Pole Number 11. Block A21.** Observation related the condition of legal boundaries
- **Boundary Pole Number 15. Block C22.** Observation related the condition of legal boundaries.
- **Boundary Pole Number 18. Block D22.** Observation related the condition of legal boundaries.
- **Boundary Pole Number 23. Block I47.** Observation related the condition of legal boundaries.
- **Boundary Pole Number 35. Block C40.** Observation related the condition of legal boundaries.
- **HCV area. Block B21.** Observation related management of HCV and its protection.
- **FFB Harvesting, Block B29.** Observation and interview with foreman and harvester related FFB quality, harvesting round, OHS, and employment
- **Spraying activity, Block A22.** Observation and interviews related working procedure, OHS, employment, and environmental..
- **Barn owl Box, Block B29.** Observation of the population of owls (*Tyto alba*) as natural enemies of rats.
- **FFB Transport, Block B29.** Observation and interview with Clerk and FFB related to procedures, employment and occupational health and safety.
- **Replanting Area, Block B35.** Observation and interview of workers regarding the work system, PPE, OSH, and wages.
- **Land Application, Block D25.** Observations related to procedures, environmental aspects, employment, and OSH.
- **Workshops.** Observation and interview related OHS facility, environment, worker welfare and emergency response.
- **House rinse.** Observation and interview related OHS facility, environment, worker welfare and emergency response.
- **Firehouse.** Observation related monitoring od emergency equipment's.
- **Rice Warehouse.** Observation and interview related OHS facility, environment, worker welfare and emergency response.
- **Oil Warehouse.** Observation and interview related OHS facility, environment, worker welfare and emergency response.
- **Diesel tank.** Observation and interview related OHS facility, environment, worker welfare and emergency response.
- **Warehouse office.** Observation and interview related OHS facility, environment, worker welfare and emergency response.
- **Agrochemical warehouse.** Observation and interview related OHS facility, environment, worker welfare and emergency response.
- **Spare Parts Warehouse.** Observation and interview related OHS facility, environment, worker welfare and emergency response.
- **Fertilizer Warehouse.** Observation and interview related OHS facility, environment, worker welfare and emergency response.
- **Day Care.** Observation and interview related facilities in daycare, worker welfare, activity in day care, committee gender, emergency response and others.



	<ul style="list-style-type: none"> <li>• <b>Housing B-27.</b> Observation and interview related facilities in housing area, domestic waste, emergency response and others.</li> <li>• <b>Land Fill area.</b> Observation and interview related domestic waste, an organic waste collected in this landfill twice a week and the location is far from housing area.</li> <li>• <b>Generator set house.</b> Observation and interview with generator set house operator related OHS, worker welfare, and emergency response.</li> <li>• <b>Primary Clinic.</b> Observation and interview related facilities an activity in clinic, worker welfare, emergency response and others.</li> <li>• <b>Firefighter Simulation.</b> Ensures fire control preparedness.</li> </ul>
<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
	<p>Consultation of stakeholders for PT Perdana Intisawit Perkasa was held by:</p> <ul style="list-style-type: none"> <li>• Public Notification on website PT Mutuagung Lestari &amp; RSPO Website on 26 July 2021</li> <li>• Public consultation meeting with government institution of Rokan Hulu District i.e National Land Agency, Plantation Agency, Labour and Transmigration Agency, and Environment Agency on 25 August 2021</li> <li>• Public consultation meeting with community(s) including previous land owner from representative of Kepenuhan Baru Village and Kepenuhan Barat Mulya Village on 26 August 2021</li> <li>• Public consultation meeting with internal stakeholders and contractor i.e Gender Committee; Labour Union, Contractor representative; and worker on 24 and 25 August 2021</li> </ul> <p>Numbers of input from stakeholders were clarified by PT Perdana Intisawit Perkasa</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	Please find appendix 1
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit ( <b>ASA-1</b> ) will be conducted eight (8) months to twelve (12) month after certificate issued

**3.0 ASSESSMENT FINDINGS**

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

MUTUAGUNG LESTARI has conducted an assessment of Perdana Intisawit Perkasa POM – PT Perdana Intisawit Perkasa, subsidiary of First Resources Ltd operation consisting of one (1) mill and one (1) oil palm estates.

During the assessment, there were three (3) Nonconformities were assigned against Major Compliance Indicators; four (4) were assigned against Minor Compliance Indicators; and zero (0) nonconformance(s) against supply chain requirement for CPO mill and five (5) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. 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/etc...). Those corrective actions taken that consist of three (3) Major non-conformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Perdana Intisawit Perkasa POM – PT Perdana Intisawit Perkasa, subsidiary of First Resources Ltd complied with the requirements of **RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20<sup>th</sup> April 2020 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 Issued

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY</b>		
<b>1.1 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>		
<p><b>1.1.1</b>            The company has a Communication SOP with document No. FR.EMS.CIE Rev.02 dated 22 November 2018 which contains the types of information provided for public consumption including:</p> <ul style="list-style-type: none"> <li>• Company Legality (Location Permit, IUP or HGU).</li> <li>• Environmental documents (environmental policies, environmental management documents, RKL-RPL reports, environmental achievements, identification and evaluation of environmental aspects and impacts, permits for utilization of Mill waste, temporary storage permits for hazardous waste).</li> <li>• Social Documents (social activities, public relations, OSH policies, and OHS programs).</li> <li>• Continuous Improvement (reducing the use of certain chemicals, reducing and utilizing waste, controlling environmental and social impacts).</li> <li>• RSPO and ISPO External Audit Report</li> </ul> <p>In addition to the information above, it is information that cannot be accessed by the public, but if the letter of request for information provided has a clear purpose and reason and the information must be provided by the company because of the government's interest, the information can be provided by the company.</p> <p>Publicly available can be seen in FR website (<a href="https://www.first-resources.com/">https://www.first-resources.com/</a>) such as sustainability policy, grievance procedure and sustainability report.</p> <p><b>1.1.2</b></p>		

Based on document verification of the SOP Communication document with document No. FR.EMS.CIE Rev.02 dated November 22, 2018 information was obtained that in responding to requests for information using Indonesian language and can be accessed in the incoming and outgoing mail book in each unit.

The results of interviews with several government agencies, community leaders, contractor partners, and other stakeholders revealed that they had understood the communication procedures with the company.

Examples of reports that have been provided regularly to stakeholders include:

- Report on the use of *HGU* for the 2020 period submitted to the National Land Agency of Rokan Hulu Regency in July 2021
- Has been implements the requirement of environmental aspects such as EIA management and monitoring routinely every semester, last report semester 1 year 2021 to Environmental Agency on 26 July 2021.
- Reporting of hazardous waste and POME management and monitoring of routinely every quarterly, last report quarterly 2 year 2021 to Environmental Agency on 28 July 2021.
- *Wajib Laporan Ketenagakerjaan di Perusahaan/ Mandatory Employment Report in the Company (Sei Air Hitam Estate)*, No. Reporting: 28559.20210427.0001, 27 April 2021 and reporting obligation 27 April 2022.
- *Wajib Laporan Ketenagakerjaan di Perusahaan/ Mandatory Employment Report in the Company (Sei Air Hitam Mill)*, No. Reporting: 28559.20210427.0001, 27 April 2021 and reporting obligation 27 April 2022.
- PT PISP's P2K3 Quarterly Report for the period April – June 2021 to the Riau Province Manpower and Transmigration Office, July 12, 2021.
- PT PISP's P2K3 Quarterly Report for the period January – March 2021 to the Riau Province Manpower and Transmigration Office, April 15, 2021.
- PT PISP's P2K3 Quarterly Report for the period October – December 2020 to the Riau Province Manpower and Transmigration Office, January 4, 2021.
- Report on the development of PT PISP's plantation business for the first semester of 2021, which is reported to the Livestock and Plantation Office of Rokan Hulu Regency

Base on interview with internal and stakeholder they are aware of the type of information available go to public and process to access to the information.

### 1.1.3

The company shows the document requesting information and responses which are described in the logbook document for incoming mail, the document is updated every time information enters the unit and there is an archive for each response.

Based on a review of the company's 2020 and 2021 log book documents, there were no incoming letters for requests for information. The letter that comes into the company is a letter of financial assistance from the local community. For example, there is an incoming letter requesting heavy equipment borrowing according to the letter dated September 15, 2020 letter no B/497/VII/2020 from the military (KORAMIL) 0313 regarding the loan of heavy equipment for road repairs, the company shows proof of response regarding the request on September 17, 2020 which was submitted by the assistant technique as its PIC.

The company also routinely provides information or routine reports to the relevant offices or agencies as described in indicator 1.1.1, every report made is also recorded in the logbook of incoming and outgoing letters.

### 1.1.4

The company has a communication procedure with document number FR.EMS.CIE dated 29 July 2016 regarding communication and providing adequate information to stakeholders. This procedure explains that stakeholders who request information and communications (complaints, requests and suggestions) whether submitted to the estate or regional office will be responded to according to company procedures and the company will respond as soon as possible or no later than 6 months after the request is received and guarantee the anonymity of the reporter (whistleblowers). The company has also disseminated communication procedures to stakeholders on April 2, 2020 at the Sei Air Hitam Estate office which was attended by 26 participants. In addition, the company has also appointed Public Relations and head of

administration (KTU) as the person in charge of establishing communication with stakeholders. There is a letter of appointment for the assignment.

The person responsible for communication and consultation with stakeholders is the CSR and Plasma Area. Job descriptions are available for the CSR and Plasma Area sections, including building relationships with local leaders and communities.

**1.1.5**

The company has the latest list of stakeholders as of July 31, 2020 consisting of local governments, provincial and district level offices and agencies, sub-district governments, police, village governments, health service providers, education, community/customary leaders, banks, contractors, vendors, Suppliers, Insurance and banking, Non-governmental organizations. The list of stakeholders includes the name of the Department, Representative, Address and contact. For example, the Plantation Office of Rokan Hulu Regency, a representative of Sri Hardono, has his address at Pasir Pangarayan and there is also a telephone number that can be contacted. Based on random checked with stakeholder list, for example National Land Agency, Environment Agency and Manpower and Transmigration Rokan Hulu regency still relevant with contact person stated.

**Status : Comply**

**1.2**

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

**1.2.1**

The Company has a policy related to ethical actions in the Zero Fraud Tolerance Policy (FR.CIA.ZFT.001) document issued by the Corporate Internal Audit on December 28, 2012. The policy discusses the following matters:

- Communicate clearly that the company does not tolerate fraud and will provide strict sanctions for fraud perpetrators.
- Achieve a consistent approach in managing fraud incidents.
- Establishing the principles of fraud risk mitigation and prevention that are generally applicable in the company.

The company showed the PT PISP Code of Conduct Socialization Activity Report and Statement of Integrity, dated April 12, 2021, to all employees and staff of PT PISP – Mill and estate.

Up to August 2021 there is no new recruitment. The last recruitment was conduct in December 2020. Based on interviews with worker representatives (worker union) it is known that the labor procedures have been implemented and documented such as documented employee recruitment, payment of wages and overtime in accordance with government regulations and regulations, including implementation of business ethic

**1.2.2**

The company has systems in place to monitor compliance and implementation of these policies, as well as ethical business practices as a whole. Among them, companies routinely conduct financial audits by external audits or public accountants. Internal audit as the coordinator of the fraud committee reviews and assesses the root of the problem in the event of a fraud case to determine control weaknesses in order to prevent the recurrence of similar incidents. Internal audit also updates the status of whistle blowing issues to the audit committee every 3 months.

**Status : Comply**

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

**2.1**

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

**2.1.1**

Compliance evidence towards manpower regulations has shows through several documents, for example as follows:

- Implementation of structure and scale of wages has satisfactory implemented to all level of employees, as comply with Manpower Minister Regulation No. 01 of 2017. The company has a policy on the structure and scale of wages that contains information on each wage for each class and position. Where the lowest group is Group A (Permanent Daily Employees) and the highest group is Group I (Directors).
- Registration of Trade Unions on November 1, 2019 by the *Dinas Usaha Kecil dan Menengah, Transmigrasi dan*

Tenaga Kerja Office of Small and Medium Enterprises, Transmigration and Manpower of Rokan Hulu Regency.

- All workers were covered by Government Scheme Insurance, i.e.: BPJS-Manpower and BPJS-Health.
- Based on the results of the document review of the Overtime Work Order, List of Overtime and Payroll Slip KHT for the period June 2021 Sei Air Hitam Estate, for employees WAG (initials), it is known that the calculation of overtime wages and wages that have been paid is in accordance with the Decree of the Minister of Manpower and Transmigration number 102 of 2004 concerning Overtime Work and Overtime Wages.

Based on the explanation above, it is concluded that the unit of certification showed evidences which demonstrates compliance to all applicable legal requirements.

### **OHS**

In terms of Occupational Safety and Health, the certificate holder shows evidence of compliance with relevant legal requirements, including the 2021 Occupational Safety and Health Committee Quarterly Report, boiler operator license, factory machine license certificate (including inspection and testing) and others.

The certification holder has taken preventive and control measures as stated in the Work Safety Law no. 1 of 1970 Article 3, among others, by monitoring the implementation of occupational safety and health, hazard risk analysis, health checks, machine operation by authorized persons and socializing safe work practices. Based on the results of a document review, for example a boiler station, it is known that the boiler operator has a license to operate a boiler in accordance with the Regulation of the Minister of Manpower no. 1 of 1988.

### **Environmental regulation:**

- The company has applied for the approval of the environmental document (*AMDAL*) on December 29, 2003 Number 02.0.4/X/749/XII/2003 and has been declared valid based on the approval of the Decree of the Head of the Environmental Agency of Rokan Hulu Regency Number KPTS.660/BLH/Set/17/ 2004, January 24, 2004.
- The company has also updated the *AMDAL* document and it has been ratified based on the approval of the Decree of the Head of the Environmental Agency of Rokan Hulu Regency Number 660/BLH-AM/38/2011 dated June 10, 2011.
- The company also has a document of Amendment to Environmental Permits for Plantation and Palm Oil Processing Mill activities with Number KPTS.660/BLH/476/2016 which was legalized based on the Decree of the Regent of Rokan Hulu dated November 29, 2016.
- The company has an extension area permit to utilize POME from Mill PT Perdana Intisawit Perkasa Kebun Sei Hitam Rokan Hulu Agency Number 503 KPTS.660/BLH-PPP/150 date 30 December 2016.
- The company already has a Water Resources Concession Permit, based on the Decree of the Minister of Public Works and Public Housing, Number 248.6/KPTS/M/2018 as of March 19, 2018 with a validity period of 5 years.
- The company has obtained a Hazardous Temporary Storage Permit Accordance Decree of the Regent of Rokan Hulu Number KPTS.503/DPMPSTP-IPSLB3/09/VIII/2018 on August 28, 2018.

### **Legal Aspect**

The unit of certification has compliance with several legal aspects as follows:

- *HGU* (Land Use Tile)  
In accordance with the Decree of the Minister of State for Agrarian Affairs/Head of the National Land Agency Number: 60/HGU/BPN/95 dated 26 September 1995 concerning the Granting of Cultivation Rights to PT Perdana Intisawit Perkasa to grant Cultivation Rights covering an area of 2,467 ha for 35 years. Subsequently, the certificate of *HGU* No. 1 was issued for a land area of 2,467 ha on March 14, 1996. The certificate stated that the expiry period of the rights was 35 years until December 31, 2030.
- Plantation Business Permit  
In accordance with the Decree of the Regent of Rokan Hulu Number: Kpts.100/SETDA-PEM/88/2016 concerning the Plantation Business Permit of PT Perdana Intisawit Perkasa for a net area of 2,467 Ha with a processing unit capacity of 90 tons of FFB/hour
- Plantation Business Assessment  
In accordance with the certificate issued by the Regent of Rokan Hulu in February 2021 with category plantation class I (excellent)



**BMP Aspect**

**Best Management Practice.**

In terms of best management practices, it is known that plantation and mill management has implemented several compliances with Indonesian laws and regulations, for example not using the burning method in the land clearing process, trees planted are from seed producers (DxP) which are recognized by the Indonesian government. Each unit of the Unit of Certification has implemented integrated pest management, biological control and only uses pesticides that are listed on the pesticide government website.

**2.1.2**

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

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

Evaluation of compliance with these regulations is carried out annually in conjunction with a sustainability audit. Based on the results of the evaluation of the compliance of the latest regulations carried out in 2021, it is known that the company has complied with the relevant regulations. The unit of certification also shows examples of contractor evaluations as regulatory compliance for third parties. In the contractor evaluation, there are inconsistencies in data and information, for example for evaluating compliance with regulations for CV Findo Maju Jaya. In the evaluation checklist it is stated that the contractor has complied with regulations such as minimum wages, social security participation for employees, and has clear work ties. However, until this assessment is completed, there is no evidence/documentation related to this compliance. Non-conformance has been accommodated in indicator 2.2.2.

**2.1.3**

Based on the cadastral map published by *Badan Pertanahan Nasional* (National Land Agency), it is known that there are 40 boundaries pole for all of the company's operational areas. With the source of the map, the certification unit makes routine monitoring once a year as stated in the boundary inspection procedure.

It has been shown that the results of monitoring and maintenance of PT PISP boundaries pole were last carried out on June 15, 2021. Based on this monitoring, it is known that all of the boundary pole are in good condition. The monitoring report also contains the location of the pole, a map of the distribution of the pole, photos of the condition of the pole, and the coordinates of the pole. The results of field visits to boundary pole No. 11, No. 15, No. 19, No. 23, and No. 37, it is known that the condition of the stakes is in good condition according to the results of the latest monitoring

**Status : Comply**

**2.2**

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

**2.2.1**

There is a list of contractors listed in the PT PISP Stakeholder List document updated July 31, 2021, which explains the contractor's name, contact name, type of contractor, address and telephone number. Based on the document, there are 36 contractors with types of cooperation such as procurement of replanting contractors by CV Findo Maju Jaya, outsourcing of security by PT Rajawali Perkasa Jaya and CPO & PK transporters by CV. Teman Setia

**2.2.2**

Based on the results of the review of the Contract Document Letter of Agreement number 43/*Chipping-Lubang Tanam/PISP/LGL-PKU/VII/21 Pekerjaan Chipping Pokok Sawit dan Pembuatan Lubang Tanam (replanting)* with CV. Findo Maju Jaya, dated July 1, 2021, which among other things explained that:

- The second party must comply with applicable labor regulations at both the central and regional levels.
- The second party must include the second party's workforce in the *BPJS* Employment and *BPJS* Health assurance.



Based on the results of field visits and interviews with contractor workers CV. Findo Maju Jaya, it is known that the contractor has stated that he has not been registered in the BPJS Employment and Health program. In addition, he also do not know about the existence of a Work Agreement between contractors and their employees including the fulfillment of the minimum wage. Until IC is completed, no evidence of compliance with relevant legal obligations has been shown, for example, proof of salary slips, BPJS membership for contractor workers, or a work agreement letter between the contractor and his employees.

Based on the explanation above, it is known that the company has not been able to demonstrate the fulfillment of the relevant legal obligations that can be proven by the third party concerned. This is a non conformity No. 2021. 01.

**2.2.3**

Based on the results of the review of the document of the agreement letter number 43/Chipping-Lubang Tanam/PISP/LGL-PKU/VIII/21 Pekerjaan Chipping Pokok Sawit dan Pembuatan Lubang Tanam (replanting) with CV. Findo Maju Jaya, dated July 1, 2021, in article 11 regarding the prohibition of paragraph 3 which explains that the second party is prohibited from carrying out practices involving child labor, forced labor and workers from human trafficking in carrying out this agreement. If proven, the employment relationship will be void.

Based on the results of field observations, interviews with workers, interviews with contractors and interviews with the manpower office, it was found that there were no and no issues related to child labor, forced labor and workers from human trafficking.

<b>2.2.2</b>	<b>Status: Nonconformity No.2021.01 with Minor category</b>
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<b>2.3</b> <b>All FFB supplies from outside of the unit of certification are from legal sources.</b>
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**2.3.1**

The unit of certification receives FFB from direct suppliers (smallholder) who have cooperative agreement in the sale of FFB as follows:

- Koperasi Sawit Sumber Rezeki
- Koperasi Sumber Makmur
- KUD Sawit Subur
- KUD Jaya Bersama
- KUD Suka Damai
- Koperasi Mitra Makmur
- KUD Integrasi Karya Makmur
- Koperasi Integrasi Sawit Sejahtera
- Koperasi Harapan Mulya

Information about the geo-location and legality of the FFB supplier has been shown, for example, indicated by the location coordinates and the smallholder freehold title (SHM).

**2.3.2**

The unit of certification does not receive FFB from indirect suppliers.

	<b>Status : Comply</b>
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<b>PRINCIPLE #3 OPTIMISE PRODUCTIVITY, EFFICIENCY, POSITIVE IMPACTS AND RESILIENCE</b>
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<b>3.1</b>
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<b>There is an implemented management plan for the unit of certification that aims to achieve long-term economic and financial viability.</b>
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**3.1.1**

The company has shown a long-term plan for the period 2019-2023 for PT Perdana Intisawit Perkasa which contains, among others: Management plan data such as statement areas (Mature and immature area, land clearing, arable land, reserve area, road, drainage, housing and others), replanting plans, production plans (CPO / PK), CPO and Kernel sales, Total income and prices CPO and PK and also included smallholders.

**3.1.2**

The oil palm replanting program is contained in the 2019 - 2023 work plan document PT Perdana Intisawit Perkasa oil palm plantation and processing. The replanting plans for 2019-2023 are as follows:

Year	Plan (ha)
2019	
2020	
2021	398.96
2022	542.38
2023	1,235.52
<b>Total</b>	<b>2,176.86</b>

Based on the results of interviews with management, the company has not evaluated the replanting activities in 2021 because the program is still running.

**3.1.3**

Management review activities were carried out on April 5, 2021 which is. The agenda for discussion in the management review meeting are:

1. RSPO Internal Audit Result Report (LHA)
2. Quality control
3. Changes affecting the management system
4. Customer feedback
5. Process performance and product conformity
6. Status of preventive and corrective actions
7. Follow-up resulting from management review
8. Recommendations for improvement
9. Production effectiveness
10. Supply Chain
11. Occupational health and safety

**Status : Comply**

**3.2**

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

**3.2.1**

Some examples of continuous improvement plans shown by the certification unit from environmental aspects, BMP aspects, or labor aspects are as follows:

1. Use of renewable resources by reducing the use of solar.
2. Testing the quality of liquid waste and air quality and maintaining the quality of liquid waste and air during 2020 is always below the quality standard.
3. Implement a Zero Burning policy in plantation management.
4. Manage surface water into water suitable for consumption and distribute it to all employees.
5. Applying IPM so as to minimize the use of pesticides
6. Using permanent employees for all levels of work, especially for the main job

The contribution to the development of the local economy through the development of the realization of CSR programs period 2021.

**3.2.2**

The company has presented an annual report document using the RSPO metric template format as part of the continuous monitoring and improvement process. The things that were conveyed:

- Name of RSPO Member : First Resources Ltd
- RSPO Membership Number : 1-0047-08-000-00
- Name of Certification Body : MUTU Certification
- RSPO PlamTrace ID Number : PO1000004253
- Supply Chain Type : Mass balance (MB)

- Assessment Type : Initial Certification
- Start Date Of Audit : August 2021

In addition, there is information regarding the number of factories, the number of estates, the total production area, the total area of the estate, the HCV area, and the riverbanks that are not part of the HCV area. In addition, the metric template also explains about Mill production, Annual FFB Estate production, total workers and others. Based on the results of the verification carried out, the RSPO metric template report by the company is in accordance with the actual conditions during the audit activity.

Status : Comply

**3.3**

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

**3.3.1**

The company has shown the plantation SOP which consists of 2 packages of Operational Best Practices Oil Palm Agronomy documents which were approved by the CEO on July 1, 2012 ranging from oil palm nursery activities to replanting.

In addition, other forms of SOP socialization carried out by the company are: the issuance of the document "Pocket Book Operational Best Practices Agronomy Oil Palm, dated December 31, 2012, which was submitted to the assistant staff of division.

In addition, the company has shown procedures related to the mill there are updates listed in the Operational Best Practices Palm Oil Mill document (FR.COP.OPM dated December 31, 2015 approved by the CEO). In the document, it is known that the procedure has covered all factory operational activities from receiving fruit to activities in bulking.

Based on the results of interviews with spray workers in block A22, it is known that workers have been able to explain and demonstrate spraying activities in accordance with existing procedures, for example workers are required to use personal protective equipment, safe work practices, not spraying near water bodies, and so on.

**3.3.2 and 3.3.3**

The company has an internal audit mechanism to check the implementation of procedures consistently for all activities including work carried out by contractors. The company has shown the Audit Result Report (Plantation and Factory Operation) number : 02.0.1/LHA – OPR/09/VI/2021. The plantation and mill operational audit activities will be conducted on 17 – 21 May 2021. Internal audit activities include:

- Production and crops
- Estate Cash Flow and POM
- POM Plantations and Warehouses
- Technique
- Personnel
- Plantation and Mill Management Report

All internal audit results were discussed and corrective actions were taken, for example, the Average Bunch Weight until April 2021 was 21.97 Kg below the budget of 23.05 Kg and decreased by 0.23 Kg compared to the same period in 2020. As for the response and the actions of the Estate as the auditee, this happened because of the high rotation of the harvest so that there were a lot of overripe fruit, the losses in loose fruit were still quite high, the discipline of harvesters and the harvest foreman was improved in supervision and production clerks in recording FFB, and normalizing the harvest cycle. The suggestions from the company's internal auditors are to meet the needs of harvesters, normalize harvest rotation by optimizing harvesters' working hours and Estate management must emphasize to production clerks to record harvests correctly.

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 applied for the approval of the AMDAL document on December 29, 2003 Number 02.0.4/X/749/XII/2003 and has been declared valid based on the approval of the Decree of the Head of the Environmental Agency of Rokan Hulu Regency Number KPTS.660/BLH/Set/17/ 2004, January 24, 2004 concerning the approval of AMDAL Documents (ANDAL, RKL and RPL). The SEL document covers a study area of 12,467 Ha and the construction of a palm oil mill with an oil processing capacity of 60 tons/hour.

The company has also updated the AMDAL document and it has been ratified based on the approval of the Decree of the Head of the Environmental Agency of Rokan Hulu Regency Number 660/BLH-AM/38/2011 dated June 10, 2011 regarding the Agreement on Revision of AMDAL Documents for Palm Oil Plantations. This change was made due to the difference in area from 12,467 Ha to 11,868.75 Ha and the difference in processing capacity from 60 tons/hour to 90 tons/hour. The coverage area of the AMDAL document is 11,868.75 Ha which is a combination of nucleus plantations with HGU status with an area of 2,467 Ha and plasma plantations with an area of 8,694.27 Ha and factory area with an area of 23.80 Ha.

The company also has a document of Amendment to Environmental Permits for Plantation and Palm Oil Processing Mill activities with Number KPTS.660/BLH/476/2016 which was legalized based on the Decree of the Regent of Rokan Hulu dated November 29, 2016. The document also describes the Palm Oil Mill with a capacity of 90 tons/hour, a biogas plant with a capacity of 1 MW and a plantation area of 11,868.75 ha.

The company has also conducted a Social Environment Impact Assessment (SEIA) in 2014, which was carried out by the Sustainability Department First Resources team. In this document, an adequate identification of social and environmental impacts (positive and negative) has been carried out within the scope of operations.

In this study, the identification of stakeholders focused on the parties related to the management plan of the oil palm plantation of PT. PISP at the site level (local) at the time this study was conducted. The grouping of stakeholders in each category has a different relevance to the socio-economic problems that exist around the company. The main stakeholders that directly affect the existence of the company are company management and the community. Meanwhile, other stakeholders that indirectly affect the sustainability of the business are the local government and the management of other companies.

Base on the area statement document obtained information that the company has 1 estate namely Perdana Inti Sawit Perkasa Estate on land clearing between 1993 and 2004. There is no new land clearing after 15 November 2018. The HCV assessment was conducted in January 2013 by internal assessors (Non-ALS).

### **3.4.2**

The Company has implemented Environmental Management and Monitoring at PT. Perdana Intisawit Perkasa which is guided by the Environmental Impact Analysis (AMDAL) Document, Environmental Management and Monitoring Efforts (UKL/UPL) prepared and approval Head of the Environmental Agency of Rokan Hulu Regency Number 660/BLH-AM/38/2011 dated 10 June 2011. Several environmental management and monitoring activities during this period were as follows:

- Routine activities for house keeping on mill dan estate.
- The maintenance of drainage channels inside and outside the estate area.
- Application POME and EFB regularly to estate for biomass fertilizers to reduce the use of chemical fertilizers.
- Emission and Ambient testing.
- Ground water and surface water testing.
- regularly reports environmental monitoring result to government

As for the prevention, control and mitigation of critical impacts due to Palm Oil Plantation activities contained in the RKL-RPL document for Semester I 2021, among others:

- Air quality testing generated from FFB transportation.
- Noise level testing generated from generator and machine.
- Ground water and Surface water quality testing
- Soil chemical properties.
- Aquatic Biota.

- Public perception.

Methods of data collection and data analysis through primary data collection through interviews using interview guidelines. Monitoring is carried out by sampling technique, namely the Purposive Sampling method. The monitoring period is carried out once a year during the operation phase. The monitoring plan in 2021 will be carried out in the second semester.

The company has also conducted a Social Environment Impact Assessment (SEIA) in 2014, which was carried out by the Sustainability Department First Resources team. In this document, an adequate identification of social and environmental impacts (positive and negative) has been carried out within the scope of operations. The effort to follow up on the 2014 SIA recommendation, the company has developed a social management and monitoring plan which is developed and outlined in the social management and monitoring document for the 2019-2021 period as follows:

- Develop communication and network with stakeholders related to the company.
- Improving the quality of public education.
- Improving the quality of public health.
- Empowerment of workers related to the company's replanting program.
- Community economic empowerment.

However, in the process of preparing the document, it was discovered that:

1. External stakeholders involved in the preparation of the management plan and social monitoring are still limited to the Village Head and KUD representatives around the company (Kepenuhan Barat Mulia Village and the Head of Kepenuhan Baru Village), KUD Sumber Makmur (SP2), KUD Sawit Sumber Rezeki (SP1), KUD Jaya Bersama (SP4) and KUD Sawit Subur (SP3), have not paid attention to the broadly affected parties such as women, migrants, local residents, youth leaders, contractors and other affected parties.
2. Internal stakeholders have not been directly involved in the management plan and social monitoring.

Based on interviews with external stakeholders, namely the Village Head of Kepenuhan Barat Mulia and the Village Head of Kepenuhan Baru, information was obtained that the village had not been involved in the preparation of the SIA management and monitoring program. So that with the limited number of parties involved in the preparation of the management plan and social monitoring, there are several issues that have not been identified that have been monitored and managed in a comprehensive and integrated manner, for example;

- Road damage and road dust during the dry season that is passed by operational transportation.
- Slow response to letter or send a request for proposal.

The social impact management and monitoring plan has not been developed with the participation of widely affected stakeholders so that there are several issues that have not been fully identified to be monitored and managed in an integrated manner. This is a Nonconformity No. 2021.02

### **3.4.3**

Based on verification, RKL-RPL report semester 2 year 2020 dan semester 1 year 2021 has already contained adequate environmental management and monitoring component such as: Air quality testing generated from FFB transportation, Noise level testing generated from generator and machine, Ground water and Surface water quality test, Soil chemical properties, Aquatic Biota and Public perception. The last evaluation for environmental monitoring/management plans have been developed on January 2021 and as the feedback of review, the company has included hazardous waste, land applications, and replanting impact on semester 1 the year 2021 monitoring report.

For mitigation social impact, the company will implement the following programs:

- Communication and networks with all relevant stakeholders
- Improvement of cooperative facilities.
- Improved skills of cooperative management for best management practices.
- Improving the quality of education for the community around the company.
- Improving the quality of public health

On-going programs in 2021 are as follows:

- Recruitment of workers.



- The company has provided information to the surrounding villages about all activities carried out within the company.
- Providing assistance in the form of Scholarships
- Assistance in repairing worship facilities
- Corporate Social Responsibility

**3.4.2** Status: Nonconformity No.2021.02 with Minor Category

**3.5**

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

**3.5.1**

The certification unit has a recruitment and selection procedure No. FR.CHR.R&S.002 dated November 1, 2012. The selection stages consist of administrative selection, written test, interview, acceptance decision, offer of compensation package, health check, signing of work agreement. In addition, there is also an employee promotion procedure FR.CHR.L\_D.004 dated July 1, 2013. The procedure is in accordance with the applicable provisions, which are explained in the Collective Labor Agreement in Chapter IV of Employment Relations, which explains that the minimum age of workers is 18 years and the acceptance of new employees with permanent status is carried out by going through a probationary period or orientation of a maximum of 3 month. Related to the procedure for retirement and termination of employment, some of which have been explained in the Collective Labor Agreement document Chapter XII regarding Termination of Employment.

Regarding recruitment, the policy is also contained in the Collective Labor Agreement (CLA) in Chapter IV of Employment Relations. The following information is contained minimum 18 years.

Based on the results of interviews with workers and workers' representatives (worker unions and gender committees), it is known that workers have understood several points stated in the work agreement and CLA, such as related to working days and hours, calculation of overtime, wages, social security and others.

Based on employee data updated in August 2021, it is known that the current status of workers is all permanent workers. Based on document review, interviews with management and also interviews with outsourced labor providers, it is known that there are jobs carried out by outsourced workers, such as security jobs using the services of PT. Rajawali Mighty Jaya

**3.5.2**

The company shows examples of labor procedures implemented and maintained, such as:

- Decree on the Appointment of PT PISP Employees, number 02.0.4/SK/031/XII/2020, dated December 31, 2020, which explains the appointment of employees on behalf of SUP (initials) as harvesters. The document also explains, among others, employment relations, wages, social security and welfare, company regulations, problem solving and others and is signed by both parties.
- The company maintains the latest employee list document for each unit that informs employee profiles such as place of birth date, origin, education level, date of entry to work, family status, class, position and tenure and type of work.
- Proof of payment of the latest BPJS for Manpower and Health for all workers in both plantations and factories.

Based on the results of the document review, interviews with worker representatives (worker union and gender committee), it is known that the labor procedures have been implemented and documented such as documented employee recruitment, payment of wages and overtime in accordance with government regulations and regulations.

Based on the explanation above, it is known that the certification unit has implemented employment procedures, and documents checked found that the records are well maintained.

Status : Comply

**3.6**

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

**3.6.1**

The company has identified every source of risk and types of risks that may be caused by plantation and mill operations. The results of the identification have been reported in the 2021 hazard source identification, assessment and risk control report for plantations and mills. The information submitted in the report includes description of activities, potential hazards,



OHS risks, risk assessment before control (opportunities, consequences, level), risk control, risk assessment after control and the person in charge. The company has procedures for risk control that have been identified, the company can show the SOP for identification of hazard sources, assessment and risk control sustainability.

Based on the results of field observations, it was found that the harvest area was traversed by electric cables. The company has identified the hazard risks listed in the Hazard Source Identification, Risk Assessment and Control document, period January – December 2021, ratified on January 25, 2021, Plant Section, with a description of harvesting activities at the location of traversed by electric cables, potential danger of electrocution, risk of OHS Seizures / Death, risk assessment opportunity C, effect 5, risk level H, risk control using PPE and ensuring that no cables are peeled off, risk identification for PPE impact, risk assessment after controlled opportunity B, effect 5, risk level L.

Based on the results of interviews with workers in factories and plantations, it is known that workers have understood the sources of hazards and risks in their respective work locations.

A risk assessment is carried out for all company operations, processes and activities where health and safety is an issue, as described in the report.

The mitigation plan has been documented in the 2021 PT PISP Occupational Health & Safety Management System Implementation, which was made by the Guiding Committee Of Occupational Safety & Health secretary on January 14, 2021. The mitigation plan compiled includes programs and policies, Occupational Health & Safety Management System documentation, implementation through communication and monthly Guiding Committee Of Occupational Safety & Health meetings, trainings, identification, inspections and monitoring, review and evaluation. The plan has been implemented by showing the realization of the program that has been made and monitored and evaluated in Guiding Committee Of Occupational Safety & Health meetings every month. Then it is reported in the Guiding Committee Of Occupational Safety & Health quarterly report.

**3.6.2**

The company carries out activities to monitor the effectiveness of the OHS plan, such as:

- Monthly regular meetings for each P2K3 in each unit in order to ensure the effectiveness of the OSH plan that has been prepared at the beginning of the year and report on P2K3 activities to the relevant agencies every 3 months.
- Conducting OHS inspections for each unit
- The company conducts land fire simulations per semester
- Conduct monitoring of emergency response equipment on a quarterly basis.
- Provide and replace PPE to all employees free of charge.
- Conducting employee health checks at the beginning of each year

Status : Comply

**3.7**

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

**3.7.1**

Based on the results of the review of the List of Names of Heavy Equipment Operators, Steam Boiler Operators and Pressure Operators Mill, it is known that there are 2 dump truck operators who have *Surat Izin Operator* (license) for heavy equipment (valid until 2024) and 8 steam boiler operators who have license (valid until 2023). However, proof of license ownership has not been shown yet

Based on the results of field observations at Perdana Intisawit Perkasa Mill and interviews with management, the following conditions were found:

- There is 1 operator working at the engine room station. Based on management information, it is known that there are 3 *pesawat tenaga produksi* operators in mill (3 shifts).
- There is 1 welder working in the welding area of the workshop mill.
- *Peraturan Menteri Ketenagakerjaan* No. 38 of 2016 concerning *Keselamatan dan Kesehatan Kerja Pesawat Tenaga dan Produksi*; and *Peraturan Menteri Tenaga Kerja dan Transmigrasi* No. 02 of 1982 concerning *Kwalifikasi Juru Las di Tempat Kerja* mentions the obligation to have an license for operators.
- Until the Initial Certification is completed, the company has not yet been able to show the training plan for operators as required by the regulations.

Based on the explanation above, it is known that the company has not been able to show a documented training program plan for each worker taking into account the specific needs according to the RSPO principles and criteria. This is a nonconformity No. 2021.03.

Training are accessible for outgrower for example training on safe use of pesticide for Subur Sawit Cooperative (followed by 15 participants) and the Jaya Bersama Cooperative (followed by 19 participants) which were held on 17 and 18 August 2021. During the socialization activity, the company also provided questionnaires to the participants regarding participants' understanding of socialization provided. In question number 10, the company asks questions regarding what programs are currently needed by plasma cooperatives to obtain maximum plasma plantation yields. From the questionnaire, it is known that the programs currently needed by farmers are assistance programs for the provision of fertilizers and pesticides as well as guidance on plantation maintenance.

**3.7.2**

In relation to the realization of the training, the company shows the recorded evidence that has been carried out, including the following:

- Training Record First Resources Learning & Development for the 2020 period, which explains the employee identification number, employee name, gender, department, class, position, training time, type of training and name of training.
- Hydraulic Technical Refresh Training August 2019
- Socialization of the use of PPE around PT PISP and emergency response procedures on July 29, 2021 in the PT PISP Mill parking area and attended by 8 participants consisting of contractor workers and mill workers.
- Heavy Equipment Technical Training August 2019
- Assistance Mentoring Program Training February 2019
- Socialization of the introduction of the first aid kit and emergency response procedures on 25 August 2021 in the PT PISP mill workshop room and attended by 9 participants consisting of workers.
- April 2019 Bearing Technical Training.
- Training/ Socialization Report of Sei Air Hitam Estate, dated May 22, 2021, which explains that training has been held on OHS and a safe pesticide handling environment for the spray unit team, which was attended by 16 employees and the spray foreman.
- Report on PT PISP's *Pelatihan Pemadam Kebakaran Kebun dan Lahan* Socialization and Training Activities, dated July 13, 2021, which was attended by 11 participants.
- Report on Training/ Socialization of PPE, First Aid and emergency response procedures on 10 February 2021 at the Afdeling 1 District Office and attended by 9 participants consisting of 4 harvest foreman, 1 foreman, maintenance foreman, Land Application and others.

Based on the results of interviews with workers and contractors, it is known that the certification unit has provided training related to the activities carried out.

**3.7.3**

The certification unit has been able to demonstrate training on Supply Chain traceability on 09 February 2021 which was attended by 7 participants. Participants who took part in the training, for example, the balance clerk and the factory staff. The training materials include explaining the flow of the RSPO supply chain process, the supply chain model used, RSPO supply chain requirements for mills, receiving certified FFB, receiving raw materials, and sending certified products.

Based on the field observation and interviews with one of the trainees, the personnel concerned have not been able to explain and demonstrate the RSPO supply chain flow including its duties and responsibilities. However, the officer said the training had actually been given. Thus, the certification unit has the opportunity to evaluate and re-assure the training methods that have been provided so that every participant present can understand the training in accordance with their authority (OFI)

**3.7.1 | Status: Nonconformity No. 2021. 03 with Major Category**

**3.8**

**Supply Chain Requirements for Mills**

**3.8.1**

Perdana Inti Sawit Perkasa Mill do not implement IP Module.

**3.8.2**

Based on document verification, the Mill will implements the MB Module, which is received FFB both from certified and uncertified sources

**3.8.3**

Product estimates based on actual production of FFB, CPO, and PK are as follows:

Product	Estimate production of next 12 month of license (MT)
FFB	42,650
CPO	8,200
CPK	2,150

\*Estimate FFB, CSPO, and CSPK based on actual production of FFB, CPO, and PK due until this assessment all product hasn't certified yet

**3.8.4**

The Mill has registered in RSPO Palm Trace as PT Perdana Intisawit Perkasa with information detail i.e :

Name of RSPO member	First Resources Ltd
RSPO Membership Number	1-0047-08-000-00
Name of certified unit	PT Perdana Intisawit Perkasa
RSPO Palm Trace ID Number	PO1000004253

**3.8.5**

The unit of certification has Supply Chain Policies and Procedures dated December 20, 2018 and revised April 22, 2021 (FR.CSM.MRPR rev 01). The references used have adjusted to the certification system and PnC in 2020. The procedures include explaining about traceability at the factory, traceability in bulking, traceability at refineries, traceability at KCP, internal audit, use of IT platforms, to the roles and responsibilities of personnel.

Based on the field observation and interviews with one of the trainees, the personnel concerned have not been able to explain and demonstrate the RSPO supply chain flow including its duties and responsibilities. However, the officer said the training had actually been given. OFI has been stated in 3.7.3

**3.8.6**

Internal audit mechanisms related to SCCS are contained in the Supply Chain Policies and Procedures dated December 20, 2018 and revised April 22, 2021 (FR.CSM.MRPR rev 01) and the procedure states that internal audit is carried out every 1 year. The last internal audit was carried out on 10 and 11 February 2021 in conjunction with the RSPO internal audit. From the results of the internal inspection, it is stated that the company has complied with the RSPO supply chain requirements

**3.8.7**

The Mill has a system to maintain the record of goods in such as in FFB Delivery Note and Mass Balance data, that can identify amount and sources of FFB certified and uncertified received, as well as the certified products (CSPO and CSPK). The data will be verified on surveillance audit

Related for handling non-conforming oil palm products, has been set in the Supply Chain Policies and Procedures dated December 20, 2018 and revised April 22, 2021 (FR.CSM.MRPR rev 01). This procedure is generally applied to all complaints aspects, including complaints and non-conforming products from customers/buyers. Other than that the procedure also state that inform the CB immediately if there is a projected overproduction of certified volume. Based on the certified FFB production recording form, it is known that the recording is done on a daily basis and a monthly recap is made so that it can be known immediately if there is an estimate of over production.

**3.8.8**

This will be verified in surveillance audit

**3.8.9 & 3.8.10**

At the time of Initial Certification, the certification unit uses a third party for the transportation of CPO and Kernel. The third party is CV Teman Setia (Agreement Number 6038/PISP/III/2021 and Agreement number 6055/PISP/1v/2021). The Mill has the record of details of the contractors, covers the contractor company profile, address, contact person, email and phone number, contract agreement and period, and list of vehicles. CV Teman Setia is located in Dusun III, Sidomulyo, Meranti – Asahan North Sumatra Province, Indonesia

Article 11 concerning the implementation of the sustainability certification system states that the second party must provide access to the first party and/or a third party appointed by the first party to verify operations, systems and other information related to the implementation of sustainability.

**3.8.11**

Will be verified in surveillance audit

**3.8.12**

The Mill has had the system to maintain records related RSPO Supply Chain implementation. The records will cover the variable of FFB received from certified and uncertified sources, production of CPO and PK (certified, noncertified, total), products dispatch (as RSPO certified, sell in another certified scheme, sell as non-certified, as well as balance/stock of certified products. The data will be verified on surveillance audit.

**3.8.13**

The conversion rate of production of CPO (OER) and PK (KER) will be based on actual production.

**3.8.14**

This is will be verified on surveillance audits

**3.8.15**

The Mill do not apply RSPO Supply Chain of IP Module.

**3.8.16**

This is will be verified on surveillance audits.

**3.8.17**

This is will be verified on surveillance audits

**Status : Comply**

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

**4.1**

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

**4.1.1**

The company has a policy on Human Rights which is stated in the Decree of the Board of Directors number 018/Sustainability\_FR/P/03/2015 dated March 5, 2015, which states that the company recognizes the right of everyone to recognition, guarantee, protection and fair legal treatment and everyone has the right to the protection of human rights. In addition, the company also showed a Circular Letter of Policy for the Protection of Human Rights and the Use of Paramilitaries, number PISP/SE/003/XII/2020, dated December 10, 2020. Among other things, the policy states that everyone has the right to recognition, guarantees, protection related to human rights and legal certainty and equal treatment the law in Indonesia, the company guarantees the protection of human rights defenders in the company's operational environment and the company does not use military assistance/security services as intimidation in taking security measures within the company.

These policies are communicated through direct socialization, for example, on May 20, 2021. In addition, it is also stated in the Work Agreement document. For example, the Crude Palm Oil (CPO) Transport Agreement, number 6038/PISP/III/2021, dated March 9, 2021, in collaboration with CV Trans Cargo Logistic, which is stated in article 15 –

Legal Compliance and Human Rights.

Based on the results of interviews with workers and workers' representatives (trade unions and gender committees), it was found that there were no incidents of human rights violations in the company, no employees were intimidated and or were subjected to violent treatment by the certification unit.

**4.1.2**

Based on the results of document review, interviews with management, interviews with contractors and field observations, it is known that the certification unit only uses internal and private security officers, namely PT Rajawali Perkasa Jaya and prohibits acts of interference (nuisance) and extra-judicial intimidation by the private security officers referred to above are in accordance with the Circular Letter of the Policy for the Protection of Human Rights and the Use of Paramilitaries, number PISP/SE/003/XII/2020, dated December 10, 2020.

Based on the results of interviews with representatives of the villages of Kepenuhan Baru and Kepenuhan Barat Mulya, who are also the previous land owners, it is known that the certification unit did not commit acts of violence or any form of intimidation in the process of buying and selling/compensating for their land. The land compensation process went well and the payment was appropriate.

**Status : Comply**

**4.2**

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

**4.2.1**

The certification unit has a system for handling complaints and grievance listed in the communication procedure with the document number FR.EMS.CIE dated September 1, 2011 and has been revised on July 29, 2011 (Rev1), where clause 3.15 states that the certification unit management will provide guarantees the anonymity of the whistleblower/whistleblower includes confidentiality, safety, reputation and good name for stakeholders who submit confidential information to the certification unit. In addition, clause 3.16 explains that complaints that have not been resolved by both parties can be proceeded to the court agreed by both parties according to the legislation and if the complaint still cannot be resolved by the court, then the complaint can be submitted through the RSPO complaint panel mechanism.

**4.2.2**

The system for resolving complaints and complaints is included in the communication procedure with the code: FR.EMS.CIE which was ratified on September 1, 2011 which was revised on July 29, 2015, at 3.15 it was explained that the company's management will guarantee the anonymity of the complainant / whistleblower / whistleblower which includes confidentiality, safety, reputation and good name for every stakeholder who submits confidential information to the company. In addition, there is also a communication procedure No FR.EMS.CIE dated November 22, 2018 at point 3.10.7 which explains that the complaint procedure for those who cannot read and write, the complaint procedure mechanism will be submitted using audio media (voice recording) and representatives who can read and write. The company has appointed people who act as communicators between the company and the community so that people who cannot read / write can be informed by the relevant communicators.

**4.2.3**

As explained in the previous indicators, it is known that there are procedures related to communication and consultation procedures. Regarding how the certification unit informs the progress of complaint handling to the parties, this is done in several ways such as through a complaint and dissatisfaction recording form or with a company representative appointed as a liaison between the two parties who can hold formal and informal meetings as well as direct communication or by telephone.

**4.2.4**

Based on the results of the review of cooperation agreement documents with contractors, for example CPO Transportation contractors with agreement letter number 6038/PISP/III/2021, dated March 9, 2021, it is known that the cooperation agreement letter contains conflict resolution mechanisms including options for obtaining legal and technical assistance



from an independent party listed in Article 10. Based on interviews with representatives of the people of Kepenuhan Baru Village and Kepenuhan Barat Mulya Village as well as representatives of trade unions, it is known that until now there are no complaints and grievances related to the company activities.

In addition, based on the results of the document review, interviews with management and interviews with the *Dinas Koperasi UKM, Transmigrasi dan Tenaga Kerja* Rokan Hulu Regency, it is known that there are industrial relations problems that are currently being handled by the Manpower Office, where after going through the mediation process, the company was given a letter of recommendation from the *Dinas Koperasi UKM, Transmigrasi dan Tenaga Kerja* Rokan Hulu Regency.

The company has the opportunity to ensure the settlement of industrial relations problems as contained in the Recommendation Letter from the *Dinas Koperasi UKM, Transmigrasi dan Tenaga Kerja* Rokan Hulu Regency, dated August 16, 2021. (OFI)

Status : Comply

**4.3**

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

**4.3.1**

The existence of the company has basically contributed to community development, for example in the form of partnership smallholder cooperation. Up to ST-2, there were 9 cooperatives/KUD partnerships implemented with an area of 6,431.80 ha. Cooperation is in terms of buying and selling FFB including providing special assistants as farmer coaches.

The certification unit has been able to demonstrate the CD-CSR program in 2021 and the realization of the implementation of CD-CSR in 2020. In the program in 2021, the villages targeted for activities are Kepenuhan Barat Mulya, Kepenuhan Baru, and Kepenuhan Makmur with the following types of activities:

- Education
- Infrastructure sector
- Community proposal

The certification has been able to demonstrate the realization of CD-CSR for year 2020 i.e :

- Food package assistance for the community (distributed through the DPRD) on April 28, 2020
- Repair of the Sontang – Duri Village axis road on November 6, 2020
- Teacher honors (monthly) for 3 kindergarten teachers and quarterly scholarships with a total of 81 students receiving assistance

The certification unit can also show a questionnaire on community responses to the provision of information and the CD-CSR program for 2021. The contents of the questionnaire are more about responses from the community to the ongoing CD-CSR program and do not clearly describe the active role of the community in programming. This is in line with the results of public consultations with representatives of the Kepenuhan Barat Mulya Village who stated that they had never been involved in the preparation of community development programs. Thus the certification unit has the opportunity to consider the involvement of the surrounding community in the preparation of the CD-CSR program so that social responsibility and contribution to community development are in accordance with the needs of the community and involvement of all relevant stakeholders in the preparation of CSR programs. (OFI)

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 unit of certification has compliance with several legal aspects as follows:

- *HGU* (Land Use Tile)  
In accordance with the Decree of the Minister of State for Agrarian Affairs/Head of the National Land Agency Number: 60/HGU/BPN/95 dated 26 September 1995 concerning the Granting of Cultivation Rights to PT Perdana Intisawit



Perkasa to grant Cultivation Rights covering an area of 2,467 ha for 35 years. Subsequently, the certificate of HGU No. 1 was issued for a land area of 2,467 ha on March 14, 1996. The certificate stated that the expiry period of the rights was 35 years until December 31, 2030.

- Plantation Business Permit  
In accordance with the Decree of the Regent of Rokan Hulu Number: Kpts.100/SETDA-PEM/88/2016 concerning the Plantation Business Permit of PT Perdana Intisawit Perkasa for a net area of 2,467 Ha with a processing unit capacity of 90 tons of FFB/hour

The history of land origin has been described in the HGU Decree. The area formerly was State Owned Land in the form of convertible forest area (*Hutan Produksi Konversi/HPK*) of Sungai Air Hitam Forest Group, that has been released to plantation area based on Forestry Minister Decree No. 418/Kpts-II/1992 dated 2 May 1992 amount of 11,863.75 ha. To the area occupied by the community has been compensated amount of 2,502.80 ha to the 606 land owners.

**4.4.2; 4.4.3; 4.4.4; 4.4.5**

Even though the HGU officially sourced from forest area, most of the land also occupied by community. The area that occupied by the community has been compensated amount of 2,502.80 ha to the 606 land-owners. Evidence of participatory mapping and land compensation has been shown made in Indonesian language, such as map, price agreement, and payment receipt. For example, to the land-owner with an initial M.Y for an area of 3.1 ha. The documentation acknowledged and witnessed by boundary land owner, Village Head, and Sub-District Head (*Camat*). Moreover, according to the Indonesian law, the HGU issuance conducted by due diligent of land ownership identification in FPIC process. The Land Agency has ensured that the proposed HGU had been free from any community ownership before the HGU can be granted.

Based on the interviews with representatives of the villages of Kepenuhan Baru and Kepenuhan Barat Mulya, it is known that the land acquisition has been in accordance with the agreement. There was never any coercion in the land compensation process. The unit of certification can also show a *HGU* map and an operational map that shows the legal boundaries of the operational area

**4.4.6**

The land acquisitions and *HGU* conducted in 1995. Until the initial certification, there is no new land acquisition. Therefore, does not need for evaluation of the FPIC process.

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; 4.5.6; 4.5.7; 4.5.8**

The land acquisitions and HGU conducted in 1995. Until the initial certification, there is no new land acquisition.

Status : Comply

**4.6**

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

**4.6.1, 4.6.2, 4.6.3, 4.6.4**

The Company has FPIC procedure code FR.EAC.FPC dated 17 June 2013. Procedures explaining the land compensation process through FPIC begin from identification of landowners, negotiating compensation, payment of compensation, etc. The history of land origin has been described in the HGU Decree. The area formerly was State Owned Land in the form of convertible forest area (*Hutan Produksi Konversi/HPK*) of Sungai Air Hitam Forest Group, that has been released to plantation area based on Forestry Minister Decree No. 418/Kpts-II/1992 dated 2 May 1992 amount of 11,863.75 ha.

Even though the HGU officially sourced from forest area, most of the land also occupied by community. The area that occupied by the community has been compensated amount of 2,502.80 ha to the 606 land-owners. Evidence of participatory mapping and land compensation has been shown made in Indonesian language, such as map, price

agreement, and payment receipt. For example, to the land-owner with an initial M.Y for an area of 3.1 ha. The documentation acknowledged and witnessed by boundary land owner, Village Head, and Sub-District Head (*Camat*). Moreover, according to the Indonesian law, the HGU issuance conducted by due diligent of land ownership identification in FPIC process. The Land Agency has ensured that the proposed HGU had been free from any community ownership before the HGU can be granted.

Until the initial certification, there is no new land acquisition. The company also has no plan to conduct any new land expansion in the near future. The management stated that the company will develop a SOP of land compensation according to the FPIC manner, and ensure the FPIC conducted accordingly, including for men and women land owners.

Based on the interviews with representatives of the village of Kepenuhan Baru and the village of Kepenuhan Barat Mulya, it is known that so far there is no issue related to land dispute. The land acquisition process does not take away community rights and is in accordance with the agreement

Status : Comply

**4.7**

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

**4.7.1, 4.7.2, 4.7.3**

The Company has FPIC procedure code FR.EAC.FPC dated 17 June 2013. Procedures explaining the land compensation process through FPIC begin from identification of landowners, negotiating compensation, payment of compensation, etc. The history of land origin has been described in the HGU Decree. The area formerly was State Owned Land in the form of convertible forest area (*Hutan Produksi Konversi/HPK*) of Sungai Air Hitam Forest Group, that has been released to plantation area based on Forestry Minister Decree No. 418/Kpts-II/1992 dated 2 May 1992 amount of 11,863.75 ha.

Even though the HGU officially sourced from forest area, most of the land also occupied by community. The area that occupied by the community has been compensated amount of 2,502.80 ha to the 606 land-owners. Evidence of participatory mapping and land compensation has been shown made in Indonesian language, such as map, price agreement, and payment receipt. For example, to the land-owner with an initial M.Y for an area of 3.1 ha. The documentation acknowledged and witnessed by boundary land owner, Village Head, and Sub-District Head (*Camat*). Moreover, according to the Indonesian law, the HGU issuance conducted by due diligent of land ownership identification in FPIC process. The Land Agency has ensured that the proposed HGU had been free from any community ownership before the HGU can be granted.

Until the initial certification, there is no new land acquisition. The company also has no plan to conduct any new land acquisition in the near future. The management stated that the company will develop an agreed SOP of land compensation according to the FPIC manner, and ensure the FPIC conducted accordingly, including for men and women land owners.

Status : Comply

**4.8**

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

**4.8.1, 4.8.2, 4.8.3, 4.8.4**

Based on land title and land acquisition documentation, it was known that the land acquisition process carried out appropriately. There is no indication of land grabbing or land dispute within the HGU area.

Based on the interviews with representatives of the *BPN* Rokan Hulu Regency, Representatives of the Village Community of Kepenuhan Baru, and Representatives of the Village Community of Kepenuhan Barat Mulya, it is known that so far there have been no issues regarding land disputes.

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**

The company has a FFB price document which is continuously updated every week, the FFB price detail document is issued by the Plantation Service, Riau Province in the form of Minutes of the Results of the Meeting on Determining the Purchase Price of FFB for Palm Oil Production. Documents owned by the company include:

- Price fixing document Number 13/TPH TBS-III/2021 for the period 22 – 28 March 2021
- Price fixing document Number 14/TPH TBS-IV/2021 period 7 – 13 April 2021
- Price fixing document Number 15/TPH TBS-IV/2021 for the period 14 - 20 April 2021
- Price fixing document Number 16/TPH TBS-IV/2021 for the period 21 - 27 April 2021
- Price fixing document Number 17/TPH TBS-IV/2021 for the period 28 April – 4 May 2021
- Price fixing document Number 18/TPH TBS-V/2021 for the period 5 – 11 May 2021
- Price fixing document Number 19/ TPH TBS-V/2021 for the period 12 – 18 May 2021
- Price fixing document Number 20/ TPH TBS-V/2021 for the period 19 – 25 May 2021
- Price fixing document Number 21/ TPH TBS-V/2021 26 May – 1 June 2021
- Price fixing document Number 22/ TPH TBS-VI/2021 2 – 8 June 2021
- Price fixing document Number 23/ TPH TBS-VI/2021 9 – 15 June 2021
- Price fixing document Number 24/ TPH TBS-VI/2021 16 – 22 June 2021
- Price fixing document Number 25/ TPH TBS-VI/2021 23 – 29 June 2021
- Price fixing document Number 26/ TPH TBS-VI/2021 30 June – 6 July 2021
- Price fixing document Number 27/ TPH TBS-VII/2021 7 – 13 July 2021
- Price fixing document Number 28/ TPH TBS-VII/2021 14 – 20 July 2021
- Price fixing document Number 29/ TPH TBS-VII/2021 21 - 27 July 2021
- Price fixing document Number 30/ TPH TBS-VII/2021 28 July – 3 August 2021
- Price fixing document Number 31/ TPH TBS-VIII/2021 4 – 10 August 2021
- Price fixing document Number 32/ TPH TBS-VIII/2021 11 - 17 August 2021
- Price fixing document Number 33/ TPH TBS-VIII/2021 18 - 24 August 2021

Based on the results of interviews with the Company's management, information was obtained that all these documents can be accessed by farmers directly from the Plantation Service or from Plasma Assistants through communication media. In addition, the company also has a mechanism for conveying prices to farmers in the form of direct information by Plasma Assistants who visit farmers every day which is submitted directly to the Cooperative Management.

**5.1.2**

Based on the results of interviews with representatives of plasma cooperatives, it is known that the company always provides information regarding the price of FFB issued by the Plantation Office through the plasma assistant. Besides that, the representatives of the cooperatives also explained that they always send representatives from the cooperatives to attend the FFB price determination meetings conducted by the relevant agencies (the Plantation Office).

**5.1.3 and 5.1.5**

The company has determined a fair price that has been agreed with the supplier farmers, which is documented in the Cooperation Agreement, including:

- Letter of agreement PT.PISP I with KKPA dated 23-09-2015 which is valid for 25 years
- Letter of agreement PT.PISP I with Plasma dated 09-23-2015 Year
- Letter of agreement PT.PISP I with *Pir Trans* dated 09-23-2015 which is valid for 25 years

In which there is a statement that the price set to determine the selling price of the FFB is the price set by the Price Determination Team of the Riau Province Plantation Service, so that the parties hereby declare that they will obey the price fixing so that one party and the other party are not entitled to ask for a price increase or decrease.

The contract document contains several agreements, including:

- The first party is still obliged to buy FFB from the Second Party, whereas the second party also has the obligation to sell only to the first party for 1 planting cycle (25 years).
- The parties emphasized that the FFB sold was FFB physically grown and produced from the second party plantation,

not from other plantation

- Those who state that the price set to determine the selling price of FFB is the price set by the Riau Province Plantation Service Pricing Team, so that the parties hereby declare that they will obey and comply with the price fixing so that one party and the other party are not entitled to request increase or decrease in price.

Related to this, it can be concluded that the company has a contract that is made fairly, in accordance with applicable law, and is transparent, and has an agreed term.

#### **5.1.4**

The company has shown evidence that parties including women and representatives of independent organizations who assist smallholders when requested, are involved in the decision-making process and understand the contents of the contract. This evidence can be seen in the Collective Agreement between the company and independent smallholders in the form of buying and selling FFB, as well as the partnership agreement with plasma farmers. The agreement letter was signed by all representatives of farmers, the company and witnesses from representatives of the district government.

Based on the results of interviews with representatives of the Sawit Subur Cooperative and the Jaya Bersama Cooperative, it is known that all farmer members of the cooperative have received an explanation from the cooperative management regarding the clauses contained in the joint agreement between the company and the cooperative.

#### **5.1.6**

The company has shown proof of payment documents that have been agreed upon and carried out in a timely manner and given a receipt explaining the price, weight of FFB, deductions, and the amount paid. Examples of proof of payment are:

1. Minutes of FFB purchase from KUD Sawit Subur SP.III Kecepatan Makmur period 1 – 30 April 2021 with a total net FFB received of 1,725,430 Kg
2. Proof of Bank Pay through Bank Mandiri number 108.0003172278 dated May 18, 2021 which was paid to KUD SP III (Sawit Subur)
3. Minutes of FFB purchase from KUD Sawit Subur SP.III Kecepatan Makmur period 1 – 31 May 2021 with a total FFB received of 1,684,510 Kg, penalty cuts (sorting) 210 Kg, and Total net FFB received 1,684,300 Kg
4. Proof of Bank Pay through Bank Mandiri number 108.0003172278 dated June 17, 2021 which was paid to KUD SP III (Sawit Subur)
5. Minutes of FFB purchase from KUD Sawit Subur SP.III Kecepatan Makmur period 1 – 30 June 2021 with a total FFB received of 1,739,730 Kg, penalty deductions (sorting) 0 Kg, and Total net FFB received 1,739,730 Kg
6. Proof of Bank Pay through Bank Mandiri number 108.0003172278 dated July 19, 2021 which was paid to KUD SP III (Sawit Subur)

Each proof of FFB payment above is accompanied by a table detailing the receipt of plasma FFB each month. Based on the document review and the results of interviews with representatives of the Plasma Cooperative, it was found that the FFB payments made were in accordance with the FFB price set by the Riau Province Plantation Service Pricing Team.

#### **5.1.7**

The company has demonstrated evidence that the weighing equipment has been periodically verified by an independent third party. Verification activities are carried out annually by the Legal Metrology Division of the Industry and Trade Office of Rokan Hulu Regency. The documents are as follows:

1. Certificate of Examination Results Number 510.3/Disperindag-Metro/02.05.47.1/VII/2020 which was ratified on July 10, 2020
2. Certificate of Examination Results Number 510.3/Disperindag-Metro/02.05.47.2/VII/2020 which was ratified on July 10, 2020.
3. Certificate of Examination Results Number 510.3/Disperindag-Metro/02.05.66.05/VI/2021 which was legalized on June 21, 2021. The next calibration activity will be carried out on July 10, 2022 or if the calibration mark is damaged
4. Certificate of Examination Results Number 510.3/Disperindag-Metro/02.05.66.06/VI/2021 which was legalized on June 21, 2021. The next calibration activity will be carried out on July 10, 2022 or if the calibration mark

#### **5.1.8**

The company has disseminated the RSPO certification system and the safe use of pesticides to plasma farmers. Examples of cooperatives that have received socialization are the Subur Sawit Cooperative (followed by 15 participants) and the Jaya Bersama Cooperative (followed by 19 participants) which were held on 17 and 18 August 2021. During the socialization activity, the company also provided questionnaires to the participants regarding participants' understanding of socialization provided. In question number 10, the company asks questions regarding what programs are currently needed by plasma cooperatives to obtain maximum plasma plantation yields. From the questionnaire, it is known that the programs currently needed by farmers are assistance programs for the provision of fertilizers and pesticides as well as guidance on plantation maintenance.

Based on the results of interviews with representatives of the Sawit Subur Cooperative and the Jaya Bersama Cooperative, it is known that the cooperative has provided assistance in the form of providing warehouses and fertilizers for farmers' needs. Farmers can use it in advance and will pay for it at a later date. This is very helpful for farmers from a financial perspective. In addition, representatives from farmer cooperatives explained that they had received socialization related to a good FFB harvesting system to improve the quality of the FFB products produced.

The Company has also shown the document of the Company's Joint Commitment with the Plasma Cooperative in the Implementation of the RSPO Certification System. One example is the joint commitment between the company and Koperasi Jaya Bersama which was signed jointly on August 16, 2021. The explanation for the letter of agreement is that PT Perdana Intisawit Perkasa and Koperasi Jaya Bersama hereby declare their commitment to implementing the principles and criteria of the RSPO in the future as follows:

1. PT PISP Estate Sei Air Hitam and Koperasi Jaya Bersama as suppliers agreed to prepare their Plasma Estates to be RSPO certified, 3 years after PT PISP Estate Sei Air Hitam obtained RSPO certificate
2. The management of the company and the cooperative will jointly prepare for the management of the plasma towards the RSPO certification program for plasma farmers which will be reviewed annually.
3. PT PISP Estate Sei Air Hitam will support both managerially and best practice oil palm plantation management in accordance with RSPO guidelines.

**5.1.9**

The company already has a communication procedure No. FR.EMS.CIE was published on November 22, 2018 and has been revised on February 24, 2020 (Rev1), where in clause 3.14 the company management will guarantee the anonymity of the whistleblower/whistleblower including confidentiality, safety, reputation and good name for each of the whistleblowers. stakeholders who pass on confidential information to the company.

In addition, there is also a reporting/complaint mechanism via email or company hotline where the confidentiality of the reporter is protected. The hotline number and email of the complaint are posted in every plantation and factory office unit as well as visible public places.

The company has disseminated the RSPO certification system and the safe use of pesticides to plasma farmers. Examples of cooperatives that have received socialization are the Subur Sawit Cooperative (participated by 15 participants) and the Jaya Bersama Cooperative (followed by 19 participants) which will be held on August 17 and 18, 2021. In this socialization activity there are also other agendas, namely:

1. RSPO and its scope for oil palm smallholders
2. RSPO certification requirements for oil palm smallholders
3. Mechanism for handling complaints from plasma farmers
4. Introduction of High Conservation Value

**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**

The company has disseminated the RSPO certification system and the safe use of pesticides to plasma farmers. Examples of cooperatives that have received socialization are the Subur Sawit Cooperative (followed by 15 participants) and the Jaya Bersama Cooperative (followed by 19 participants) which were held on 17 and 18 August 2021. During the



socialization activity, the company also provided questionnaires to the participants regarding participants' understanding of socialization provided. In question number 10, the company asks questions regarding what programs are currently needed by plasma cooperatives to obtain maximum plasma plantation yields. From the questionnaire, it is known that the programs currently needed by farmers are assistance programs for the provision of fertilizers and pesticides as well as guidance on plantation maintenance.

Based on the results of interviews with representatives of the Sawit Subur Cooperative and the Jaya Bersama Cooperative, it is known that the cooperative has provided assistance in the form of providing warehouses and fertilizers for farmers' needs. Farmers can use it in advance and will pay for it at a later date. This is very helpful for farmers from a financial perspective. In addition, representatives from farmer cooperatives explained that they had received socialization related to a good FFB harvesting system to improve the quality of the FFB products produced.

**5.2.2 and 5.2.4**

The company has disseminated the RSPO certification system and the safe use of pesticides to plasma farmers. Examples of cooperatives that have received socialization are the Subur Sawit Cooperative (participated by 15 participants) and the Jaya Bersama Cooperative (followed by 19 participants) which will be held on August 17 and 18, 2021. In this socialization activity there are also other agendas, namely:

1. RSPO and its scope for oil palm smallholders
2. RSPO certification requirements for oil palm smallholders
3. Mechanism for handling complaints from plasma farmers
4. Introduction of High Conservation Value
5. Company support program for plasma farmers.

**5.2.3**

Based on the results of interviews with representatives of plasma cooperatives, it is known that the company has provided assistance in terms of managing the legality of land owned by farmers in the form of assistance in the management of Ownership Certificates at the beginning of the development of oil palm plantations. In addition, at the beginning of the development of smallholder/cooperative oil palm plantations, the company provided assistance in providing certified oil palm seeds.

**5.2.5**

The company has demonstrated public reporting on the progress of farmer support on a regular basis. The report is contained in the First Resources Sustainability Report 2020. In the report it is stated "As at end 2020, we manage 31,432 hectares of schemed smallholders covering 15% of the total plantation area managed by First Resources, and 8% of the FFB we processed".

We also have more than 2,300 independent smallholders supplying to us as of end 2020. FFB is also supplied by independent smallholders through dealers. For independent smallholders, we socialise our Policy on Sustainable Palm Oil and ensure that they adhere to our standards via workshops. During the workshops, we also take the opportunity to ask new independent smallholders to fill in our supplier onboarding form, in which they acknowledge they have received and understood our Policy requirements. Due to the ongoing COVID-19 pandemic, we were unable to carry out engagements with independent smallholders during 2020.

**Status : Comply**

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

**6.1**

**Any form of discrimination is prohibited.**

**6.1.1**

The non-discrimination and equal opportunity policies are provided in the Decree of the Board of Directors concerning Equal Employment Opportunity Policy, No. 011.A/Sustainability\_FR/P/VI/2012, endorsed by the CEO on 15 June 2012, which states that FR Group will not discriminate against anyone in terms of employment or in its business activities, the selection and promotion process is assessed based on qualifications and experience.



Based on the results of field observations, interviews with workers, interviews with worker unions and gender committees as well as the results of consultations with the manpower office, it is known that the certification unit has implemented policies related to non-discrimination and equality of opportunity such as employees who work vary from race/ethnicity, religion, gender, educational background, etc.

### **6.1.2**

Based on the results of the review of employee list documents, such as the List of Labor Forces updated in August 2021, information is known that there are local communities and women workers. There are no migrant workers in the unit of certification

Based on the results of interviews with workers, interviews with internal stakeholders, interviews with representatives of surrounding villages and interviews with the Manpower Office, it is known that workers come from surrounding villages (local residents) and workers who come from outside the area.

Based on the results of document review and interviews with management, it was found that the company did not collectively recruit from other provinces. Workers from other provinces individually and voluntarily come to look for jobs recruited by this company. In addition, they also get information from their relatives if the company opens job vacancies. Based on the results of interviews with the Manpower Office, it was found that workers came from surrounding villages and workers who came from outside areas individually and did not go through the *Angkatan Kerja Antar Daerah* procedure.

### **6.1.3**

The promotion process is carried out based on skills, capabilities and quality where the assessment is carried out by the appraiser, direct supervisor and indirect supervisor. For example, the assessment of the harvest foreman with aspects of assessment, namely discipline, quantity, quality of work, cooperation, work attitude and responsibility. In addition, based on the results of interviews with management and labor unions, it is known that the recruitment process for employees begins with a check on administrative completeness, an initial medical check-up before working and a job appraisal process by supervisors.

### **6.1.4**

Based on the results of the review of employee recruitment documents, it was found that there was no obligation for prospective female workers to take a pregnancy test. All female workers who were met and interviewed by the auditors during field observations explained that at the time of hiring employees they did not take a pregnancy test, only did a physical health test, administration and interviews.

### **6.1.5**

The company already has a sexual harassment policy in the Decision Letter of the Board of Directors No. 011.C.SUSTAINABILITY\_FR/P/VI/2012 made on June 15, 2012 by the CEO, which among other things explains that FR Group and all of its subsidiaries prohibit all forms of sexual harassment in the form of physical, comments, jokes and/or displays and other behaviors that applies to both men and women. Coworkers should be treated well.

The company also has a policy of protecting reproductive rights in the decision letter of the board of directors No. 011.SUSTAINABILITY-FR/P/VI/2012 created on June 15, 2012 by the CEO.

The company has established a gender committee for plantations and mills with the following composition of management, including the Chair, Gender Equality Coordinator, Counseling Coordinator, Women's Rights Coordinator and Training Coordinator.

There are also gender committee programs for the next year, such as:

- Conducting outreach/socialization and knowledge transfer related to laws governing gender equality.
- Open a consultation and complaint room for female workers, especially victims of sexual harassment
- Always update and socialize the development of information regarding the enforcement of gender equality.

Based on the results of interviews with representatives of the Gender Committee, it is known that there have been no incidents of sexual harassment or domestic violence, the gender committee conducts outreach to female workers and

people at home through the morning briefing, *Posyandu* activities and activities in other housing and available leave of attendance with a mechanism to report to the foreman and will be examined at the clinic.

Based on the results of document review and interviews with representatives of the gender committee, it is known that the gender committee has programs and activities that focus on equality, prevention of harassment and the implementation of reproductive rights. Based on the results of the study of the Organizational Structure of the Gender Committee of PT PISP Sei Air Hitam Estate for the period 2020 – 2022, it is known that the committee consists of male and female workers. For example the advisor of its committee is General Manager

**6.1.6**

The company has a policy on the structure and scale of wages that contains information on each wage for each class and position. Where the lowest group is Class A (Permanent Daily Employees) and the highest group is Group I (Directors). Each position also contains a different amount of wages. For the same job, the company sets the same basic salary, for example, harvest workers have the same basic salary, but the difference is the amount of each premium.

Based on article 23 of the Collective Labor Agreement, it is explained that a married woman worker only receives allowance for herself, except as long as her husband according to the company doctor's statement that his physical and spiritual condition is unable to earn a living for his family or his husband dies, the married woman worker can also receive additional allowance for their children.

Based on the results of interviews with workers, for example harvest workers, it is known that for the same job, the company sets the same amount of basic salary, for example harvest workers have the same basic salary, but the difference is the amount of each premium. The company has a policy on the structure and scale of wages that contains information on each wage for each class and position. Where the lowest group is Class A (Permanent Daily Employees) and the highest group is Group I (Directors). Each position also contains a different amount of wages.

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**

Based on the results of the document review, it is known that a decent living wage is given to all workers in accordance with applicable regulations, which refers to the Decree of the Governor of Riau, number: Kpts.1581/XI/2020 concerning Regency/City Minimum Wages in Riau Province 2021, 20 November 2020, which includes deciding the Rokan Hulu Regency's monthly wage of Rp. 2.960,855.02,-. However, because in 2020 the company uses the calculation of wages based on the Decree of the Governor of Riau number Kpts 5999/III/2020 concerning the minimum wage for the Agriculture/Plantation Sector of Riau Province in 2020 which takes effect on January 1, 2020. The stipulation states that the minimum wage for Rokan Hulu Regency is IDR 3,020. 000. And until the stage-2 audit activity was carried out there was no increase in wages from the local government, so the company continued to use the wage provisions based on the Managing Director's Circular Letter, dated March 19, 2020, number 02.0/SE/011/III/20, regarding daily employee wages in 2020 ., which states that the worker's wage is Rp. 3,020,000, in-kind allowances, overtime pay and others.

Based on Employee Data based on employment status in August 2021, it is known that employment status consists of Permanent Daily Employees and Permanent Monthly Employees. Based on document review, interviews with management and also interviews with outsourced labor providers, it is known that there are jobs carried out by outsourced workers, such as security jobs using the services of PT. Rajawali Perkasa Jaya.

The certification unit also shows wage documentation, including the June 2021 wage slip which shows the difference between employees who have worked for more than 1 year and employees who have worked for less than 1 year.

Based on the results of interviews with workers and workers' representatives (trade unions and gender committees), it is known that employees have understood several points mentioned in the work agreement and CLA, such as those related to wages, social security and so on.

Based on interviews with trade unions and workers, it was explained that the certificate holder had paid wages in accordance with the minimum wage set by the government and there were no problems with payment or worker welfare.

### 6.2.2

The company already has a Collective Labor Agreement which has been ratified by the Head of the Manpower and Transmigration Office of Rokan Hulu Regency based on letter number KPTS.13 of 2018 dated April 18, 2018. Several things are regulated in the CLA, including acceptance of workers, status workers, wages, dependents, positions, wage increases, fines, compensation, deductions from wages, official travel expenses, working days/ hours, overtime work, care, maternity, accident/ death benefits, wages during illness, wages while detained by the party who authorities, family planning programs, holiday allowances, bonuses, employee cooperatives, unions, leave, work safety, the environment, transfer provisions, rules, prohibitions, disciplinary violations, termination of employment, provision of severance pay, settlement of complaints, obligations workers, work experience certificates, age limit to stop working, and others.

Based on the results of interviews with workers and workers' representatives (worker unions and gender committees), it is known that there are work agreements and related documents that regulate detailed wages and work requirements, such as regular working hours, deductions, overtime, sick leave, the right to vacation (leave), maternity leave, reasons for dismissal and salary breakdown documents that provide accurate information on compensation for work performed.

Based on the results of interviews with workers, it is known that there is a fine in the form of salary deductions if the harvester makes a harvest error such as harvesting raw FFB. This has been socialized every morning briefing which is a harvest work standard according to established procedures.

Based on the results of interviews with trade unions, it is known that the CLA has expired. However, the labor union and the company have negotiated and produced a collective agreement in the form of a Collective Cooperation Agreement for the period 2021 – 2023, which was signed by the parties who agreed on July 21, 2021. However, the CLA was registered with the agency responsible for the employment sector related to the pandemic Covid-19. The company has the opportunity to ensure that the agreed CLA is registered by the entrepreneur to the agency responsible for the manpower sector. (OFI)

Based on the results of interviews with workers and verification of payroll documents, it is known that there are wage deductions such as for BPJS Employment, BPJS Health, and Pension Security. For example, the salary slip for for November 2021, explains the total deduction for that month's salary which consists of BPJS Employment, BPJS Health, and Pension Security.

Payroll documents provide accurate information about compensation for all work performed. For example, what is shown in the Maret 2022 salary slip, for example, the mill compound employee salary slip, which explains basic wages, overtime, BPJS Health and BPJS Employment contributions. The overtime calculation has been shown and is in accordance with the overtime provisions. Wage deductions for contributions have been in accordance with the percentage of responsibility that must be paid by workers

### 6.2.3

The following are some of the compliances that have been implemented by the company:

- Working hours are working days that are regulated and determined by the company according to the needs and interests of the company and still follow the applicable legal provisions, namely Law no. 13 of 2003 Article 77 paragraph 2.a.
- The company determines the working hours according to the needs and interests of the company carried out in accordance with the provisions of the applicable law, namely 7 hours a day and 40 hours a week.
- Overtime working hours are carried out by workers outside the normal working hours, calculating overtime work and providing extra food according to the Decree of the Minister of Manpower and Transmigration of the Republic of Indonesia no. 102 of 2004.
- For employees who carry out state obligations as stipulated in Government Regulation no. 8 of 1981 concerning Wage Protection.
- The company pays religious holiday allowances to employees in accordance with the Regulation of the Minister of Manpower of the Republic of Indonesia No. 6 of 2016.

- The company applies the termination of employment by referring to Article 156 paragraphs 2 and 3 of Law 13 of 2003.

#### 6.2.4

The company shows a list of employee welfare facilities in the 2021 List of Plantation and Mill Facilities List. The following details are shown:

- 1 Clinic
- 3 Sports Fields
- 8 Places of Worship
- 1 Kindergarten
- 2 School Bus Units
- 2 Fuel Filling Units
- 1 Workshop
- 180 Permanent House
- 208 Semi-Permanent House Doors
- 6 mess.

Based on the results of field observations, for example at Block B-27 Houses, it is known that the certification unit has provided proper housing, sanitation facilities, water supply, medical needs, education, sports facilities, worship facilities, shuttle buses for school children and other public facilities.

#### 6.2.5

The certification unit has provided sufficient access for workers and suppliers to meet and transact in the plantation area. This is evidenced by, among others, the existence of:

- Payday market at any time of payroll
- Mobile vegetable traders who enter the employee housing area
- Shops opened by employees with company permission

In addition, workers also receive rice which is distributed once a month in accordance with CLA.

Based on the results of interviews with residents of housing and workers, it was stated that workers had no difficulty in obtaining adequate food sources at competitive prices. There is a monthly market every month after payday and a mobile vegetable trader who enters the employee housing area. In addition, there are also housing employees / residents who sell basic necessities in the housing area.

#### 6.2.6

Due to the absence of a Decent Living Wage standard in Indonesia, the certification unit has implemented a minimum wage regulation, namely the Riau Province Plantation Agricultural Sectoral Minimum Wage for its employees for the 2020 period and also in 2021 still using this reference because there will be no wage increase in 2021, as mandated through the Decree of the Governor of Riau No. Kpts 5999/III/2020 dated March 18, 2020. The company's policy on wages in 2020 is stated in the Circular of the Managing Director dated March 19, 2020, which is addressed to daily employees regarding worker wages, which is Rp. 3,020,000, rice allowance, overtime pay and others. The unit of certification has included and calculated the prevailing wages and allowances in kind for a living wage. Applicable wage components include rice allowances, housing allowances, bonuses, *Tunjangan Hari Raya*, education allowances, housing facilities, health services, child care, entertainment with each parameter. In general, the value of in-kind benefits (non-cash) is around 48% of the basic salary.

#### 6.2.7

Based on employee data listed in the List of Plantation and Mill Workers for the period August 2021, it is known that permanent workers are employed for all major work carried out by the certification unit, such as harvesting, generator operators, security, division clerks, foreman. maintenance, production foreman, transport crew and so on. Meanwhile, permanent workers in the mill are employed in main jobs such as boiler operators, mechanics, workshop clerks, security guards, analysts, wheel loaders operators, power house operators, process foreman, warehouse clerks and so on. There

are no temporary workers and limited daily casual workers. The company cooperates with contractors for security providers.

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 unit of certification represents a statement issued by the company explaining that the company recognizes freedom of association.

In the CLA owned by the company, especially in Chapter II concerning Recognition and Guarantees for Labor Unions, Guarantees for Labor Unions explain that:

- The company will not hinder the activities and development of the trade union as long as the activities do not interfere with the smooth running of the company.
- The company recognizes the union to file a complaint against actions that harm union members.
- To maintain good relations and cooperation between employers and trade unions.
- The company will provide a union office space in the company.
- The company will not interfere in the internal affairs of the union.
- The labor union will assist the company in implementing work discipline, work discipline and safeguarding company assets.

This matter has approved through the existence of “*Serikat Pekerja Seluruh Indonesia*”. The worker union has registered to the Manpower Agency of Rokan Hulu Regency dated 1 November 2019. Based on the results of interviews with representatives from the Workers' Union, Manpower Office and several workers, it is known that there are policies related to freedom of association and have been implemented well in the field.

**6.3.2**

The company shows several recorded meetings between the union and the company, including:

- Report on the results of the Company's Management Meeting with the Labor Union on April 2, 2020 which discussed the socialization of the 2020 Riau Province Plantation Agricultural Sectoral Minimum Wage increase and the COVID 19 prevention protocol in the company environment.
- Report on the results of the Company's Management Meeting with the Labor Union on August 5, 2020, which discussed the 75th Indonesian Independence Day and the commemoration of the Islamic New Year 1442 H.

**6.3.3**

In the CLA owned by the company, especially in Chapter II concerning Recognition and Guarantees for Labor Unions, Guarantees for Labor Unions explain that the company will not interfere in the internal affairs of the trade unions. Based on the results of interviews with the head of the trade union, it is known that in the process of selecting the management of the union, the members are elected directly without any intervention from the company.

Status : Comply

**6.4**

**Children are not employed or exploited.**

**6.4.1**

To ensure that the company does not employ employees under the minimum age set in government regulations, the company has issued a child labor policy no. 011.B/SUSTAINABILITY-FR/P/VI/2012 which states that the FR Group and its subsidiaries are committed not to employ children under the age of 18 and will ensure that by checking the identity cards of workers at the time of recruitment.

Based on the results of the review of the worker list document and the results of field observations, it is known that there are no workers who enter work under the age of 18 years, the age of the youngest worker at the time of starting work in the company is an employee with the age of 18 years.



**6.4.2**

Based on the results of the review of the list of workers listed in the List of Number of Workers for the period August 2021 for Plantations and Mill as well as the results of field observations both in the estate and in the mill, it is known that there are no workers who enter work under the age of 18 years, the age of the youngest worker at the time of starting work in the company is an employee with the age of 18 years.

**6.4.3**

The unit of certification does not employ young workers.

Based on the results of field observations on operational activities at the Mill and Estate, there are no young person or students who carry out field work practices in oil palm plantations.

**6.4.4**

The unit of certification can demonstrate communication on a “no child labor” policy. Based on the results of field observations, for example in Mill and Estate, it is known that there are submissions of policies on prohibiting child labor using warnings installed at strategic points such as housing areas, office areas, warehousing areas and access to villages. In addition, the work agreement with the contractor has also been stated regarding the prohibition of child labor, which among other things explains that the age of the worker must be above 18 years.

Based on the results of the review of employee data documents and field observations, there were also no child laborers under 18 years of age. The results of public consultations with village representatives, contractors and trade unions also found out that the company prohibited underage workers.

**Status : Comply**

**6.5**

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

**6.5.1**

The company already has a sexual harassment policy in the decision letter of the board of directors No. 011.C.SUSTAINABILITY\_FR/P/VI/2012 created on 15 June 2012 by the CEO. The policy explains that the FR Group and all of its subsidiaries prohibit all forms of sexual harassment in the form of physical, comments, jokes and/or display and other behavior that applies to both men and women. Coworkers should be treated well. The company also has a policy of protecting reproductive rights in the decision letter of the board of directors No. 011.SUSTAINABILITY-FR/P/VI/2012 created on June 15, 2012 by the CEO. The policy explains that the FR Group guarantees that all couples and individuals who want reproductive health and sexual health services are met. Guarantees all couples to decide on the number, interval and time of having children and the right to information related thereto. Protect reproductive rights and build support for these rights through education and advocacy.

Based on the results of interviews with the Chairperson of the Gender Committee, it is known that the company has policies on the prevention of sexual harassment and violence. This policy has been communicated to all workers during morning briefing, Posyandu activities or special times specified. The gender committee also explained that so far there have been no incidents of sexual harassment and violence.

**6.5.2**

Policies related to reproductive rights have been socialized to workers, for example on the recording of the Training Report / Socialization of Reproductive Rights Protection Policies on July 29, 2020. The recording contains information such as attendance lists, summary of events to documentation.

Based on the results of interviews with the Chairperson of the Gender Committee and Daycare Officers, it is known that the company has policies regarding the protection of reproductive rights, especially for women, such as menstrual leave (H1). They explained that if the female employees wanted to take H1 leave, they had to do a check in the company clinic and rest at the company clinic.

**6.5.3**

In order to meet the needs of young mothers, the company has a circular letter (No.PH/SE/015/I/2020 dated January 17, 2020) which is sent to all workers informing all of the following:



- Female spray workers who are pregnant will be given alternative jobs during pregnancy and breastfeeding.
- All female spray workers are required to report conditions related to the process of pregnancy to breastfeeding.
- All female spray workers are required to take a pregnancy test which is carried out every three months at the PT PISP plantation clinic location as an effort to prevent exposure to pesticides that will interfere with the physical condition of pregnant and lactating women.

Based on the results of document review and interviews with workers, it is known that there are no workers who are pregnant or breastfeeding. Based on the results of interviews with workers, it is also known that in meeting the needs of mothers who have just given birth, the company has implemented namely giving permission for 45 days postpartum, giving permission to breastfeed according to the needs of the baby, providing a clinic as a treatment facility, routine *Posyandu* activities, providing additional food during *Posyandu* activities and providing maternal health education and child. In order to meet the needs of young mothers, the company has a circular letter (No.PH/SE/015/1/2020 dated January 17, 2020).

**6.5.4**

The company already has a communication procedure No. FR.EMS.CIE, which was revised on 29 July 2015 (Rev1), which in clause 3.15 states that the company's management will guarantee the anonymity of the whistleblower including confidentiality, safety, reputation and good name for each stakeholder that conveys confidential information to the company.

In addition, there is also a reporting/ complaint mechanism via email or company hotline where the confidentiality of the reporter is protected. The hotline number and email of the complaint are displayed in every plantation and mill office unit as well as visible public places.

Based on the results of interviews with workers and workers' representatives (worker unions and gender committees), it was stated that complaints can be submitted to their direct supervisor, or to the worker unions or to the gender committee (specific complaints on women's issues).

**Status : Comply**

**6.6**

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

**6.6.1**

According to list of employees as per August 0221 review, it was known that there were no migrant workers in the unit of certification. All employees were locals. Based on payment slip review of Generator Set operator for period June 2021, it was known that overtime has been paid proportionally, in accordance with manpower regulations.

Based on the results of document review, for example Surat Perintah Kerja Lembur (Overtime Work Order) signed by the employee, Overtime List and the Payroll Slip, it is known that there is no forced overtime work by the company to workers. For example, an employee Overtime Work Order with employee ID number 20120101000339 signed by the employee of the Generator Set operator, dated 13 June 2021, which explains the overtime hours of 2 hours (actual). Based on the employee's List of Overtime document June 2021, which explains the overtime recapitulation and calculation, it is known that the actual hours of overtime are 2 hours, where the first 7 hour of overtime is multiplied by 200%, so that the total overtime paid is 4 hours.

Job description were presented in contract agreement which agreed by both parties (employer and employee) through signed and legal stamp. As looking to the several online sources, it was known that there were no negative case related to forced labour, debt bondage, contract substitution, involuntary overtime, lack of freedom of workers to resign, penalty for termination of employment, withholding of wages, etc in the unit of certification operational areas.

Based on the results of the review of employee list documents, interviews with worker unions and gender committees, interviews with management and results of field visits, it is known that there are no migrant / foreign workers.

Based on the results of interviews with Workers Union regarding workers who come from other areas (not from nearby villages), it is known that there are no practices of detaining identity documents, paying recruitment fees, substituting work

agreements without employee approval, workforced overtime work, prohibition of workers from leaving the employment relationship, imposition of penalties for termination of employment, forced work due to debt obligations and withholding wages.

Based on the results of consultations with the Rokan Hulu Regency Manpower Office, it is known that there are no migrant workers in the certification unit, there are no problems related to premium payments and overtime, there are no cases related to forced labor, debt bondage, contract substitution, forced overtime, lack of freedom of workers to resignation, termination penalties, salary deductions, etc.

**6.6.2**

Based on the results of a review of worker list documents, interviews with trade unions, and field observations, it was found that no temporary workers (Specific Time Work Agreements) or migrants were employed.

**Status : Comply**

**6.7**

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

**6.7.1**

The company has a person in charge of OHS in the P2K3 organization (Occupational Safety and Health Supervisory Committee) located in each company unit. The following are the P2K3 structures owned by the Sei Air Hitam Estate company which have been ratified based on the Decree of the Head of the Riau Province Manpower and Transmigration Office, number KEP.146/Disnakertrans-PK/SK-P2K3/V/2021, dated 18 May 2021.

The Secretary of P2K3 already has a Certificate of Appointment of General OHS Experts, based on the Decree of the Minister of Manpower number 5/133/AS.02.04/I/2020, dated January 15, 2020.

OHS Related Report

- PT PISP's P2K3 Quarterly Report for the period April – June 2021 to the Riau Province Manpower and Transmigration Office, July 12, 2021.
- PT PISP's P2K3 Quarterly Report for the period January – March 2021 to the Riau Province Manpower and Transmigration Office, April 15, 2021.
- PT PISP's P2K3 Quarterly Report for the period October – December 2020 to the Riau Province Manpower and Transmigration Office, January 4, 2021.

There are records of periodic meetings between the person in charge and the workers, some of which are shown as follows:

- Monthly meeting report, 29 June 2021, which was attended by 7 people, with discussions on the P2K3 work program, the use of PPE, work accidents.

**6.7.2**

The Company shows the Organizational Structure of PT PISP's Land and Plantation Fire Control Unit, dated August 10, 2021. In addition, the company also shows the Emergency Response Team Organization Chart, period August 2021 – July 2022. There are workers assigned to the field and other work locations and have received First Aid training in Accidents (P3K). The company showed recordings of first aid training, including in the Training Report/Socialization of PPE, first aid and emergency response procedures) dated 10 February 2021 at the Afdeling 1 District Office and attended by 9 participants consisting of 4 harvest foreman, 1 foreman, maintenance foreman, Land Application officers and others.

The company has procedures related to emergency response, the following are some of them:

- Emergency Management SOP (FR.OSH.P10)
- Evacuation SOP (FR.OSH.P11)
- SOP for Handling Emergency Work Accidents and Near Accidents (FR.OSH.P12)
- SOP for Monitoring Employee Health Checks (FR.OSH.P21)

There are workers assigned to the field and other work locations and have received First Aid training in Accidents (P3K).

The company showed recordings of first aid training, including in the Training Report/Socialization of PPE, first aid and emergency response procedures) dated 10 February 2021 at the Afdeling 1 District Office and attended by 9 participants consisting of 4 harvest foreman, 1 foreman, maintenance foreman, LA officers, FA and FM. Other than that evacuation directions are available at the Mill

### 6.7.3

- The company has SOP for Personal Protective Equipment (PPE), document number PR.FR.COP.OPA.APD, issue No. 01, issue date October 1 2019, which among other things explained that all employees who work in work locations that pose a risk to the safety and health of workers are equipped with appropriate PPE, including guests and contractors including safety shoes, masks, and helmets
- The results of risk identification in the Waste Water Treatment Plant pond include stating the use of buoys for pond cleaning activities
- Based on the results of field observations at Mill PISP, the following conditions were found:
  - FFB (plasma/KKPA) truck drivers do not wear safety shoes
  - SPSI employees as FFB unloading contractors do not use safety shoes
  - 1 kernel station operator wearing normal boots
  - There are many people passing by and entering the FFB sorting area without wearing safety shoes
  - IPAL pool operators do not use shoes, helmets and masks because they are dirty
  - When cleaning the Waste Water Treatment Plant pool, the operator does not use PPE as the result of risk identification

Based on the explanation above, the company has not been able to show sufficient evidence that the implementation of the use of PPE has been in accordance with the plans and procedures set. This is a non conformity No. 2021.04.

Based on the results of field observations in the central warehouse area, it is known that the company has provided sanitation facilities for workers who use pesticides so that workers can remove PPE, clean themselves and put on their personal clothes. Worker lockers and bathrooms are available inside. Based on the results of field observations on herbicide application activities, it is known that the herbicide applicator has been equipped with PPE boots, respirators, rubber gloves, apron and goggles.

Based on the results of interviews with representatives of trade unions, it is known that workers are provided with PPE free of charge to all workers in the workplace. If the PPE is damaged, it can be replaced by showing evidence of damaged PPE. Based on observations to the spare parts warehouse, it is known that there are 3 pcs of shoe PPE stock and evidence of damaged shoes to be exchanged for new ones.

### 6.7.4

The company shows proof of payment for BPJS for Manpower and Health as follows:

- Payment Proof of BPJS Employment for the Period of June 2020 for Perdana Intisawit Perkasa Estate on July 15, 2020.
- Payment Proof of BPJS Employment for the Period of July 2020 for Perdana Intisawit Perkasa Estate on August 14, 2020.
- Payment Proof of BPJS Employment for the August 2020 Period for Perdana Intisawit Perkasa Estate on September 23, 2020.
- Payment Proof of BPJS Employment for the June 2020 Period for Perdana Intisawit Perkasa Mill on July 15, 2020.
- Payment Proof of BPJS Employment for the July 2020 Period for Perdana Intisawit Perkasa Mill on August 14, 2020.
- Payment Proof of BPJS Employment Period August 2020 for Perdana Intisawit Perkasa Mill on September 23, 2020.
- Proof of BPJS Health Payment on September 10, 2020.

Based on the results of interviews with workers, for example female workers at the B-27 Housing Day Care and representatives of trade unions, it is known that workers have been provided with health services in the form of Primary Clinics and are covered by occupational accident insurance through BPJS Employment

### 6.7.5

The company shows a document Recapitulation of Work Accident Reports at PT PISP Kebun Sei Air Hitam, for the period July 2020 – June 2021, which explains the date of the incident, victim data (name, work location, status, gender, age, consequences), accident factors (injury, source), type, estimated loss (material, working days) and Consequences. Based on this document, it is known that during July 2020 - June 2021, there were 8 cases of work accidents.

The company also shows the PT PISP Kebun Sei Air Hitam FR & SR Recapitulation document for the 2020 period and the 2021 period (until June 2021), which explains the month period, number of employees, number of working days, number of non-effective working days, overtime, total working hours employees, the number of lost days lost, the number of days lost, the number of hours worked per year, the number of work accidents a year, days lost a year, FR and SR. Based on this document, it is known that for the 2020 period there were 8 accidents, 22 days lost, FR 14.33 and SR 39.41. In addition, the company shows the calculation of FR and SR for the period January – August 2021 for the Sei Air Air Hitam Mill and Estate (PT PISP). Based on these calculations and records, it is known that there are 5 work accidents with a total of t lost days so that the values of FR 15.48 and SR 23.30 are obtained. Regarding the work accident that resulted in lost days, the company has discussed it in regular monthly and quarterly OHS Committee team meetings. One example is the OHS Committee report for the second quarter of 2021, it is known that there were a total of 3 work accidents with a total of 5 days lost. Incidents of work accidents include palm oil powder falling on the eye, thorns hit the knees, and the palm frond injured hand. The follow-up of work accident planned by the company is to increase socialization and supervision of the use of PPE. In addition, the OHS Committee team also recommends that the clinic always monitors and prepares first aid kits, including ensuring handling if there is a work accident.

**6.7.3 Status: Nonconformity No. 2021. 04 with Major Category**

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

**7.1**

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

**7.1.1**

The company has demonstrated the Best Practice Operational Procedures for Pest and Disease Control SOP Code MN.FR.COP.OPA.PHT which has been in effect since July 1, 2012. The SOP contains the following explanation:

- Pest and disease census is carried out regardless of whether there are pests and diseases in the estate or not
- 6.6.5.2 The recommended census frequencies are as follows:
  - a. In normal situation
    - The census of leaf-eating pests is carried out 4 (four) times a year or 3 (three) months.
  - b. The census of mice in the TBM area was carried out 3 (three) months after planting and carried out 4 (four) times a year or every 3 (three) months.
  - c. In the event of an explosion in the attack area
    1. Census of leaf-eating pests is carried out every 2 (two) weeks until the situation returns to normal
    2. The rat census is conducted once a month or according to its life cycle until the situation returns to normal.
    3. In areas that are not affected, a census is carried out according to the provisions.

The procedure has defined thresholds for pest and disease control, for example fire caterpillars with a threshold of 5 caterpillars per midrib and 5% of trees that have just been attacked by rats. The procedure also describes pest and related disease control techniques such as manual, chemical and biological control by utilizing natural enemies or pest predators to minimize the use of pesticides in pest and disease control.

The company has conducted a census of monitoring pests of nettle caterpillar, Oryctes, and rats in the PT PISP Immature area. Based on the document, it is known that there were oryctes pest attacks (census on August 5, 2021) of 0.48% and nettle caterpillar attacks (results of the July 2021 census) of 0.7 per stem (economic threshold of 5 caterpillars per midrib) and has been implemented control. The results of interviews with company management revealed that the pest and disease census activities in the Mature area were more dependent on the results of early observation activities. A census will be conducted if based on the results of early observations there are symptoms of an attack.

The results of interviews with company management revealed that the pest and disease census activities in the Mature area were more dependent on the results of early observation activities. A census will be conducted if based on the

results of early observations there are symptoms of an attack. The company has the opportunity to carry out pest and disease observation and control activities in accordance with what is described in the Pest and Disease control SOP. OFI

**7.1.2**

Based on the document review, the company has implemented several biological control practices to suppress pests and diseases such as *Antigonon leptopus*, *Tyto alba* and *Turnera subulata*. Minister of Environment and Forestry Regulation No. P94/MENLHK/SETJEN/KUM/1/12/2016 attachment 1. These plants are not classified as invasive species in Indonesia.

**7.1.3**

Based on interview with management and observation during audit recertification there is no use of fire for pest control

**Status : Comply**

**7.2**

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

**7.2.1**

The Company has demonstrated the SOP for the Safe Use of Pesticides with the code FR.CSM.OP.2 dated September 1, 2011 which has been approved by the Chief Executive Officer. The purpose of this procedure is that workers handling pesticides are always aware of the magnitude of the danger of poisoning and the level of health risk due to their work activities, in addition to carrying out safe and appropriate operational performance related to the use of pesticides in accordance with the instructions for use.

The contents of the procedure include material hazard levels based on WHO class, toxicity levels based on LD50, material hazard statements, colors and hazard symbols and danger signs.

The company has shown a document listing the pesticides used in the 2020-2021 period. The document explains the name of the pesticide, active ingredient, concentration, LD50, registration number and distribution permit period, WHO class, and the intended use of the pesticide. Examples of pesticides used are Metafuron 20 WP with the active ingredient Methyl metsulfuron, concentration 20.05%, LD50 (mg/kg) 8,000, Indonesian registration number. 01030119951224 valid until October 18, 2021, WHO class U pesticides target narrow-leaved weeds such as *Imperata cylindrica* and broad-leaved weeds such as *Ageratum conyzoides*. Based on this explanation, it is known that the company has used pesticides in accordance with the pesticide justification owned by the company.

Based on the results of interviews with spray workers in block A22, it is known that workers have been able to explain and demonstrate spraying activities in accordance with existing procedures, for example workers are required to use personal protective equipment, safe work practices, not spraying near water bodies, and so on.

**7.2.2**

The company has shown a document listing the pesticides used in the 2020-2021 period. The document explains the name of the pesticide, active ingredient, concentration, LD50, registration number and distribution permit period, WHO class, and the purpose of using the pesticide. The examples of pesticides used are Metafuron 20 WP with the active ingredient Methyl metsulfuron, concentration 20.05%, LD50 (mg/kg) 8.000, RI registration number. 01030119951224 valid until 18 October 2021, WHO class U pesticides targeting narrow-leaved weeds such as *Imperata cylindrica* and broad-leaved weeds such as *Ageratum conyzoides*. The total use of Metafuron 20 WP for the January-July 2021 period is 54.73 Kg with an area of 3,262 ha.

**7.2.3 and 7.2.5**

The company has shown the circular letter number : PISP/SE/02/x/2018 dated October 1, 2018 issued by the Group Manager regarding the policy of stopping the use of limited pesticides. The circular explains the following provisions:

1. As of January 1 2019, pest and disease control activities are not allowed to use pesticides with a high level of danger (groups 1a and 1b on the who list), especially the type of rat poison with the active ingredients brodifacum and coumatetralyl as well as pesticides with the active ingredient carbofuran
2. As of January 1, 2019, weed spraying activities are not allowed to use pesticides with the active ingredient Paraquat dichloride.



3. As of October 1, 2018, the company will no longer place orders for pesticides with provisions number 1 and 2.
4. As of January 1, 2019, the limited stock of pesticides that have not been utilized should be sent to the Temporary Storage of Hazardous and Toxic Waste.

The company has also shown a document listing the pesticides used in the 2020-2021 period. The document explains the name of the pesticide, active ingredient, concentration, LD50, registration number and distribution permit period, WHO class, and the purpose of using the pesticide.

Based on the results of the review of the pesticide use document for the period January 2019 to July 2021, it was found that the company no longer used pesticides with the active ingredients of paraquat dichloride, brodifacum, coumatetralyl, and carbofuran. This shows that the company has implemented a policy of limited pesticide use in accordance with the circular described above. In addition, it is also known that there has been a decrease in the use of pesticides with active ingredients Cypermethrin and Deltamethrin from 2019 to 2021 with details on the use of 41 liters (2019), 256 liters (2020), and 3 liters (2021). This shows the effectiveness of the use of beneficial plants and natural predators in controlling pests and diseases in the company area. It can be conclude pesticide has been used in accordance with Integrated Pest Management (IPM) plan.

#### **7.2.4**

Based on the results of the study of pesticide use documents, and the results of interviews with company management, it is known that there is no preventive use of pesticides for the prevention of pests and diseases. Company management explained that pest and disease control should be based on census results.

#### **7.2.6**

Based on the results of the study of the list of pesticides used by the company, it is known that the company does not use pesticides with the active ingredient paraquat. However, the company still provides training to workers as a regular update on workers' knowledge. The training activity was carried out on May 22, 2021 located at Sei Air Hitam Estate. The training activities provided include environmental and occupational health and safety policies, MSDS of pesticides (Agrochemicals) used, prohibition of handling pesticides and their applications (pregnant and lactating women), not spraying in HCV areas and water bodies, how to handle emergency situations, handling pesticide packaging (waste, hazardous and toxic materials) and separation of organic, non-organic and hazardous and toxic materials waste. This activity was attended by 16 training participants.

#### **7.2.7**

The company has a pesticide storage procedure that is listed in the procedure for pesticide management with the number FR.COP.OPA.PPS dated on 1 July 2012. The procedure describes chemical management in accordance with applicable regulations, preventing and overcoming pollution or environmental damage caused by chemicals, administration and use of PPE for implementing chemical management officers and facilities during an emergency.

Based on the results of the field visit to the chemical storage warehouse, it was found that the storage warehouse was in accordance with the existing procedures where the storage warehouse had been given a prohibition sign such as no smoking, no eating and drinking and a toxic material sign). Chemicals have also been equipped with MSDS.

Based on the results of field visits and interviews with spray workers in block A22, it is known that workers have been able to explain the dangers of using pesticides, for example workers must use appropriate personal protective equipment, workers are not allowed to eat and drink in areas where pesticides are sprayed, workers are not allowed to wash tools, work and personal protective equipment in the field and must clean themselves in the rinse house provided. It was also explained that personal protective equipment was not allowed to be brought home to avoid chemical contamination to family members. In addition, it was also explained that workers had been given appropriate PPE such as aprons, rubber gloves, goggles, masks, and boots and it was also explained that if the PPE was damaged, it could be replaced by showing evidence of damaged PPE.

#### **7.2.8**



The company has a waste management SOP with the number FR.CSM.OP.1 30 December 2018 which explains that hazardous waste included used pesticide container generated by estate operational activities stored on hazardous waste storage.

The permit for Hazardous waste storage Number: KPTS.503/DPMPSTSP-IPSLB3/09/VIII/2018 which was legalized on August 28, 2018 by the Head of the Rokan Hulu licensed service.

Pesticide waste, such as used pesticide packaging which is classified as hazardous and toxic waste, was also found to be stored in a temporary storage warehouse and then collected to licensed collectors. Before being stored in a temporary storage place for hazardous and toxic waste, the used pesticide packaging in the form of jerry cans is shredded first, this is done by management to avoid reuse of pesticide packaging and make storage efficient.

Based on interviews with employees and the foreman of pesticide application at Sei Air Hitam Estate Block A22, it was found that all containers used for pesticide packaging were returned and sent to the Hazardous Waste Storage and were not used for any other purpose other than pesticide application activities. All used packaging containers, work tools and apron are stored in a special storage area. Thus, no contaminated items are taken home. The results of observations at employee in Sei Air Hitam estates housing complex revealed that it was not found that used pesticide packages were disposed of in landfills and were not used for other purposes such as trash cans, flower pots and so on.

**7.2.9**

Based on the results of interviews with company management and government agencies, it is known that the company does not carry out airborne pesticide spraying activities.

**7.2.10**

Based on the results of the study of the Laboratory Analysis Results document, number 60/LHU/BK3-MDN/I/2021, dated January 11, 2021, from the Medan OHS Center, it is known that of the 33 spray workers and 7 fertilizer workers, all of them were declared normal for the Cholinesterase Analysis Results.

This is in line with the results of interviews with workers in the field on herbicide application activities, it is known that workers have attended health checks.

**7.2.11**

The company has shown a list of pesticide applicator workers. The document describes the worker's name and date of birth. Based on the document, it is known that there are 13 pesticide applicators and no workers under the age of 18 years.

Based on the results of interviews with spray workers in block A22, it is known that there are no spray workers who are pregnant and breastfeeding. The worker explained that if a woman is pregnant or breastfeeding then the worker will be transferred to a job that is not related to chemicals.

**Status : Comply**

**7.3**

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

**7.3.1**

All waste products and sources of pollution have been identified and documented in the waste management and identification document period of 2021. Based on document verification shown company program waste management accordance with waste identification source and management plan for examples are :

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

**7.3.2**

The company has conducted training and socialization on 4 September 2020 regarding the principles and criteria of the RSPO NI 2018 as well as the management of hazardous and non-hazardous waste.

The company shown the document waste management based on the waste identification source and management plan, including:

- Estate:
  - Source of waste: chemical activities.
  - Types of waste: used pesticide containers (toxic and hazardous waste), managed by being stored in optimization warehouses and sent to the relevant transporters.
- Mill:
  - Source of waste: chemical activities: Mill process.
  - waste: shells and fibers (non-toxic/hazardous waste), managed using renewable energy for boilers.
  - POME to land application and methane capture.

**Hazardous waste.**

The company has a waste management SOP with the number FR.CSM.OP.1 30 December 2018 which explains that hazardous waste generated by operational activities such as used packaging contaminated with hazardous waste and used lamp stored on hazardous waste temporary storage.

Base on field visit on Stage-02 audit, obtained information that there was hazardous waste located not in a licensed storage, for example:



Air Hitam Estate Housing Complex block B-27

- Hazardous waste Used thinner cans are stored in the Mill workshop office.
- The used lamp stored on mill processing office.
- Used paint container which is used as a POME container on mill.
- Used oil drums which are used as water reservoirs in the WWTP on mill.

**Domestic Solid Waste**

Domestic waste management procedures are described in the SOP for waste management with the number FR.CSM.OP.1 dated December 30, 2018, on procedure, residential domestic waste is managed in several stages, namely the process of reduce, recycle, reduce and separate organic and organic domestic waste then collected and disposed of landfill. However, based on field visits on housing complex block B-27, Air Hitam Estate found domestic waste that was left open and scattered.



Air Hitam Estate Housing Complex block B-27

**Domestic Liquid Waste**

The procedure for managing Domestic Waste Water is explained in the SOP for waste management with the number FR.CSM.OP.1 with a date of issue on December 30, 2018 in that procedure, domestic waste Water generated by housing is managed by:

- Separate wastewater treatment from other activities.
- Ensuring that all wastewater produced enters the watertight wastewater treatment plant so that no seepage occurs.
- Separating domestic wastewater and rainwater.
- Monitoring the quality of domestic wastewater in accordance with *Permenlhk P.68/Menlhk/Setjenkum.1/8/2016* concerning domestic wastewater quality standards.

However, based on field visit on block B-27, the Air Hitam Estate found that domestic wastewater was in an open condition and was not managed according to company procedures.



Air Hitam Estate Housing Complex block B-27

The company has not been able to show sufficient evidence that the management of hazardous waste, solid domestic waste and liquid domestic waste has been in accordance with the established procedures, this is become non conformity Number 2021.05

**7.3.3**

The company has a waste management procedure without burning which is contained in the SOP for waste management with the number FR.CSM.OP.1 with a date of issue on December 30, 2018. Based on interviews and document verification, it is stated that the company does not use open burning places for waste disposal.

Base on field visits and interviews with workers on Stage-02 audit, obtained information that there were former waste burning activities on open area, for example:



Trash burning on WWTP pool

The former burning EFB on estate

The company has not been able to show enough evidence no use open fire for waste disposal. Has been added of the finding information. This is become non conformity Number 2021.06 on this indicator.

7.3.2 **Status: Nonconformity No. 2021. 05 with Minor Category**

7.3.3 **Status: Nonconformity No. 2021. 06 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**

The company has Fertilization procedures SOP (FR.COP.OPA.PMK) which was approved on July 1, 2012 by the CEO. The procedure regulates, among others, the main principles in the application or sowing of fertilizers, important factors in the effectiveness and efficiency of fertilization, fertilizer technical guidelines, fertilizer preparation, fertilization work organization, fertilization mechanically with Fertilizer Spreader, empty beds and the application of liquid waste / POME.

The procedure also establishes many strategies for maintaining and increasing long-term soil fertility, by combining efficient and measurable organic fertilization, taking into account the age of oil palm and soil nutrients by taking leaf and soil samples.

Based on the results of the review of fertilization documents in 2020, it is known that all fertilization programs/recommendations have been fully realized (100%). Based on the results of interviews with company management and fertilization procedures owned by the company, it was explained that fertilizer recommendations were prepared based on the results of leaf and soil sample analysis, visual observations, previous year's production achievements and previous year's fertilization realization.

The company has shown documents for the utilization of waste from processing palm oil mills for the period January to July 2021 as a form of nutrient recycling strategy. The documents are as follows:

- EFB : 14,302,100 tons
- POME : 48,344 M3.

**7.4.2**

The company has shown the leaf and soil analysis results as the basis for the 2021 fertilization recommendation. The documents are:

- Leaf analysis results with laboratory reference number 52/PSG/RST-LAB/VII/2020 with analysis completion date 123 July 2020. The test parameters are N, P, K, Mg, Ca and B.
- The company has conducted a soil analysis (every 6 years) of the oil palm plants in Air Hitam Estate, the results are explained in the Soil Analysis Report document, conducted by Soil Survey & Evaluation section Research and development by taking several soil samples On 2014. Parameters analyzed are soil fraction, soil texture, pH, Cation exchange capacity and other micro nutrients.

The company has shown letter number 01.09/001/SOIL/2020 dated September 2, 2020 regarding the suspension of PT PISP 1 land survey activities. In the letter it was explained that due to the Covid-19 pandemic, the semi-detail level land survey planned for 2020 was postponed.

Based on the study of the soil survey procedure document, it was explained that soil sampling was carried out at least every 5 years or adjusted to the needs while based on the general guidelines for leaf sampling and interviews with management it was explained that leaf sampling was carried out annually or according to needs.

Based on the results of interviews with company management and fertilization procedures owned by the company, it was explained that fertilizer recommendations were prepared based on the results of leaf and soil sample analysis, visual observations, previous year's production achievements and previous year's fertilization realization.

**7.4.3**



The company has shown documents for the utilization of waste from processing palm oil mills for the period January to July 2021 as a form of nutrient recycling strategy. The documents are as follows:

- EFB : 14,302,100 tons
- POME : 48,344 M3.

**7.4.4**

The company has shown the PT Perdana Intisawit Perkasa Fertilizer Application Report 1 Period January – July 2021. The document explains the type of fertilizer, recommendations, application per month, total and ratio of fertilizer/tonne of FFB. The documents are as follows:

Fertilizer	Recommendation	Unit	Total Usage	FFB Production (Ton)	Ratio/Ton FFB (Kg/Ton)
Urea	158,101	Kg	65,468	20009.48	3.27
MOP	142,948	Kg	95,979	20009.48	4.80
Borate	8,256	Kg	3,843	20009.48	0.19
RPH	142,366	Kg	49,832	20009.48	2.49

**Status : Comply**

**7.5**

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

**7.5.1**

The company has soil survey semi-detailed study conducted Center for Soil Survey &, land evaluation section research and development on 2014. The result of study a land suitable map, soil map, slope map and topografi map. Base on a maps, is known effective depth for cultivation is > 100 that well drained, mineral soil with elevation level 1-3 % (flat) and no peat.

Are there maps identifying marginal and fragile soils, including steep terrain and peat soils?

**7.5.2**

Based on the results of field observations in the replanting area, known that the land is not marginal land and fragile soil. This is in accordance with the land suitability assessment that has been carried out and the map of soil types and slopes shown. The replanting is not done extensively, but gradually.

**7.5.3**

Base on, document verification, interview with management representative and field observation on initial certification no planting on steep sloping land.

**Status : Comply**

**7.6**

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

**7.6.1, 7.6.2, and 7.6.3**

Based on verification of soil survey semi-detailed study conducted Center for Soil Survey &, land evaluation section research and development on 2014 known effective depth for cultivation is > 100 that well drained, mineral soil with elevation level 1-3 % (flat). The summary of soil survey semi-detailed is *moderately suitable* with limiting factor addition of organic matter.

Based on the results of the study of the area statement document, the company's long-term plans, and interviews with the company's management, it was found that there were no new oil palm plantation development activities carried out by the company.

**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 until 7.7.7**

Based on verification of soil survey semi-detailed study conducted Center for Soil Survey &, land evaluation section research and development on 2014 there is no area with peat soil types, soil on operation area. The dominant soil classification on sub-ordo is *Humic Dystudepts* and *Typic Dystrudepts* (USDA,update January 2011).

Status : Comply

**7.8**

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

**7.8.1**

The company has implemented water management to support the efficient use of water sources and its continuous availability, as well as to avoid negative impacts on other users in the catchment area. Management and implementation activities are documented in the 2020 Water Management System Report.

In addition, the company also has a Water Management Plan and Management and Monitoring as well as several regulations and technical guidelines related to water management, including:

- SOP on Soil Conservation and Water with code FR.COP.OPA.KTA, published July 1, 2012.
- SOP on Water Treatment with code MN.FR.COP.OPM.POA, published December 31, 2012.
- SOP on HCV Management and Monitoring with code FR.EAC.IMM, published April 13, 2012.
- SOP on Identification, Management and Monitoring of HCVs with code FR.EAC.IMM, published on 12 January 2015
- SOP on Pesticide Management with code FR.COP.OPA.PPS, published July 1, 2012
- SOP on Environmental Management and Monitoring with code MN.FR.COP.OPM.PRP, published December 31, 2015.

The company has identification on water course within its operational area in water management plan covered in HCV management plan, environmental management plan document (management and monitoring environmental program document, *RKL-RPL*) and other procedure related. Among other the plan covers determination of riparian area border, protection of riparian area by not conducting chemical spraying and tree enrichment. The action taken among other by testing periodically river water quality, monitoring volume of water use, applying treated mill effluent to permitted land application.

Company also conducted regularly water quality testing every semester for air hitam river (upstream & downstream) based on (management and monitoring environmental program document, *RKL-RPL matrix*). Base on document verification showed that semester 1 2021 testing results for hitam river quality (upstream and downstream) dated (27 January 2021) are still compliant with standard quality (government regulations Number 82 year 2001 class II).

The company also conducts groundwater quality testing for local community well outside estate. Results of groundwater quality analysis of PT. PISP on 27 January 2021. Based on the results of the test, no parameter exceeds the threshold value determined in accordance with the Minister of Health Regulation No. 31 of 2017 (water for hygiene sanitation).

**7.8.2**

The company has managed the water management system on determining the conservation area on riparian, monitoring the quality of surface water, and not spraying / chemical on riparian, which is ± 50 meters from the riparian and not applying EFB, fertilizers, pesticides and POME around rivers, reservoirs or other water sources. Management is carried out to protect water sources, namely by establishing river border areas as conservation areas.

In the SOP document on Identification, Management and Monitoring of HCVs with code FR.EAC.IMM, published on 12 January 2015. In section 3.4.4 concerning Protection of riparian ecosystems, springs, and lakes in the planted area, it is divided into 3 riparian zones based on river width (>30 meters and <30 meters).

Base on field visit during audit, for examples on air hitam river block C10, acquired information that company shown proper ways for maintain and protect the catchment area for example manual weeding and marking the chemical boundary border.



**7.8.3**

The POME Land Application Permit issued by the Environmental Agency, Rokan Hulu Regency with the number: KPTS.660/BLH-PPP/150 dated December 30, 2016 valid 5 years. Base on document verification known for January to June 2021 all of the POME testing parameters are compliant to the standards quality (for examples BOD on June 2021 are 362.33 mg/l with threshold 5000 mg/l and pH 7.95 pH standard 6-9) and all of the POME management and monitoring has been reported to related institutions for regular basis per 3 months.

**7.8.4**

The company already has a Water Resources Concession Permit (SIPA), based on the Decree of the Minister of Public Works and Public Housing, Number 248.6/KPTS/M/2018 as of March 19, 2018 with a validity period of 5 years. The company also has proof of payment of water use tax in the form of SPPD per year 2021 for example for payment of Surface Water Tax for April 2021 paid on May 31, 2021 to the Riau Province Revenue Service.

Based on the use of water in the mill for the period January - July 2021, it is known that the use of water / ton of processed FFB is still in accordance with the budgeted set, namely 0.8 M<sup>3</sup>/Ton of processed FFB, the standard water use set for 2021 is 0.8 M<sup>3</sup>/Ton of processed FFB.

**Status : Comply**

**7.9**

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

The unit certification already maximizing the use of renewable energy (fiber & shell) as boiler fuel. For example, use of shells and fiber period January to December 2020 Perdana Inti Sawit Perkasa POM has produces 1,136,344 kWh of electricity from turbine. Renewable energy use per ton of palm product in the mill is 10.78 kwh / ton CPO. Result Direct fossil fuel used is 0.11 kWh/ ton CPO.

**Status : Comply**

**7.10**

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

**7.10.1**

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

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

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

Summary Emission

Emission per product	tCO2e/tProduct
CPO	1.69
PK	1.69

Production	t/yr
FFB processed	163,307.26
CPO produced	34095.29
PK produced	8732.63

Extraction	%
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OER	20.88
KER	5.35

Land use	Ha
Planted area	2384.26
Planted on peat	0
Conservation Area Forested	0.33
Conservation Area Non Forested	0

**Summary of field emission and Sinks**

Description	Own crop			Group			Total
	tCO2e	tCO2e/ha	tCO2e/tFFB	tCO2e	tCO2e/ha	tCO2e/tFFB	
<b>Emissions Sources</b>							
Land conversion	14251.19	5.98	0.32	0	0	0	14251.19
CO2 emissions from fertilizer	543.49	0.23	0.01	0	0	0	543.49
N2O emissions from Peat	0	0	0	0	0	0	0
N2O emissions from Fertilizer	558.99	0.23	0.01	0	0	0	558.99
Fuel consumption	348.06	0.15	0.01	0	0	0	348.08
Peat oxidation	0	0	0	0	0	0	0
<b>Sinks</b>							
Crop sequestration	-1941.63	-0.61	-0.04	0	0	0	-1941.63
Sequestration in Conservation area	-3.03	-0,00	-0.00	0	0	0	-3.03
<b>Total</b>	<b>13757.09</b>	<b>5.77</b>	<b>0.30</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>49195.87</b>

**Summary Oil Mill Emissions and Credits**

Remarks	tCO2e	tCO2e/t FFB
<b>Emissions sources</b>		
POME	22496.31	0.14
Fuel consumption	557.28	0
Grid electricity	0	0
<b>Credits</b>		
Export of grid electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
<b>Total</b>	<b>23053.60</b>	<b>0.14</b>

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

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

**POME Divert to Anaerobic Digestion**

Divert to anaerobic pond (%)	100
Divert to methane capture (flaring) (%)	36.65
Divert to methane capture (electricity generation) (%)	0

**7.10.2**

No new plantings since 2014 on operational area, the planting year for Sei Air Hitam Estate consists of 1993-2004. PT PISP shown disclosure evidence to the RSPO secretariat on 12 August 2014 and there has been a response on 23 June 2015 explaining that PT PISP has no obligation to estimate carbon stocks.

**7.10.3**

PT PISP has not carried out any new developments since January 2004. So the company's current net GHG emissions are as described in indicator 7.10.1. For existing operation, the company has identified pollutions and emissions sources of Perdana Inti Sawit Perkasa POM for the period 2021, such as CO<sub>2</sub> (boiler, generator, transportation), CH<sub>4</sub> (POME), hazardous waste (WTP, chemical storage), noise (machinery). The sources of pollution and emissions for the estate are listed on the identification documents and management plans for pollution sources for the period 2021, such as emissions (CO<sub>2</sub>, CO), noise, chemical waste, organic and inorganic waste, and infectious waste.

Plans to reduce or minimize have been implemented and monitored as explained in RKL-RPL semester 2 the year 2020 and semester 1 year 2021. Fossil fuel reduction on Perdana Inti Sawit Perkasa POM have been implemented by fiber/shell usage for the boiler.

**Status : Comply**

**7.11**

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

**7.11.1**

The company does not new planting, the company only carries out replanting on 2021 base on field visit is known there activities conducted by mechanic.

**7.11.2**

Meanwhile, for fire prevention and fire control, the company prepared fire fighting equipment, a fire fighting team, land fire control tower. The company has shown a list of facilities and infrastructure owned by referring to equipment standardization in the Minister of Agriculture Regulation number 5 of 2018 and the equipment monitoring every month.

Management and monitoring actions related to the prevention of forest and land fires, the company carries out according to what is stated in the management and monitoring plan for semester 1 of 2021, which are described as follows, for example:

- Implementing a zero-burning system by clearing land using heavy equipment.
- Management and monitoring program HCV.
- Formation of firefighting teams in each estate and at the factory.
- Hold firefighting training in each for employees
- Carry out routine patrols
- Installation of signboards prohibiting forest burning in plantation areas

Base on the monitoring period January until July 2021 no land fire in the operation area. The result of land fire monitoring also submitted to the government every semester, the last reporting period semester 1 2021 has submitted dated 21 July 2021 to environmental agency and plantation agency.

Based on field visits and interviews by phone with several employees, that the company has made fire prevention and control efforts through the installation of signboards related to forest and land fires, socialization to employees and during fire simulations by the estate firefighting teams, it can be conclusion that the team has been trained in the use of firefighting equipment.

Based on the results of the verification of the land fire management and monitoring report documents, information was obtained that the company has a land fire procedure, has explained of the related to fire prevention and control as well as emergency response. In the fire emergency response points, buildings and land have included and explained the prohibition of burning; mapping of fire prone areas and water sources for suppression; fire fighting team; fire fighting equipment; fire siren; socialization; and monitoring.

**7.11.3**

The effort for involved stakeholders in adjacent locations for land fire prevention, for example, installation of signboard land fire hazard, training of land fire extinguish and countermeasures land fire. Afterward, company has routinely conducted socialization and simulation of land fires such as on semester 1 year 2021 involving nearest community namely "Desa Sadar Api".

**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**

Base on document review on areal statement 2021 in known the planting years for Sei Air Hitam Estate (certification scope) consisted of 1993-2004. The company not conducted new plantings since November 2005 and 15 November 2018.

**7.12.2**

RSPO Interpretation indicator document 7.12.2 and Annex 5 for the RSPO P&C 2018. In section 3.2 (RSPO HCV Assessment review) it is explained that HCV identification studies must be reviewed by RSPO (NDF, No Deforestation Task Force) for plantations that are not certified and do not exist new land clearing after 15 November 2018 with a Non-ALS HCV assessment.

Base on the area statement document obtained information that the company has 1 estate namely Perdana Inti Sawit Perkasa Estate on land clearing between 1993 and 2004. There is no new land clearing after 15 November 2018. The HCV assessment was conducted in January 2013 by internal assessors (Non-ALS).

The company shows an Email on the progress of PT PISP's HCV document review which includes:

Date	Evidence	Progress
24 October 2020	Email	Submitted HCV assessment documents 2013 to RSPO
13 November 2020	Email	Response from RSPO to the internal HCV assessor team FR that the document has been received and is being reviewed by an independent RSPO reviewer.
3 December 2020	Email	FR internal HCV assessor team inquired about the progress of the RSPO's review of HCV documents.
15 December 2020	Email	FR's internal HCV assessor team inquired about the progress of the RSPO's review of HCV documents.
7 January 2021	Email	FR's internal HCV assessor team inquired about the progress of the RSPO's review of HCV documents.
11 January 2021	Email	Answers from RSPO as well as attachments to PT PISP's 2013 HCV assessment document review. The company is asked to complete a HCV management and monitoring plan.
11 January 2021	Email	Answer from the FR internal HCV assessor team explaining that the HCV management and monitoring plan is separate and will be completed soon.
24 May 2021	Email	FR's internal HCV assessor team inquired about the progress of the RSPO's review of HCV documents after completing the HCV management and monitoring plan.

26 July 2021	Email	FR's internal HCV assessor team inquired about the progress of the RSPO's review of HCV documents after completing the HCV management and monitoring plan.
6 August 2021	Email	The answer from the RSPO as well as the attachment of the review of the 2013 PT PISP HCV assessment document and there are still things that need to be improved.
6 August 2021	Email	<i>Email from the internal HCV assessor team FR to all team members to immediately follow up on the review of the 2013 HCV Document from the RSPO</i>

The company has not been able to show an HCV assessment document that has received approval from the RSPO review results as stipulated in the RSPO Interpretation indicator document 7.12.2 and Annex 5 for the RSPO P&C 2018. This is become non conformity Number 2021.07

Actually, base on field visit during on Initial Certification, HCV area figure cemetery, is known information that company showed proper ways for maintain and protect this area for example enclose with a fence and sign board HCV information.

**7.12.3**

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

**7.12.4**

The Company has developed matrix on HCV management plan in 2020/2021 consist of rare, threatened, or endangered species, cemetery and local identities. Company also has issued a control any illegal or inappropriate hunting, fishing or collecting activities. The HCV management and monitoring plan on 2020/2021 was developed by stakeholders participate i.e traditional leaders, Kepenuhan Barat Mulya village and Kepenuhan Baru village. The management plan 2020/2021 that includes appropriate management and monitoring to maintain HCV attributes and RTE species. The management plan has contained type of activities, timeline, PIC and location.

Based on document verification of HCV assessment was conducted in January 2013 explained, the total HCV area is 0.33 Ha in form riparian air hitam river. This total area is in accordance with various documents such as ghg calculator and basic info.

The company established HCV management plan to maintain the HCV areas in operation area of PT PISP, listed on Management plan HCV 2020 documents. The HCV management and monitoring implemented that taken by the management unit such as maintain HCV attributes (HCV boundary, sign board), HCV socialization (community and worker), maintain HCV area, regular patrols for maintain HCV security and RTE species monitoring.

**7.12.5**

Results of the verification documents, field visits and interviews via telephone with villagers obtained information that there are no areas of HCV-related and affect the local community.

**7.12.6**

The company have established HCV management plan, and implemented it well, included Regularly RTE species monitoring. The especially, patrols record shown company has been monitored illegal hunting, and other illegal activities. All of records for every 6 month monitoring patrols on estate are available and verified by auditors.

For example RTE patrols summary results on 2020 for HCV area and operation area has conducted on 26 until 27 November 2020 for vegetation such as *Laban (Vitex pubescens)*, *Loa (Ficus Racemosa)*, *Anggrung (Trema orientalis)*, *Waru (Hibiscus tiliaceus)* and *Mahang (Macaranga hypoleuca)*. Mean while for fauna such as *(Macaca fascicularis)*, *Raja Udang Meningting (Alcedo meninting)*, *cekakak belukar (Alcedo coerulescens)* and *Bubut (Centropus bengalensis)*.

Based on the results of field visits and interviews via telephone with nearest community, it is known that they have



understood the protection of flora and fauna which is socialized by the company date 19 August 2021 on Kepenuhan Barat Mulya village. And than socialized for employee every morning berofe field activities.

Moreover, The company also installs information boards on RTE species on strategic access roads.

Based on interview with workers known that they are understood about protected species and HCV area with illegal hunting, have captured, harmed, collected or killed any RTE species.

**7.12.7**

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

As the results of 2020 HCV management and monitoring output, company has plan feed back into the management plan 2021 i.e conduct maintenance cemetery and the effectiveness of RTE species monitoring.

Field visit during an audit, HCV area figure cemetery, is known information that company showed proper ways for maintain and protect this area for example enclose with a fence and sign board HCV information.

**7.12.8**

Base on document review on areal statement 2021 in known the planting years for Sei Air Hitam Estate (certification scope) consisted of 1993-2004. The company not conducted new plantings since November 2005. The HCV assessment was conducted in 2013 by an internal Non- ALS assessor. Based on the results of the disclosure of the area of PT. PISP carried out by RSPO has stated that there is no liability in it. Based on RSPO e-mail dated 23 June 2015.

<b>7.12.2</b>	<b>Status: Nonconformity No. 2021. 07 with Major Category</b>	
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**3.2 Conformity Checklist of Certificate and Trademark Use**

<b>1.</b>	<b>Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client</b>	<b>X or √</b>
IC	Will be verified in surveillance audit	
	<b>Status: Comply</b>	
<b>2.</b>	<b>Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use</b>	<b>X or √</b>
IC	Will be verified in surveillance audit	
	<b>Status: Comply</b>	
<b>3.</b>	<b>Implementation of Certificate and Trademark is not used on product</b>	<b>X or √</b>
IC	Will be verified in surveillance audit	
	<b>Status: Comply</b>	
<b>4.</b>	<b>Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.</b>	<b>X or √</b>
IC	Will be verified in surveillance audit	
	<b>Status: Comply</b>	

### 3.3 Summary of RSPO Partial Certification.

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

First Resources Limited Time Bound Plan (TBP) is explained in point 1.10. First Resources Limited has informed the TBP progress, MUTU has considered that First Resources Ltd is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by First Resources Limited on December 2021.

MUTU has verified partial certification for un-certified unit's subsidiary of First Resources Limited based on their Time Bound Plan. There are 33 subsidiaries of First Resources Limited. 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.

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Yes, positive assurance is produced for these units.</p> <p><b>Auditor verification</b></p> <p>There is internal audit produced for</p> <ul style="list-style-type: none"> <li>- PT Limpa Sejahtera</li> <li>- PT Swadaya Mukti Prakarsa</li> <li>- PT Citra Agro Kencana</li> <li>- PT Borneo Ketapang Permai</li> <li>- PT Persada Intisawit Perkasa</li> <li>- PT Meridan Sejatisurya Plantation</li> <li>- PT Panca Surya Agrindo</li> <li>- PT Surya Intisari Raya</li> <li>- PT Swadaya Mukti Perkasa</li> <li>- PT Mitra Karya Sentosa</li> </ul> <p>And positive assurance is produced for these units.</p>
2.1.2	<p>No replacement after dates defined in Nis Criterion 7.3 of:</p> <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area identified as containing High Conservation Values (HCVs).</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.</li> </ul>	<ul style="list-style-type: none"> <li>• PT Limpa Sejahtera has identified HCV, with total HCV area 650.74 Ha. This company follow RaCP process.</li> <li>• PT Swadaya Mukti Prakarsa has identified HCV in 2014. This company follow RaCP process.</li> <li>• PT Mitra Karya Sentosa has identified HCV in 2010 and 2012.</li> <li>• PT Citra Agro Kencana has identified HCV in 2012.</li> </ul>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ul style="list-style-type: none"> <li>PT Borneo Ketapang Permai has identified HCV in 2010, with total HCV area 303.64 Ha</li> <li>PT Panca Surya Agrindo has identified the HCV area with total areal of 105.15 Ha</li> <li>PT Meridan Sejatisurya Plantation has identified the HCV area with total areal of 167.13 Ha</li> <li>PT Persada Instisawit Perkasa has identified the HCV area with total areal of 33.15 Ha</li> </ul> <p>The company has shown proof of delivery of disclosure to RSPO secretariat on August 12, 2014 and there has been a response on 23 June 2015 which explains that in PT SMP there is conservation liability with total area 27.3 Ha and PT GSI with total area 8 Ha.</p> <p><b>Auditor verification</b> Auditor has verified the supporting evidence of above the company statement. The above statement in accordance with the supporting evidence provided.</p>
2.1.3	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<ul style="list-style-type: none"> <li>Planting years in PT Borneo Ketapang Permai consist of 2008 up to 2017.</li> <li>PT Citra Agro Kencana has follow NPP RSPO.</li> <li>PT Panca Surya Agrindo was built in 1990-2006 and there is no development after January 1, 2010</li> <li>PT Meridan Sejatisurya Plantation was built in 1994-2005 and there is no development after January 1, 2010</li> <li>PT Persada Instisawit Perkasa was built in 1993-2004 and there is no development after January 1, 2010</li> </ul> <p><b>Auditor verification</b> Not all uncertified unit conduct new clearing after January 2010, detail information of uncertified unit is:</p> <ol style="list-style-type: none"> <li>PT Borneo Ketapang Permai: there is new land clearing after January 2010 in and company not conduct NPP. <b>This is become subject of sanction.</b></li> <li>PT Swadaya Mukti Prakarsa has follow NPP and publish in 18 October 2014.</li> <li>PT Mitra Karya Sentosa has follow NPP and publish in 16 July 2014.</li> </ol>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>4. PT Ketapang Agro Lestari has follow NPP and publish in 16 January 2013.</p> <p>5. PT Maha Karya Bersama has follow NPP and publish in 18 September 2012.</p> <p>6. PT Borneo Surya Mining Jaya has follow NPP and publish in 18 September 2012.</p> <p>7. PT Citra Agro Kencana has follow NPP and publish in 6 July 2012.</p> <p>8. PT Borneo Persada Energy Jaya has follow NPP and publish in 6 July 2012.</p>
2.1.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>There are no land conflicts. Company has had SOP about FPIC (FR.EAC.FPC) on 17 June 2013 for identified customary rights, communication and consultation during land acquisition. Beside that company also have SOP about conflict resolution (FR.CSPO.PL.008) on 2 August 2016.</p> <p><b>Auditor verification</b> There is information from public source and RSPO website on any land conflict for uncertified unit of the group subsidiaries, consist of PT Mitra Karya Sentosa: complaint submit to RSPO in 2021 and still on investigation process.</p>
2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>There is no labor disputes. Company has developed Bipartite cooperation in each unit as a forum to find resolution if there is any workers issue. Beside that company also has had SOP of Communication (FR.EMS.CIE) on 24 February 2020 which explain about system to resolve complaint and grievance.</p> <p><b>Auditor verification</b> There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <p>There is no list of employee and stakeholder complaint and grievance.</p>
2.1.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>The subsidiaries of First Resources Limited has have register of SPO regulation and evaluated routinely.</p> <p><b>Auditor verification</b></p> <ul style="list-style-type: none"> <li>• PT Limpa Sejahtera has had HGU since 2009.</li> <li>• PT Swadaya Mukti Prakarsa has had HGU since 2005.</li> <li>• PT Mitra Karya Sentosa has had HGU since 2010.</li> </ul>



<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<ul style="list-style-type: none"> <li>• PT Borneo Ketapang Permai has have HGU since 2014.</li> <li>• PT Perdana Intisawit Perkasa has have land use right in the document of HGU number 60/HGU/BPN/1995 on 1995 with total area is 2,467 Ha</li> <li>• PT Meridan Sejatisurya Plantation has have land use right in the document of HGU Certificate number 01 on 1995, Number 02 on 1995, Number 2 on 1996 and number 6 on 1999 with total area is 10,826.05 Ha</li> <li>• PT Panca Surya Agrindo has have land use right in the document of HGU number 42-VIII-1995 on 1995 and number 09/HGU/BPN.RI/2010 on 2010 with total area is 11,078.52 Ha</li> </ul>

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

3.4.1. Identification of Findings, Corrective Actions and Observations at IC

NCR No.	: 2021.01	Issued by	: Afiffuddin
Date Issued	: 27 August 2021	Time Limit	: Next Surveillance
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	<b>2.2.2</b> <b>All contract, including those for FFB supply, contain specific clause on meeting relevant legal requirements and this can be demonstrated by the third party</b>		
<b>Evidence observed (filled by auditor):</b> <ul style="list-style-type: none"> <li>Based on the results of the review of the Contract Document Letter of Agreement number 43/Chipping-Lubang Tanam/PISP/LGL-PKU/VII/21 Pekerjaan Chipping Pokok Sawit dan Pembuatan Lubang Tanam (replanting) with CV. Findo Maju Jaya, dated July 1, 2021, which among other things explained that: <ul style="list-style-type: none"> <li>The second party must comply with applicable labor regulations at both the central and regional levels.</li> <li>The second party must include the second party's workforce in the BPJS Employment and BPJS Health assurance.</li> </ul> </li> <li>Based on the results of field visits and interviews with contractor workers CV. Findo Maju Jaya, it is known that the contractor has stated that he has not been registered in the BPJS Employment and Health program. In addition, he also do not know about the existence of a Work Agreement between contractors and their employees including the fulfillment of the minimum wage.</li> <li>Until ST-2 is completed, no evidence of compliance with relevant legal obligations has been shown, for example, proof of salary slips, BPJS membership for contractor workers, or a work agreement letter between the contractor and his employees.</li> </ul>			
<b>Non-Conformance Description (filled by auditor):</b> Based on the explanation above, it is known that the company has not been able to demonstrate the fulfillment of the relevant legal obligations that can be proven by the third party concerned.			
<b>Root Cause Analysis (filled by organization audited):</b>			
<b>Correction (filled by organization audited):</b>			
<b>Corrective Action (filled by organization audited):</b>			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>			
Verified by	:		

NCR No.	: 2021.02	Issued by	: Radytio Puspanjana
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<b>Date Issued</b> :	<b>27 August 2021</b>	<b>Time Limit</b> :	<b>Next Surveillance</b>
<b>NC Grade</b> :	<b>Minor</b>	<b>Date of Closing</b> :	
<b>Standard Ref. &amp; Requirement</b> :	<b>3.4.2</b> <b>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.</b>		
<p><b>Evidence observed</b> (filled by auditor):  The company has also conducted a Social Environment Impact Assessment (SEIA) in 2014, which was carried out by the Sustainability Department First Resources team.</p> <p>In this document, an adequate identification of social and environmental impacts (positive and negative) has been carried out within the scope of operations. The effort to follow up on the 2014 SIA recommendation, the company has developed a social management and monitoring plan which is developed and outlined in the social management and monitoring document for the 2019-2021 period as follows:</p> <ul style="list-style-type: none"> <li>- Develop communication and network with stakeholders related to the company.</li> <li>- Improving the quality of public education.</li> <li>- Improving the quality of public health.</li> <li>- Empowerment of workers related to the company's replanting program.</li> <li>- Community economic empowerment.</li> </ul> <p>However, in the process of preparing the document, it was discovered that:</p> <ol style="list-style-type: none"> <li>3. External stakeholders involved in the preparation of the management plan and social monitoring are still limited to the Village Head and KUD representatives around the company (Kepenuhan Barat Mulia Village and the Head of Kepenuhan Baru Village), KUD Sumber Makmur (SP2), KUD Sawit Sumber Rezeki (SP1) , KUD Jaya Bersama (SP4) and KUD Sawit Subur (SP3), have not paid attention to the broadly affected parties such as women, migrants, local residents, youth leaders, contractors and other affected parties.</li> <li>4. Internal stakeholders have not been directly involved in the management plan and social monitoring.</li> </ol> <p>Based on interviews with external stakeholders, namely the Village Head of Kepenuhan Barat Mulia and the Village Head of Kepenuhan Baru, information was obtained that the village had not been involved in the preparation of the SIA management and monitoring program. So that with the limited number of parties involved in the preparation of the management plan and social monitoring, there are several issues that have not been identified that have been monitored and managed in a comprehensive and integrated manner, for example;</p> <ul style="list-style-type: none"> <li>- Road damage and road dust during the dry season that is passed by operational transportation.</li> <li>- Slow response to letter or send a request for proposal.</li> </ul> <p><b>Non-Conformance Description</b> (filled by auditor):  The social impact management and monitoring plan has not been developed with the participation of widely affected stakeholders so that there are several issues that have not been fully identified to be monitored and managed in an integrated manner.</p>			
<b>Root Cause Analysis</b> (filled by organization audited):			
<b>Correction</b> (filled by organization audited):			
<b>Corrective Action</b> (filled by organization audited):			
<b>Assessor Evaluation and Conclusion</b> (filled by auditor):			

Verified by	:	
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NCR No.	:	2021.03	Issued by	:	Afiffuddin
Date Issued	:	27 August 2021	Time Limit	:	12 months (recommendation 9 months)
NC Grade	:	Major	Date of Closing	:	13 December 2021
Standard Ref. & Requirement	:	<p>3.7.1  <b>A documented programme that provides training is in place, which is accessible to all staff, workers, scheme smallholders, and outgrowers taking into account gender-specific needs, and which covers applicable aspects of P&amp;C Principles, in a form they understand and includes assessment of the training</b></p>			
<p><b>Evidence observed (filled by auditor):</b></p> <ul style="list-style-type: none"> <li>Based on the results of the review of the List of Names of Heavy Equipment Operators, Steam Boiler Operators and Pressure Operators Mill, it is known that there are 2 dump truck operators who have Surat Izin Operator (license) for heavy equipment (valid until 2024) and 8 steam boiler operators who have license (valid until 2023). However, proof of license ownership has not been shown yet.</li> <li>Based on the results of field observations at Perdana Intisawit Perkasa Mill and interviews with management, the following conditions were found: <ul style="list-style-type: none"> <li>There is 1 operator working at the engine room station. Based on management information, it is known that there are 3 pesawat tenaga produksi operators in mill (3 shifts).</li> <li>There is 1 welder working in the welding area of the workshop mill.</li> </ul> </li> <li>Peraturan Menteri Ketenagakerjaan No. 38 of 2016 concerning <i>Keselamatan dan Kesehatan Kerja Pesawat Tenaga dan Produksi</i>; and <i>Peraturan Menteri Tenaga Kerja dan Transmigrasi No. 02 of 1982 concerning Kualifikasi Juru Las di Tempat Kerja</i> mentions the obligation to have a license for operators.</li> <li>Until the Stage-2 assessment is completed, the company has not yet been able to show the training plan for operators as required by the regulations.</li> </ul>					
<p><b>Non-Conformance Description (filled by auditor):</b>  Based on the explanation above, it is known that the company has not been able to show a documented training program plan for each worker taking into account the specific needs according to the RSPO principles and criteria.</p>					
<p><b>Root Cause Analysis (filled by organization audited):</b>  The implementation of the SIO monitoring results has not been optimal due to the covid pandemic and activity restrictions by the regional and central governments so that the implementation of the training is delayed</p>					
<p><b>Correction (filled by organization audited):</b></p> <ol style="list-style-type: none"> <li>Certificate of OHS Technical Guidance of OHS Dump Truck Operators on behalf of AR (initials), dated May 20, 2019.</li> <li>OHS Technical Guidance Certificate of OHS Dump Truck Operators on behalf of MRS (initials), dated May 20, 2019.</li> <li>Certificate of OHS Technical Development for Steam Aircraft Operators Class I OHS Steam Operators on behalf of SPR (initials), BSP (initials), BSW (initials), DSB (initials), FDP (initials), IDH (initials), PJN (initials), initials) and WSP (initials), 23 November 2018.</li> </ol>					

4. Minutes of Training for power and production aircraft operators, dated October 29, 2021, which among others explains that training has been carried out on October 25 – 28, 2021, in collaboration with PT Arpindo Multi Utama.
5. PT PISP Training Needs Identification Document for the period January – December 2021, which includes identification of license training for power and production aircraft operators and training of welder certification.
6. Certificate (temporary) issued by PT Arpindo Multi Utama to RS (initials) and RMD (initials), dated October 28, 2021, for participating in the K3 Development of Diesel Motor Operators on October 25 – 28, 2021.
7. Work plan for the implementation of PT PISP's SMK3 for the period 2021 – 2022, September 6, 2021, which explains the Production Workforce Operator Certification training is planned for October 2021 and welder certification training in May 2022.

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

- Evaluate the plan for the SIO training program regularly in the Management Review.
- OHS PIC PISP together with the learning center monitors the training of workers and is evaluated once a year

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

**Verification 13 December 2021**

The unit of certification shows evidence of improvement as follows:

1. Certificate of OHS Technical Guidance of Dump Truck Operators on behalf of AR (initials), dated May 20, 2019.
2. OHS Technical Guidance Certificate of Dump Truck Operators on behalf of MRS (initials), dated May 20, 2019.
3. Certificate of OHS Technical Development for Steam Aircraft Operators Class I Steam Operators on behalf of SPR (initials), BSP (initials), BSW (initials), DSB (initials), FDP (initials), IDH (initials), PJN (initials), initials) and WSP (initials), 23 November 2018.
4. Minutes of Training for power and production aircraft operators, dated October 29, 2021, which among others explains that training has been carried out on October 25 – 28, 2021, in collaboration with PT Arpindo Multi Utama.
5. PT PISP Training Needs Identification Document for the period January – December 2021, which includes identification of license training for power and production aircraft operators and training of welder certification.
6. Certificate (temporary) issued by PT Arpindo Multi Utama to RS (initials) and RMD (initials), dated October 28, 2021, for participating in the training of OHS of Diesel Motor Operators on October 25 – 28, 2021.
7. Work plan for the implementation of PT PISP's SMK3 for the period 2021 – 2022, September 6, 2021, which explains the Production Workforce Operator Certification training is planned for October 2021 and welder certification training in May 2022.

Submitted proof of improvement, root cause analysis and corrective actions have been accepted. The non-conformance is declared fulfilled and will be observed in the next assessment.

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

<b>NCR No.</b>	: <b>2021.04</b>	<b>Issued by</b>	: <b>Afiffuddin</b>
<b>Date Issued</b>	: <b>27 August 2021</b>	<b>Time Limit</b>	: <b>12 months (recommendation 9 months)</b>
<b>NC Grade</b>	: <b>Major</b>	<b>Date of Closing</b>	: <b>13 December 2021</b>



<b>Standard Ref. &amp; Requirement</b>	<p><b>6.7.3</b>  <b>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.</b></p>
<p><b>Evidence observed (filled by auditor):</b></p> <ul style="list-style-type: none"> <li>The company has SOP for Personal Protective Equipment (PPE), document number PR.FR.COP.OPA.APD, issue No. 01, issue date October 1 2019, which among other things explained that all employees who work in work locations that pose a risk to the safety and health of workers are equipped with appropriate PPE, including guests and contractors including safety shoes, masks, and helmets</li> <li>The results of risk identification in the WWTP pond include stating the use of buoys for pond cleaning activities</li> <li>Based on the results of field observations at Mill PISP, the following conditions were found: <ul style="list-style-type: none"> <li>- FFB (plasma/KKPA) truck drivers do not wear safety shoes</li> <li>- SPSI employees as FFB unloading contractors do not use safety shoes</li> <li>- 1 kernel station operator wearing normal boots</li> <li>- There are many people passing by and entering the FFB sorting area without wearing safety shoes</li> <li>- IPAL pool operators do not use shoes, helmets and masks because they are dirty</li> <li>- When cleaning the WWTP pool, the operator does not use PPE as the result of risk identification</li> </ul> </li> </ul>	
<p><b>Non-Conformance Description (filled by auditor):</b>  Based on the explanation above, the company has not been able to show sufficient evidence that the implementation of the use of PPE has been in accordance with the plans and procedures set.</p>	
<p><b>Root Cause Analysis (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>Employees, loading and unloading contractors and KKPA drivers lack discipline and understanding of the use of standard PPE in the Mill due to the lack of easy-to-understand socialization media (OHS signs) at Mill entry points.</li> <li>Lack of supervision from security personnel at Mill entry and exit points regarding the obligation to use PPE for all contractors working within Mill</li> </ul>	
<p><b>Correction (filled by organization audited):</b></p> <ol style="list-style-type: none"> <li>Prepare Circulars to External parties (SPSI and Cooperatives) regarding the obligation to use standard PPE in Mill</li> <li>Prepare signs prohibiting entry to Mill for employees/contractors who do not use PPE</li> <li>Replace PPE in accordance with the existing risk identification</li> </ol>	
<p><b>Corrective Action (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>Socialization of Internal Memo from the Management of PT. PISP to KKPA Drivers, Loading and Unloading Workers and Security</li> <li>Prepare a stock of PPE at the Mill security post for contractors who do not use the PPE that has been determined by the company. With the person in charge, namely Mill Manager, Head of the PT PISP Security Unit and the Sorting Foreman.</li> </ul>	
<p><b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Verification 13 December 2021</b>  The unit of certification has shown proof of reproduction in the form of:</p>	

1. Minutes of handover and documentation (photo) of the provision of PPE, safety helmets and safety shoes to kernel operators, on August 24, 2021.
2. Minutes of handover and documentation (photo) of the provision of PPE, safety helmets and safety shoes to WWTP officers, on August 24, 2021.
3. Internal Memo from Mill Manager regarding the use of PPE for Dump Truck Drivers, loaders, and loading and unloading FFB, dated August 24, 2021.
4. Minutes of handover of the circular on the use of PPE, on August 24, 2021, receiving and documenting (photos) of the provision of PPE, safety helmets and safety shoes to kernel operators, on August 24, 2021, to the Head of SPSI (loading and unloading of FFB), FFB loading and unloading staff , plasma dump truck drivers, farmer groups and Mill employees
5. Documentation of the preparation of PPE needs for borrowing in the form of helmets and safety shoes at the Mill security post.
6. Documentation of the installation of mandatory signs for the use of PPE at the entrance to the Mill.

Submitted proof of improvement, root cause analysis and corrective actions have been accepted. The nonconformity is declared fulfilled and will be re-observed at the next assessment.

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

<b>NCR No.</b>	<b>: 2021.05</b>	<b>Issued by</b>	<b>: Radytio Puspanjana</b>
<b>Date Issued</b>	<b>: 27 August 2021</b>	<b>Time Limit</b>	<b>: Next Surveillance</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>:</b>
<b>Standard Ref. &amp; Requirement</b>	<b>7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.</b>		
<b>Evidence observed (filled by auditor):</b> <b>Hazardous waste.</b> <ul style="list-style-type: none"> <li>- The company has a waste management SOP with the number FR.CSM.OP.1 30 December 2018 which explains that hazardous waste generated by operational activities such as used packaging contaminated with hazardous waste and used lamp stored on hazardous waste temporary storage.</li> <li>- Base on field visit on Stage-02 audit, obtained information that there was hazardous waste located not in a licensed storage, for example:</li> </ul>			



Air Hitam Estate Housing Complex block B-27

- Hazardous waste Used thinner cans are stored in the Mill workshop office.
- The used lamp stored on mill processing office.
- Used paint container which is used as a POME container on mill.
- Used oil drums which are used as water reservoirs in the WWTP on mill.

**Domestic Solid Waste**

Domestic waste management procedures are described in the SOP for waste management with the number FR.CSM.OP.1 dated December 30, 2018, on procedure, residential domestic waste is managed in several stages, namely the process of reduce, recycle, reduce and separate organic and organic domestic waste then collected and disposed of landfill. However, based on field visits on housing complex block B-27, Air Hitam Estate found domestic waste that was left open and scattered.



Air Hitam Estate Housing Complex block B-27

**Domestic Liquid Waste**

The procedure for managing Domestic Waste Water is explained in the SOP for waste management with the number FR.CSM.OP.1 with a date of issue on December 30, 2018 in that procedure, domestic waste Water generated by housing is managed by:

- Separate wastewater treatment from other activities.
- Ensuring that all wastewater produced enters the watertight wastewater treatment plant so that no seepage occurs.
- Separating domestic wastewater and rainwater.
- Monitoring the quality of domestic wastewater in accordance with *Permenlhk P.68/Menlhk/Setjenkum.1/8/2016* concerning domestic wastewater quality standards.



Air Hitam Estate Housing Complex block B-27

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

The company has not been able to show sufficient evidence that the management of hazardous waste, solid domestic waste and water waste domestic has been in accordance with the established procedures.

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

Lack of understanding of PT PISP unit management regarding the handling and management of hazardous waste, and domestic waste in the environment.

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

Making improvements to waste management in employee housing.

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

Conducting socialization to employees regarding the management of hazardous waste and domestic waste in residential locations.

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

**Verified by** :

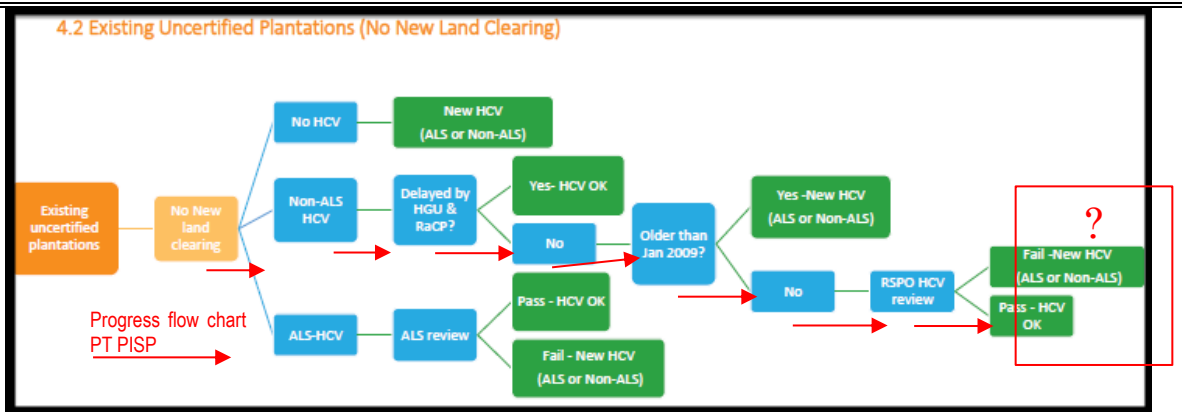
<b>NCR No.</b>	: 2021.06	<b>Issued by</b>	: Radytio Puspanjana
<b>Date Issued</b>	: 27 August 2021	<b>Time Limit</b>	: Next Surveillance
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	:
<b>Standard Ref. &amp; Requirement</b>	: 7.3.3 The unit of certification does not use open fire for waste disposal.		
<b>Evidence observed (filled by auditor):</b>			
<p>The company has a waste management procedure without burning which is contained in the SOP for waste management with the number FR.CSM.OP.1 with a date of issue on December 30, 2018. Based on interviews and document verification, it is stated that the company does not use open burning places for waste disposal.</p> <p>Base on field visits and interviews with workers on Stage-02 audit, obtained information that there were former waste burning activities on open area, for example:</p>			



	
<p>Trash burning on WWTP pool</p>	<p>The former burning EFB on estate</p>
<p><b>Non-Conformance Description</b> (filled by auditor): The company has not been able to show enough evidence no use open fire for waste disposal.</p>	
<p><b>Root Cause Analysis</b> (filled by organization audited):</p>	
<p><b>Correction</b> (filled by organization audited):</p>	
<p><b>Corrective Action</b> (filled by organization audited):</p>	
<p><b>Assessor Evaluation and Conclusion</b> (filled by auditor):</p>	
<p><b>Verified by</b> :</p>	

<p><b>NCR No.</b> :</p>	<p>2021.07</p>	<p><b>Issued by</b> :</p>	<p>Radytio Puspanjana</p>
<p><b>Date Issued</b> :</p>	<p>27 August 2021</p>	<p><b>Time Limit</b> :</p>	<p>12 months (9 months recommendation)</p>
<p><b>NC Grade</b> :</p>	<p>Major</p>	<p><b>Date of Closing</b> :</p>	<p>13 August 2022</p>
<p><b>Standard Ref. &amp; Requirement</b> :</p>	<p>7.12.2 HCVs, HCS forests and other conservation areas are identified as follows: a. For existing plantations with an HCV assessment conducted by an RSPO-approved assessor and no new land clearing after 15 November 2018, the current HCV assessment of those plantations remains valid b. Any new land clearing (in existing plantations or new plantings) after 15 November 2018 is preceded by an HCV-HCS assessment, using the HCSA Toolkit and the HCV-HCSA Assessment Manual. This will include stakeholder consultation and take into account wider landscape-level considerations.</p>		
<p><b>Evidence observed</b> (filled by auditor): - RSPO Interpretation indicator document 7.12.2 and Annex 5 for the RSPO P&amp;C 2018. In section 3.2 (RSPO HCV Assessment review) it is explained that HCV identification studies must be reviewed by RSPO (NDTF, No Deforestation Task Force) for plantations that are not certified and do not exist new land clearing after 15 November 2018 with a Non-ALS HCV assessment.</p>			





- Base on the area statement document obtained information that the company has 1 estate namely Perdana Inti Sawit Perkasa Estate on land clearing between 1993 and 2004. There is no new land clearing after 15 November 2018.
- The HCV assessment was conducted in January 2013 by internal assessors (Non-ALS).
- The company shows an Email on the progress of PT PISP's HCV document review which includes:

Date	Evidence	Progress
24 October 2020	Email	Submitted HCV assessment documents 2013 to RSPO
13 November 2020	Email	Response from RSPO to the internal HCV assessor team FR that the document has been received and is being reviewed by an independent RSPO reviewer.
3 December 2020	Email	FR internal HCV assessor team inquired about the progress of the RSPO's review of HCV documents.
15 December 2020	Email	FR's internal HCV assessor team inquired about the progress of the RSPO's review of HCV documents.
7 January 2021	Email	FR's internal HCV assessor team inquired about the progress of the RSPO's review of HCV documents.
11 January 2021	Email	Answers from RSPO as well as attachments to PT PISP's 2013 HCV assessment document review. The company is asked to complete a HCV management and monitoring plan.
11 January 2021	Email	Answer from the FR internal HCV assessor team explaining that the HCV management and monitoring plan is separate and will be completed soon.
24 May 2021	Email	FR's internal HCV assessor team inquired about the progress of the RSPO's review of HCV documents after completing the HCV management and monitoring plan.
26 July 2021	Email	FR's internal HCV assessor team inquired about the progress of the RSPO's review of HCV documents after completing the HCV management and monitoring plan.
6 August 2021	Email	The answer from the RSPO as well as the attachment of the review of the 2013 PT PISP HCV assessment document and there are still things that need to be improved.
6 August 2021	Email	<i>Email from the internal HCV assessor team FR to all team members to immediately follow up on the review of the 2013 HCV Document from the RSPO</i>

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

The company has not been able to show an HCV assessment document that has received approval from the RSPO review results as stipulated in the RSPO Interpretation indicator document 7.12.2 and Annex 5 for the RSPO P&C

2018.

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

The company has not been able to show an HCV assessment document that has received approval from the RSPO review results as stipulated in the RSPO Interpretation indicator document 7.12.2 and Annex 5 for the RSPO P&C 2018.

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

The company shows an Internal HCV assessment that has been approved by the RSPO secretariat.

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

The Sustainability Team updates the latest requirements from the RSPO regarding the fulfillment of regular HCV document reviews.

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

**Auditor verification 8 August 2022**

The company shows proof of improvement consist of:

- Submitted of HCV assessment documents to RSPO by email on 10 June 2022.
- There is an email dated August 8, 2022 from the RSPO No Deforestation (NDTF) explaining that the HCV assessment document sent to the RSPO describes the "Summary of feedback and remaining correction to be done":
  - **The sample size improved by redoing the interview and FGD.**
  - There is discrepancy on subdistrict and village number in page III-7 and Page III-10. Please refine it with the correct one.
  - The review can be closed off once the company submitted the final report to refine page III-7 or Page III-10.
- The company responded to the email on August 8, 2022 explaining that the final HCV Assessment Report had been sent and made improvements to page III-7 or Page III-10.
- There is an email from the company regarding the status of review and approval of PT PISP's HCV Identification Report dated August 8, 2022 which explains:
  - The RSPO Secretariat has essentially approved PT PISP's HCV Identification Report and only minor revisions regarding Typo on pages III-7 and pages III-10 ("The review can be closed off once the company submitted the final report to refine page III-7 or Page III-10").
  - Checklist for RSPO HCV Assessment Report Review Checklist has been declared fulfilled by the RSPO Secretariat (attached).
  - PT. PISP has sent the final report to refine page III-7 or Page III-10 (attached). Hereby referring to the email from RSPO point 3 below, the review can be closed.

The company needs to ensure the status of adequacy and the fulfillment of feedback and remaining from the RSPO for point No. 1 The sample size improved by redoing the interview and FGD and filling out the Root Cause Analysis, Correction and Corrective Action form.

Based on this explanation, the discrepancy in this indicator has not been fulfilled.

**Auditor verification dated 11 August 2022.**

- There is an email dated August 11, 2022 from the RSPO No Deforestation (NDTF) explaining that all reviews have been declared completed by the RSPO.
- There is evidence of submission of PT PISP's HCV report review (appendix 2 RSPO HCV assessment review).

Based on this explanation, the discrepancy in this indicator has not been fulfilled, because the company has not completed the Root Cause Analysis, Correction and Corrective Action section.

**Auditor verification dated 13 August 2022.**

The company has provided additional information on root cause analysis, correction, and corrective actions.

Auditor's Conclusion Non-conformance is declared fulfilled.

<b>Verified by</b>	<b>:</b>	<b>Radytio Puspanjana</b>
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3.4.2. Opportunity for Improvement

No	Ref. Std.	Description
1	3.7.3	<p><b>Adequate training is provided for personnel performing tasks critical to the effective implementation of the Supply Chain Certification Standard ("SCCS"). The training is specific and in accordance with the task at hand.</b></p> <p>The certification unit has been able to demonstrate training on Supply Chain traceability on 09 February 2021 which was attended by 7 participants. Participants who took part in the training, for example, the balance clerk and the factory staff. The training materials include explaining the flow of the RSPO supply chain process, the supply chain model used, RSPO supply chain requirements for mills, receiving certified FFB, receiving raw materials, and sending certified products.</p> <p>Based on the field observation and interviews with one of the trainees, the personnel concerned have not been able to explain and demonstrate the RSPO supply chain flow including its duties and responsibilities. However, the officer said the training had actually been given. Thus, the certification unit has the opportunity to evaluate and re-assure the training methods that have been provided so that every participant present can understand the training in accordance with their authority.</p>
2	4.3.1	<p><b>Contributions to community development based on the results of consultations with local communities can be demonstrated.</b></p> <p>The certification unit has been able to demonstrate the CD-CSR program in 2021 and the realization of the implementation of CD-CSR in 2020. In the program in 2021, the villages targeted for activities are Kepenuhan Barat Mulya, Kepenuhan Baru, and Kepenuhan Makmur with the following types of activities:</p> <ul style="list-style-type: none"> <li>- Education</li> <li>- Infrastructure sector</li> <li>- Community proposal</li> </ul> <p>The certification has been able to demonstrate the realization of CD-CSR for year 2020 i.e :</p> <ul style="list-style-type: none"> <li>- Food package assistance for the community (distributed through the DPRD) on April 28, 2020</li> <li>- Repair of the Sontang – Duri Village axis road on November 6, 2020</li> <li>- Teacher honors (monthly) for 3 kindergarten teachers and quarterly scholarships with a total of 81 students receiving assistance</li> </ul> <p>The certification unit can also show a questionnaire on community responses to the provision of information and the CD-CSR program for 2021. The contents of the questionnaire are more about responses from the community to the ongoing CD-CSR program and do not clearly describe the active role of the community in programming. This is in line with the results of public consultations with representatives of the Kepenuhan Barat Mulya Village who stated that they had never been involved in the preparation of community development programs. Thus the certification unit has the opportunity to consider the involvement of the surrounding community in the preparation of the CD-CSR program so that social responsibility and contribution to community development are in accordance with the needs of the community and involvement of all relevant stakeholders in the preparation of CSR programs.</p>

No	Ref. Std.	Description
3	4.2.4	Ensuring the resolution of industrial relations problems as contained in the Recommendation Letter from the SME Cooperatives, Transmigration and Manpower Office dated August 16, 2021
4	6.2.2	Ensure that the agreed CLA is registered by the entrepreneur to the agency responsible for the manpower sector.
5	7.1.1	<p><b>IPM plans are implemented and monitored to ensure effective pest control.</b></p> <p>The company has a Pest and Disease Control SOP SOP Code: MN.FR.COP.OPA.PHT which has been in effect since July 1, 2012 which regulates the early observation system and the mechanism for the schedule of census activities as well as the economic threshold for controlling pests and diseases.</p> <p>The company has conducted a census of monitoring pests of UPDKS, Oryctes, and rats in the PT PISP TBM area. Based on the document, it is known that there were oryctes pest attacks (census on August 5, 2021) of 0.48% and UPDKS attacks (results of the July 2021 census) of 0.7 per stem (economic threshold of 5 caterpillars per midrib) and has been implemented control. The results of interviews with company management revealed that the pest and disease census activities in the TM area were more dependent on the results of early observation activities. A census will be conducted if based on the results of early observations there are symptoms of an attack.</p> <p>The company has the opportunity to carry out pest and disease observation and control activities in accordance with what is described in the Pest and Disease control SOP.</p>

### 3.4.3. Noteworthy Positive Components

No	Description
1	Commitment to implement the principles of sustainable palm oil management
2	Have a partnership program with the surrounding community
3	Good presentation of documents and communication of the companion team
4	The company already has a biogas plant under POME management.



3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>BPN of Rokan Hulu Regency section of Verification and Land Dispute Control</b></p> <ul style="list-style-type: none"> <li>- Coordination and mandatory reports according to the timetable</li> <li>- There is no progress on applying for a new permit</li> <li>- There has never been a land dispute issue</li> <li>- Legal rights owned (HGU) are still valid until 2030 There is no abandoned land issue. Utilization of HGU has been in accordance with the designation given</li> </ul>	<p>In general there are no negative issues that require further verification</p>
<p><b>Department of Manpower and Transmigration (Mediator for Settlement of Industrial Relations) Rokan Hulu Regency</b></p> <ul style="list-style-type: none"> <li>- Already has a Collective Labour Agreement but until now it has not been ratified and known by the service</li> <li>- Contract worker hasn't been registered to the service</li> <li>- Wages are in accordance with UMSP</li> <li>- Layoffs for sick people should follow regulations / a.n Arman Laian (16 August 2021 sent a letter to the company but no response yet) Affected December 2020 left eye disabled</li> <li>- Contract worker for harvesting activity should not be allowed because harvesting is the core job</li> </ul>	<ul style="list-style-type: none"> <li>- The collective labour agreement is in still progress and it become OFI</li> <li>- Contract worker has been registered in year of 2020. In 2021 there is no new contract worker</li> <li>- settlement of industrial relations problems has become OFI and is explained further in the indicators 4.2.4</li> <li>- Based on document review and interview known as 2021 all harvester is permanent worker</li> </ul>
<p><b>Environmental Agency of Rokan Hulu Regency.</b></p> <ul style="list-style-type: none"> <li>- The company has EIA documents and has received environmental feasibility on November 2016.</li> <li>- The company has a Temporary Hazardous Waste Storage located on Mill approved by Rokan Hulu Regency on 2018.</li> <li>- Hazardous Waste management activities carried out by storing hazardous Waste in licensed hazardous waste storage and transported have permission by KLH. Quarterly management reporting to relevant agencies.</li> <li>- The company has land application permit.</li> <li>- The company has tested the quality of factory wastewater per month and reported the results of testing to Environmental Agency Rokan Hulu Regency per quarter.</li> <li>- The company has conducted POME quality testing per semester and reports the results of testing to Environmental Agency Rokan Hulu Regency.</li> <li>- The company has conducted noise, vibration and noise testing and reported the results of testing to Environmental Agency Rokan Hulu Regency per semester.</li> <li>- The company has reported Hazardous waste (balance and manifest) management to Environmental Agency Rokan Hulu Regency per semester per semester, for example hazardous waste management report 2<sup>nd</sup> quarterly 2021.</li> <li>- The company has sent the RKL / RPL implementation report to Environmental Agency Rokan Hulu Regency</li> </ul>	<ul style="list-style-type: none"> <li>- According to field observation, there are no environment pollution from estate and mill operational.</li> </ul>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>periodically, for example the 1<sup>st</sup> semester of 2021.</p> <ul style="list-style-type: none"> <li>- The company has managed the conservation area / HCV for example in the form of forest.</li> <li>- Requests for information responded quickly by the management unit.</li> <li>- There have not been any issues and reports from other parties regarding the negative impacts on the environment due to the management of Estate and Mill.</li> </ul>	
<p><b>Plantation Agency of Rokan Hulu District</b></p> <ul style="list-style-type: none"> <li>- The company has a cooperative partnership with local farmers</li> <li>- Mandatory report has been submitted in accordance with timetable</li> <li>- There is no negatif issue related smallholders partnership</li> <li>- There is no land dispute issue</li> <li>- The company has plasma assistants to ensure the quality of the farmers' FFB is acceptable to the mills</li> </ul>	<p>In general there are no negative issues that require further verification</p>
<p><b>Representatives of the Sawit Subur Cooperative and Jaya Bersama Cooperative</b></p> <ul style="list-style-type: none"> <li>• There is company assistance in managing the legality of the land (title of ownership) at the beginning of plasma development.</li> <li>• There is assistance for certified seeds from the company at the beginning of plasma development.</li> <li>• The company has provided training/socialization on RSPO and safe use of pesticides for farmers.</li> <li>• The company has provided PPE assistance for spraying activities</li> <li>• The company always provides information regarding the price of FFB issued by the Plantation Office</li> <li>• Farmers have understood the mechanism for submitting complaints to companies such as submitting letters, Hotline numbers, or verbally.</li> <li>• The company has provided assistance in the form of building warehouses and providing fertilizer, where payments are not made directly so that it is very helpful for farmers' finances</li> </ul>	<p>In general there are no negative issues that require further verification</p>
<p><b>Head of Kepenuhan Baru Village</b></p> <ul style="list-style-type: none"> <li>- The positive impacts of the existence of the company include the partnership of plasma plantations, KKPA, and PIR Trans</li> <li>- So far, the company has always provided guidance, especially those related to FFB quality</li> <li>- There has never been an issue of environmental pollution or the issue of land fires</li> </ul>	<p>In general there are no negative issues that require further verification</p>

<b>Public Issues (Institution/ NGO/Community)</b>	<b>Auditor Verification</b>
<p><b>Head of Kepenuhan Barat Mulya Village</b></p> <p>The existence of the company is felt to have less positive impact, for example:</p> <ul style="list-style-type: none"> <li>- Recruitment of workers who do not pay attention to the people of the village of Kepenuhan Mulya Barat</li> <li>- Slow response when people write letters or send requests for help</li> <li>- Dust during the dry season due to CPO trucks crossing the village area. So far, companies are throwing responsibilities with other companies to deal with these problems</li> <li>- Social responsibility programs that have never been socialized or involved the community in their preparation</li> <li>- There are no issues regarding land fires and land dispute</li> </ul>	<p>It has been explained more detail in 3.4.2 and 4.3.1</p>
<p><b>Gender Committee</b></p> <ul style="list-style-type: none"> <li>• There were no incidents of sexual harassment or domestic violence</li> <li>• The gender committee conducts outreach to women workers and people at home through morning roll calls, posyandu activities and other housing activities</li> <li>• Menstrual leave is available with a mechanism to report to the foreman and will be examined at the clinic</li> <li>• The gender committee monitors the registration of H1 (menstrual leave) and H2 (maternity leave) permits for employees every month.</li> <li>• There is no difference between male workers and female workers. Every worker has equal rights in terms of employment opportunities and also anonymity protection.</li> <li>• If there is a mother who is breastfeeding, then report to the foreman if it takes time to leave work</li> </ul>	<p>It has been described in criteria 6.5</p>
<p><b>Workers Union</b></p> <ul style="list-style-type: none"> <li>• Workers' unions have been registered at the Manpower Office</li> <li>• Meetings between the Workers Union and Management and Bipartite can be held at any time if the situation requires</li> <li>• PPE can be replaced if damaged by showing evidence of the damage</li> <li>• There are no problems regarding overtime payments</li> <li>• Wages are in accordance with the 2020 district minimum wage</li> <li>• If there is a mother who is breastfeeding, then report to the foreman if it takes time to leave work</li> <li>• The infrastructure officer immediately responded to the housing complaint</li> <li>• Collective Labor Agreement is still valid</li> <li>• Payment of harvest wages based on attendance and work</li> </ul>	<p>It has been described in Principe 6</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>performance (tonnage system)</p> <ul style="list-style-type: none"> <li>• The company provides an ambulance if an employee is referred to a referral hospital.</li> <li>• The management unit does not interfere with the formation or activities of registered organizations / labor unions.</li> <li>• The recruitment process for employees begins with a check on administrative completeness, an initial medical check-up before working and a job appraisal process by superiors.</li> </ul>	
<p><b>PT Rajawali Perkasa Jaya (Contractor)</b></p> <ul style="list-style-type: none"> <li>• 2 years of cooperation started</li> <li>• In the Estate and Mill 28 people.</li> <li>• There is no delay in paying salaries, on the 25th – 29th at the latest</li> <li>• Workers have been included in BPJS Health and Employment.</li> <li>• Members get facilities from the company in the form of houses and facilities.</li> </ul>	<p>The collaboration between the company and PT Rajawali Perkasa Jaya has been well established and there are no complaints from the Contractor.</p>
<p><b>CV Findo Maju Jaya (Contractor worker)</b></p> <ul style="list-style-type: none"> <li>• Monthly wages/ salary 4.5 million – 5 million rupiah.</li> <li>• Not registered in the BPJS program. If sick, then go to a doctor and use your own costs first, then the receipt will be reimbursed and the money will be replaced.</li> <li>• Salary is never late. Already working at the beginning of the year PT PSA (one group with PT PISP).</li> <li>• The house is provided by the company, PPE is provided by the contractor.</li> </ul>	<p>Regarding proof of payment of wages and BPJS membership as well as proof of work contracts for contractor workers, there has been a non conformity in indicator 2.2.2.</p>

<p><b>4.0</b></p>	<p><b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b></p>
<p><b>4.1</b></p>	<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 style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Perdana Intisawit Perkasa Management Representative</p>  <p><b><u>Eko Darmawanto</u></b> Monday, 15 August 2022</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Leonada</u></b> Monday, 15 August 2022</p> </div> </div>

Appendix 1. List of Stakeholder Contacted in the RSP0 Certification Process

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	WWF Indonesia	Indonesia	<a href="mailto:media@wwf.id">media@wwf.id</a>	Questionnaire	18 August 2021		√
2	WALHI	Indonesia	<a href="mailto:informasi@walhi.or.id">informasi@walhi.or.id</a>	Questionnaire	18 August 2021		√
3	AMAN	Indonesia	<a href="mailto:rumahaman@cbn.net.id">rumahaman@cbn.net.id</a>	Questionnaire	18 August 2021		√
4	Sawit Watch	Indonesia	<a href="mailto:info@sawitwatch.or.id">info@sawitwatch.or.id</a>	Questionnaire	18 August 2021		√
5	Perdana Intisawit Perkasa POM : - 1 Weighbridge officer - 1 Sortation and Grading officer - 1 Security officer - 1 Supervision - 1 warehouse officer - 1 hazardous waste warehouse officer - 1 welder - 1 WTP operator - 1 Biogas officer - 1 WWTP operators - 1 clerk workshop	District of Rokan Hulu, Riau, Indonesia		Direct Interview & Interview by phone	24 August 2021	√	
6	National Land Agency	District of Rokan Hulu, Riau, Indonesia		Interview by phone	25 August 2021	√	
7	Environment Agency	District of Rokan Hulu, Riau, Indonesia		Interview by phone	25 August 2021	√	
8	Manpower and Transmigration Agency	District of Rokan Hulu, Riau, Indonesia		Interview by phone	25 August 2021	√	
9	Plantation Agency	District of Rokan Hulu, Riau, Indonesia		Interview by phone	25 August 2021	√	
10	Sei Air Hitam Estate - 3 Spraying Worker and 1 Foreman - 2 Harvester and 1 Foreman - 2 Loader man and 1 Clerk - 1 LA Operator - 1 excavator operator	District of Rokan Hulu, Riau, Indonesia		Direct Interview & Interview by phone	25 August 2021	√	



No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
	<ul style="list-style-type: none"> <li>- 1 head of central storage</li> <li>- 1 day care officer</li> <li>- 1 head of workshop</li> <li>- 1 emergency responder</li> </ul>						
11	Gender Committee	District of Rokan Hulu, Riau, Indonesia		Interview by phone	25 August 2021	√	
12	Worker Union	District of Rokan Hulu, Riau, Indonesia		Interview by phone	25 August 2021	√	
13	PT Rajawali Perkasa Jaya (Contractor)	District of Rokan Hulu, Riau, Indonesia		Interview by phone	26 August 2021	√	
14	CV Findo Maju Jaya (Contractor worker)	District of Rokan Hulu, Riau, Indonesia		Interview by phone	26 August 2021	√	
15	Sawit Subur Cooperative	District of Rokan Hulu, Riau, Indonesia		Interview by phone	26 August 2021	√	
16	Jaya Bersama Cooperative	District of Rokan Hulu, Riau, Indonesia		Interview by phone	26 August 2021	√	
17	Kepenuhan Baru Village	District of Rokan Hulu, Riau, Indonesia		Interview by phone	26 August 2021	√	
18	Kepenuhan Barat Mulya	District of Rokan Hulu, Riau, Indonesia		Interview by phone	26 August 2021	√	

**Appendix 2. Assessment Program**

DATE	23 – 28 August 2021	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Monday, 23 August 2021</b>		
07.45 – 10.00 10.00 – 16.00	Jakarta → Pekanbaru Pekanbaru → Hotel	All Auditor
16.00 – 17.00	<b>Opening Meeting</b> <ul style="list-style-type: none"> <li>Auditee Speech (Introduction of PIC, Profile of Mill and Estates Management Unit).</li> <li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Determine of Field Visit Audit, Transparency and Confidentiality Clarification).</li> </ul>	All Auditor
<b>Tuesday, 24 August 2021</b>		
07.00 – 08.30	Hotel to Site	All Auditor
09.30 – 12.00	Document Verification <ul style="list-style-type: none"> <li>Basic information, SCCS, Legal, Time Bound Plan, Partial Certification</li> <li>OHS &amp; Worker Welfare</li> <li>Environment, GHG, Conservation</li> <li>Best Management Practices &amp; Transparency</li> </ul>	HRK AFN RJP JKP
12.00 – 14.00	<b>Break</b>	All Auditor
14.00 – 16.00	<b>Field Observation to Perdana Inti Sawit Perkasa POM</b> <ul style="list-style-type: none"> <li>Supply chain verification (FFB receiving, weighbridge, FFB Sorting, Despatch CPO)</li> <li>Observation to chemical storage, hazardous waste storage, POME Pond, Emergency simulation, WWTP, etc</li> <li>Observation to processing activity</li> </ul>	LEO/HRK RPJ  JKP/AFN
16.00 – 16.30	Penyampaian progress harian// <a href="#">Daily Progress</a>	All Auditor
16.30 – 18.00	Travelling from site to hotel	All Auditor
<b>Wednesday, 25 August 2021</b>		
07.00 – 08.30	Hotel to site	All Auditor
08.30 – 12.00	<b>Field Observation to Sei Air Hitam Estate</b> <ul style="list-style-type: none"> <li>Implementation of legal aspect (Land Ownership, Legal Boundaries) and HCV Management</li> <li>Implementation of environment and waste management aspect (inspection to chemical storage, fertilizer storage, Hazardous Waste Storage, clinic, etc)</li> <li>Observation of worker facilities (housing, school, worship, clean water, etc)</li> <li>Implementation of Agronomy Aspect (Harvesting &amp; transport, Manuring, Pesticide Application, IPM, EFB Application, etc)</li> </ul>	HRK  RPJ AFN  LEO/JKP
12.00 – 14.00	<b>Break</b>	
14.00 – 16.30	<ul style="list-style-type: none"> <li>Document Verification and Interview with Internal and Eksternal Stakeholder by phone (Previous land owner, affected communities, Government agencies, Contractor, labour union, Gender committee, etc)</li> <li>Presentation of Daily Progress.</li> </ul>	All Auditor

DATE	23 – 28 August 2021	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
16.30 – 17.00		
17.00 – 18.30	Site to hotel	
<b>Thursday, 26 August 2021</b>		
07.00 – 08.30	Hotel to Site	All Auditor
08.30 – 12.00	<ul style="list-style-type: none"> <li>Document Verification</li> <li>Interview with related personel during field observation by phone</li> </ul>	All Auditor
12.00 – 14.00	<b>Break</b>	All Auditor
14.00 – 16.00	<ul style="list-style-type: none"> <li>Document verification and completing audit checklist.</li> </ul>	All Auditor
16.00 – 16.30	<ul style="list-style-type: none"> <li>Presentation of Daily Progress.</li> </ul>	All Auditor
16.30 – 22.30	Site → hotel (Pekanbaru)	All Auditor
<b>Friday, 27 August 2021</b>		
08.00 – 09.30	PCR test in Pekanbaru	All Auditor
09.30 – 11.00	Internal meeting	
11.00 – 13.00	<b>Break (Friday Prayer)</b>	All Auditor
13.00 – 14.00	<b>Closing Meeting by Zoom :</b> <ul style="list-style-type: none"> <li>Presentation of audit finding (Noteworthy positive component, Non conformities, OFI, Timeline of CAR, conclusion)</li> <li>Comments, Response, and Questions</li> </ul>	All Auditor
<b>Saturday, 28 August 2021</b>		
16.25 – 18.10	Pekanbaru → Jakarta	All Auditor