

***Roundtable on Sustainable Palm Oil Certification  
RSPO***

**[✓] Initial Certification**

Name of Management Organization : Sungai Cempaga POM, PT Windu Nabatindo Abadi subsidiary of Bumitama Agri Ltd

Plantation Name : PT Windu Nabatindo Abadi: Sungai Cempaga Estate, Sungai Bahaur Estate, Bangun Koling Estate  
PT Nabatindo Karya Utama: Banama Haring Estate and Sungai Mirah Minting Estate

Location : Village of Tumbang Koling, Subdistrict of Cempaga Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia

Certificate Code : **MUTU-RSPO/177**

Date of Initial Registration : 21 December 2022      Date of License Issue : 21 December 2022

Date of Certificate Expiry : 20 December 2027      Date of License Expiry : 20 December 2023

Assessment	Assessment Date	PT Mutuagung Lestari Auditor	Reviewed by	Approved by
IC	11 to 14 October 2022	Moh Arif Yusni, Yudhi Yuniarto T, Erika Lucitawati, and Harry Wahyudi	Harso Yuli Antena	Leonada

Assessment	Approved by MUTUAGUNG LESTARI on:
IC	21 December 2022

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Figure 1. Location Map of PT Windu Nabatindo Abadi and PT Nabatindo Karya Utama

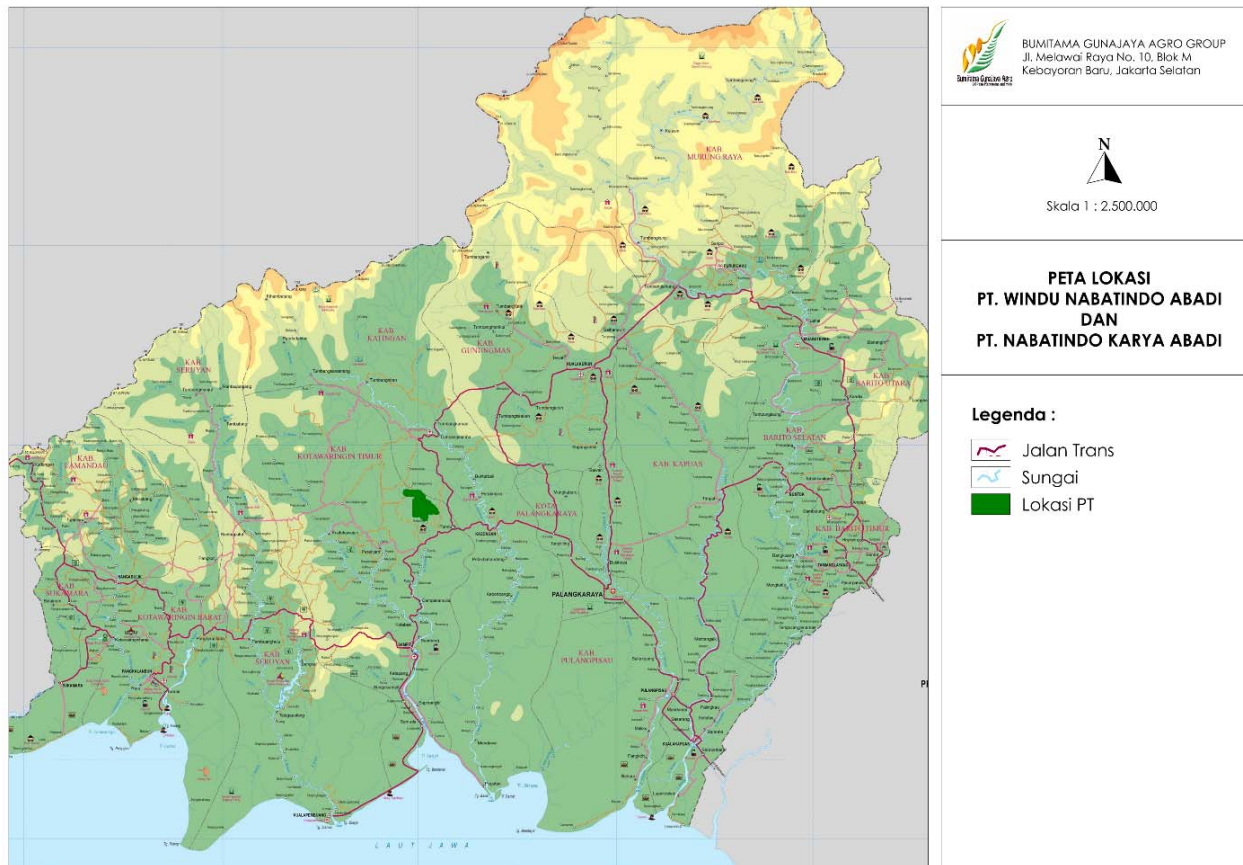


Figure 2. Location Map of PT Windu Nabatindo Abadi

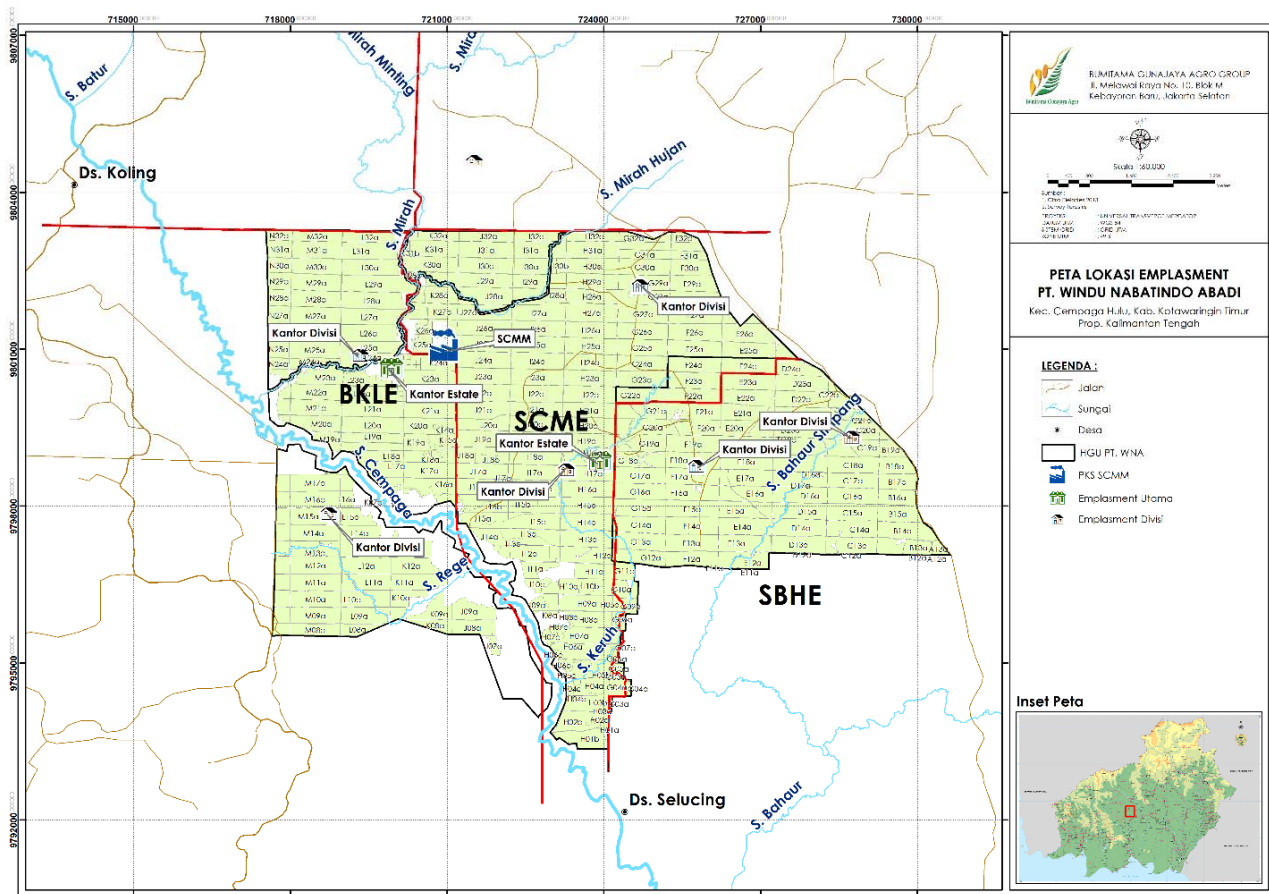
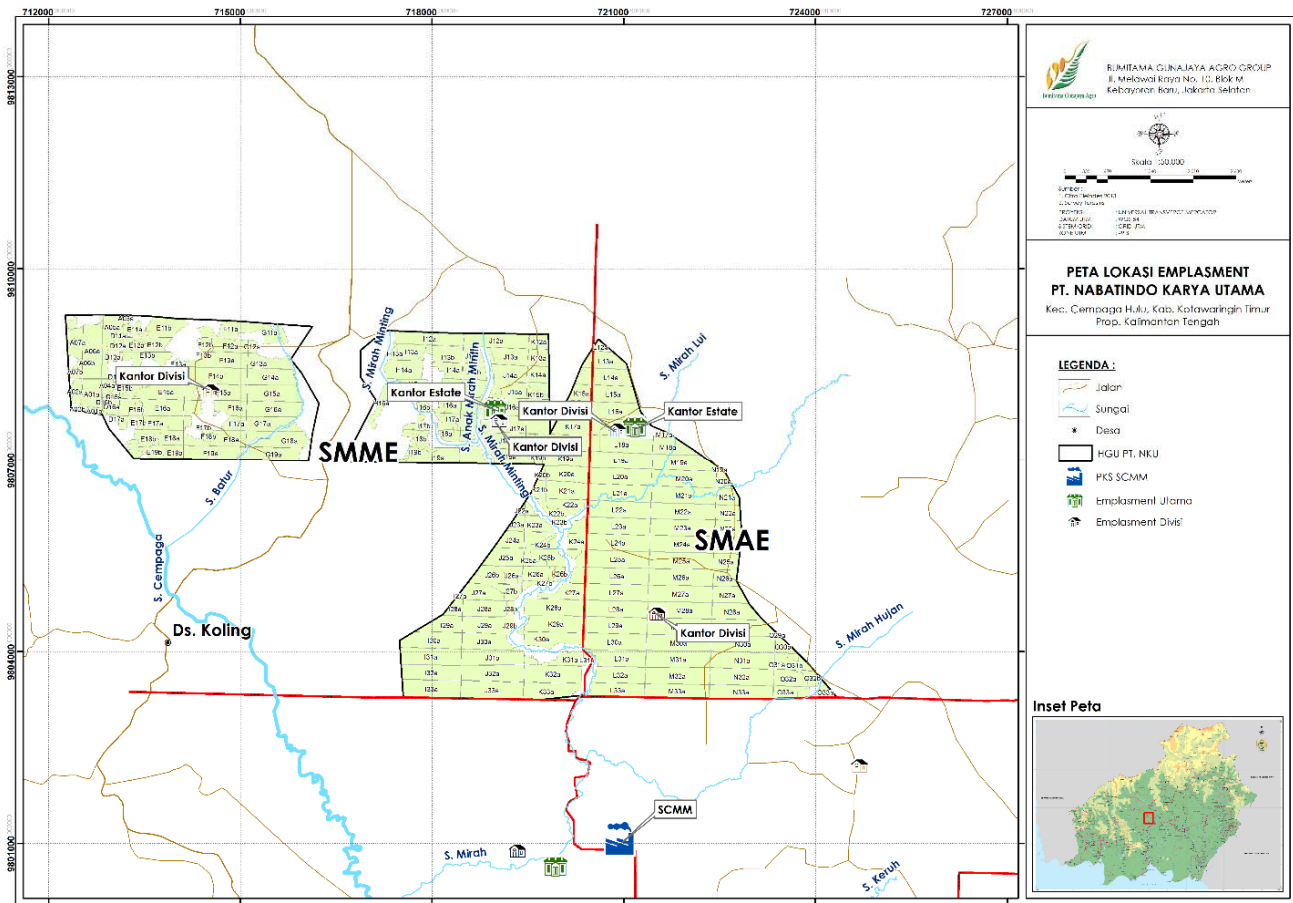


Figure 3. Location Map of PT Nabatindo Karya Utama



**Abbreviations Used**

APAR	:	<i>Alat Pemadam Api Ringan</i> (Fire Extinguisher)
ASA	:	Annual Surveillance Assessment
BBC	:	Black Bunch Census
BGA	:	Bumitama Gunajaya Abadi
BMS	:	BGA Manuring System
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> / Social Security Agency of Indonesia
BSS	:	BGA Spraying System
CCM Dept.	:	Certification and Compliance Department
CCS	:	Corporate Communication Sustainability
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
B3	:	Hazardous Material
EFB	:	Empty Fruit Bunch
EIA	:	Environmental Impact Assessment
FFB	:	Fresh Fruit Bunch
FPIC	:	Free, Prior and Informed Consent
GHG	:	Green House Gases
HCV	:	High Conservation Value
HGB	:	<i>Hak Guna Bangunan</i> (Building Use Title)
HGU	:	<i>Hak Guna Usaha</i> (Land Use Permit)
HIRARC	:	Hazard Identification Risk Assessment and Risk Control
HRD	:	Human Resource Department
HSE	:	Health, Safety and Environment
IHT	:	In House Training
IOM	:	Inter Office Memo
IPM	:	Integrated Pest Management
ISPO	:	Indonesian Sustainable Palm Oil
JHT	:	<i>Jaminan Hari Tua</i> (Pension Plan)
JKK	:	<i>Jaminan Kecelakaan Kerja</i> (Accident Insurance)
JKM	:	<i>Jaminan Kematian</i> (Life Insurance)
JP	:	<i>Jaminan Pensiun</i> (Retirement Insurance)
LB3	:	<i>Limbah Bahan Berbahaya dan Beracun</i> / Hazardous Waste
LTA	:	Lost Time Accident
LPUP	:	<i>Laporan Penyelenggara Usaha Perkebunan</i> // Plantation Business Report
LSU	:	Leaf Sampling Unit
MCU	:	Medical Check Up
MSDS	:	Material Safety Data Sheet
NGO	:	Non Government Organization
NKU	:	Nabatindo Karya Utama
OHS	:	Occupational Health and Safety
OQC	:	Operation Quality Control
PAD	:	Public Affair Department
PIC	:	Person In Charge
PKO	:	Palm Kernel Oil
POM	:	Palm Oil Mill
PPE	:	Personal Protective Equipment
RKL/RPL	:	<i>Rencana Kelola Lingkungan/Rencana Pemantauan Lingkungan</i> (Environmental Management and Monitoring Plan)



RSPO	:	Roundtable on Sustainable Palm Oil
SBHE	:	Sungai Bahaur Estate
SCME	:	Sungai Cempaga Estate
SCMM	:	Sungai Cempaga Mill
SIA	:	Social Impact Assessment
SIO	:	<i>Surat Izin Operator / Operator License Permit</i>
SMME	:	Sungai Mirah Minting Estate
SOP	:	Standard Operational Procedure
SCCS	:	Supply Chain Certification System
SSU	:	Soil Sampling Unit
TPA	:	<i>Tempat Penitipan Anak (Child Day Care)</i>
UKL/UPL	:	<i>Upaya Kelola Lingkungan/ Upaya Pemantauan Lingkungan (Environmental Management and Monitoring Report)</i>
WI	:	Work Instruction
WNA	:	Windu Nabatindo Abadi
WTP	:	Water Treatment Process
WWTP	:	Waste Water Treatment Process

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"><li>• RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.</li><li>• Indonesia National Interpretation of Principles and Criteria for Sustainable Palm Oil Production 2018, endorsed on 20th April 2020.</li><li>• RSPO Notice to CB on RSPO P&amp;C On-site &amp; Remote Audits, on 24th March 2020.</li><li>• Contingency RSPO Audit Procedure, on 25<sup>th</sup> August 2020.</li></ul>	
1.2	Organization Information		
1.2.1	Organization name listed in the certificate	PT Windu Nabatindo Abadi & PT Nabatindo Karya Utama - Bumitama Agri Ltd	
1.2.2	Contact person	Jonnes Daulay	
1.2.3	Organization address and site address	RSPO registered company: 10 Anson Road, #11-19 International Plaza, Singapore, 079903  <u>Indonesian Office</u> Jl. Melawai Raya No. 10 Kebayoran Baru Jakarta Selatan 12160 Indonesia .	
1.2.4	Telephone	(62-21) 727 98418	
1.2.5	Fax	(62-21) 727 98665	
1.2.6	E-mail	<a href="mailto:Jonnes.daulay@bumitama.com">Jonnes.daulay@bumitama.com</a>	
1.2.7	Web page address	<a href="http://www.bumitama-agri.com">www.bumitama-agri.com</a>	
1.2.8	Management Representative who completed the application for certification	Jonnes Daulay	
1.2.9	Registered as RSPO member	1-0043-07-000-00 – 07 October 2007	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base Sungai Cempaga Mill, Sungai Cempaga Estate, Sungai Bahaur Estate, Bangun Koling Estate (PT WNA), Banama Haring Estate, Sungai Mirah Minting Estate (PT NKU)	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			LatitudeLongitude
	Sungai Cempaga Mill	Village of Tumbang Koling, Subdistrict of Cempaga Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia	S 01° 47' 52"E 112° 59' 05"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			LatitudeLongitude
	Sungai Cempaga Estate	Village of Tumbang Koling, Subdistrict of Cempaga Hulu, District of Kotawaringin	S 01° 49' 6"E 113° 0' 47"



		Timur, Province of Kalimantan Tengah, Indonesia					
	Sungai Bahaur Estate	Village of Tumbang Koling, Subdistrict of Cempaga Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia	S 01° 49' 10"	E 113° 1' 46"			
	Bangun Koling Estate	Village of Tumbang Koling, Subdistrict of Cempaga Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia	S 01° 48' 14"	E 112° 58' 14"			
	Banama Haring Estate	Village of Tumbang Koling, Subdistrict of Cempaga Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia	S 01° 44' 27"	E 112° 59' 24"			
	Sungai Mirah Minting Estate	Village of Tumbang Koling, Subdistrict of Cempaga Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia	S 01° 44' 16"	E 112° 58' 5"			
1.5	Description of Area Statement						
1.5.1	Tenure						
	• State		11,059.30 Ha				
	• Community		- Ha				
	*There are area covering 682.27 excluded from the scope of certifications due to RACP which located 103.68 Ha in Sungai Cempaga Estate; 65.13 Ha in Banama Haring Estate and 513.46 Ha in Sungai Mirah Minting Estate						
1.5.2	Area Statement						
	Description	PT Windu Nabatindo Abadi	PT Nabatindo Karya Utama	Total			
	• Total area	7,656.99	2,720.04	10,377.03 Ha			
	• Mature area	7,056.54	2,215.25	9,271.79 Ha			
	• Mill	12.65	-	12.65 Ha			
	• Housing Complex	46.68	11.26	57.94 Ha			
	• Infrastructure (Road)	210.30	105.75	316.05 Ha			
	• HCV	55.11	52.55	107.66 Ha			
	• Occupation	150.32	112.29	262.61 Ha			
	• Reserve Area	125.39	222.94	348.33 Ha			
1.6	Planting Year and Cycles						
1.6.1	Age profile of planting year						
	Planting Year	Hectarage (Ha)					
		SBHE	SCME	BKLE	BHGE	SMME	Total
	1998	325.66	-	-	-	-	325.66
	2000	219.84	-	-	-	-	219.84
	2002	144.63	-	-	-	-	144.63
	2003	513.56	-	-	-	-	513.56
	2005	123.28	-	-	-	-	123.28
	2006	27.13	736.73	531.45	-	-	1295.31

	2007	406.00	1,472.56	1,371.43	-	-	3249.99
	2008	226.74	463.30	115.63	478.51	87.07	1371.25
	2009	-	71.18	8.07	548.48	-	627.73
	2010	-	87.96	39.37	19.04	-	146.37
	2013	-	64.28	-	-	792.59	856.87
	2014	-	20.26	-	-		20.26
	2015	-	87.48	-	-	289.56	377.04
	<b>TOTAL</b>	<b>1,986.84</b>	<b>3,003.75</b>	<b>2,065.95</b>	<b>1,046.03</b>	<b>1,169.22</b>	<b>9,271.79</b>
1.6.2	New Planting area after January 2010			1,553.52 Ha			
1.6.3	Planting Cycle			1 <sup>st</sup> Cycle			
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Sungai Cempaga	60	272,948.07	62,574.09	22.93	12,250.41	4.49
	<i>*Production data source from 12 months before assessment (October 2021 to September 2022)</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)	%
	Sungai Bahaur Estate	2,059.79	1,986.84	43,892.94	22.09	3,254.42	7.41
	Sungai Cempaga Estate	3,202.33	3,003.75	85,960.64	28.62	85,960.64	100.00
	Bangun Koling Estate	2,394.87	2,065.95	57,172.74	27.67	57,172.74	100.00
	Banama Haring Estate	1,109.41	1,046.03	22,793.10	21.79	22,793.10	100.00
	Sungai Mirah Minting Estate	1,610.63	1,169.22	12,608.92	10.78	12,608.92	100.00
	<b>Total</b>	<b>10,377.03</b>	<b>9,271.79</b>	<b>222,428.34</b>	<b>23.99</b>	<b>181,789.82</b>	<b>82.73</b>
	<i>*Production data source from 12 months before assessment (October 2021 to September 2022)</i>						
1.7.3	FFB description from other source						
	Name of sources/Organization (RSPO certified / non- certified)	Type of Organization	number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	Banama Haring Estate (Plasma)	Scheme Smallholders of PT Windu Nabatindo Abadi	523	1,046.03	47,852.08		
	Sungai Mirah Minting Estate (Plasma)	Scheme Smallholders of PT Nabatindo Karya Utama	584	1,169.22	28,751.80		
	Uncertified Area Sungai Cempaga Estate	PT Windu Nabatindo Abadi	-	103.68	3,073.17		
	Uncertified Area Banama Haring Estate	PT Nabatindo Karya Utama	-	65.13	1,513.42		

	Uncertified Area Sungai Mirah Minting Estate	PT Nabatindo Karya Utama	-	513.46	9,872.78			
	TOTAL				91,063.25			
	*Production data source from 12 months before assessment (October 2021 to September 2022)							
1.7.4	Product categories			FFB, CPO, PK				
1.8	Tonnage of Product							
1.8.1	Past Annual Claim Certified Product			Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume			
	FFB Processed							
	CPO Production							
	Palm Kernel (PK) Production							
	Will be completely during ASA 1							
1.8.2	Product selling							
	Type of selling product			Actual selling product for last year				
	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							
	Will be completely during ASA 1							
1.8.3	Estimate of Certified FFB Claim							
	Name of Estates	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Sungai Bahaur Estate	2,059.79	1,986.84	39,000	19.63			
	Sungai Cempaga Estate	3,202.33	3,003.75	91,000	30.30			
	Bangun Koling Estate	2,394.87	2,065.95	59,500	28.80			
	Banama Haring Estate	1,109.41	1,046.03	25,000	23.90			
	Sungai Mirah Minting Estate	1,610.63	1,169.22	23,000	19.67			
	Total	10,377.03	9,271.79	237,500	25.62			
	*Projected FFB production for next 12 months of certificate ** there are area subjected to sanctions due to new planting after January 2010 without NPP covering 259.98 Ha in Sungai Bahaur Estate and 39.37 Ha Bangun Koling Estate							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO Out put (tonnes)	Extraction (%)	Palm Kernel Out put (tonnes)	Extraction (%)	Supply Chain Module
	Sungai Cempaga	60	237,500	54,625	23	10,688	4.5	MB
	*Projected FFB production for next 12 months of certificate there are area subjected to sanctions due to new planting after January 2010 without NPP covering 259.98 Ha in Sungai Bahaur Estate and 39.37 Ha Bangun Koling Estate							

1.9	Other Certifications					
	ISO 9001:2015		-			
	ISO 14001: 2015		-			
	ISO 45001:2018		-			
	ISCC		-			
	Others		-			
1.10	Time Bound Plan					
1.10.1	Time Bound Plan for Other Management Units					
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status
	MILL	Time Bound Plan				
	Pundu Nabatindo (PT Windu Nabatindo Lestari)	2014	Pundu Nabatindo	2014	KotawaringinTimur Regency Kalimantan Tengah	Certified
			Koperasi Harapan Abadi	2023		-
			PT Fajar Bumi Nabati (FBI)	2023		-
			PT Gemilang Subur Maju (GSM)	2023	Kotawaringin Timur Regency Kalimantan Tengah	-
	Katari Agro (PT Windu Nabatindo Lestari)	2016	Pelantaran Agro Estate	2016	Kotawaringin Timur Regency, Kalimantan Tengah	Certified
			Katari Agro Estate			
			Pantai Mas Estate			
	Gunung Makmur (PT Karya Makmur Bahagia)	2014	Gunung Makmur	2014	Kotawaringin Timur Regency, Kalimantan Tengah	Certified
			Sungai Mentaya			
			Bukit Daman			
			KUD Mekar Jaya	2023		ST-2 Audit (June 2019)
			KUD Sekar Tani	2023		ST-2 Audit (June 2019)
			KUD Lestari	2023		ST-2 Audit (June 2019)
			KUD Marga Rahayu	2023		ST-2 Audit (June 2019)
			KUD Usaha Bersama	2023		ST-2 Audit (June 2019)
			KUD Tani Santoso	2023		ST-2 Audit (June 2019)
			PT Tanah Tani Lestari	2023		NPP Audit (2018)
			Koperasi Hapakat (PT TTL)	2023		-
			Koperasi Rika Bersatu (PT TTL)	2023		-
			Koperasi Usaha Bersama (PT TTL)	2023		-
Koperasi Eka Kaharap (PT TTL)			2023	-		

			Koperasi Berkat Usaha Bersama (PT TTL)	2023		-
			Koperasi Bina Tani (PT TTL)	2023		-
			Kelompok Tani Karya Bersama (Independent Smallholders)	2022		-
	Bukit Makmur (PT Karya Makmur Bahagia)	2019	Bukit Makmur	2014	Kotawaringin Timur Regency, Kalimantan Tengah	Previous on GMKM certification scope
			Bukit Kecubung	2014		Previous on GMKM certification scope
			Sungai Puring (PT Langgeng Makmur Sejahtera)	2023		No NPP have got sanction
			Koperasi Telawang Bersatu	2023		-
			Koperasi Hinje Ate	2023		-
			Koperasi Eka Kaharap (PT LMS)	2023		-
	Kotawaringin (PT Bumitama Gunajaya Abadi)	2023	Sepantaian	2023	Kotawaringin Barat Regency, Kalimantan Tengah	No NPP have got sanction
			Danau Merah	2023		
			Kotawaringin	2023		
			Tonam Raya	2023		
	Lamandau Mill (PT Bumitama Gunajaya Abadi)	2022	(PT Bumitama Gunajaya Abadi)	2022	Lamandau Regency, Kalimantan Tengah	-
			Kumai Hilir Estate (PT Andalan Sukses Makmur)	2022	Kotawaringin Barat Regency, Kalimantan Tengah	NPP Was Complete
			PT Investa Karya Bhakti	2023	Lamandau Regency, Kalimantan Tengah	NPP Was Complete
			Koperasi Kompak Maju Bersama	2023	Lamandau Regency, Kalimantan Tengah	-
			Koperasi Mitra Bahaum	2023	Lamandau Regency, Kalimantan Tengah	-
			Koperasi Tanjung Biru	2023	Lamandau Regency, Kalimantan Tengah	-
			Koperasi Seberang Jaya Sejati	2023	Lamandau Regency, Kalimantan Tengah	-
			Koperasi Pulau Sejahtera	2023	Kotawaringin Barat Regency, Kalimantan Tengah	-
	Kendawangan Mill (PT. Gunajaya Karya Gemilang)	2015	Mekar Utama	2015	Ketapang Regency, Kalimantan Barat	Certified 2015
			Kendawangan			
			Banjar Sari			
			Seriam Jaya			
			Membuluh Jaya			
		2023	Koperasi Serba Usaha Bersama	2023	Ketapang Regency, Kalimantan Barat	-
			Koperasi Serba Usaha Karya Bersama			-

		Koperasi Binasari			-
		Koperasi Perkebunan Fajar Mandiri			-
		Koperasi Rimba Sari			-
Suka Damai (PT Rohul Sawit Industri)	2019	PT Masuba Citra Mandiri – 1,567.07 Ha	2019	Rokan Hulu Regency, Riau	Certified 2019
		PT Masuba Citra Mandiri – 326.04 Ha the area which suspect into liability mechanism	2023	Rokan Hulu Regency, Riau	-
		Koperasi Karya Melayu Sejati	2019	Rokan Hulu Regency, Riau	Certified 2019
Pembangunan Raya Mill (PT Agro Sejahtera Mandiri)	2018	PT ASM – 4,861.48 Ha	2019	Ketapang Regency, Kalimantan Barat	Certified 2019
		Teluk Rengit (PT Gunajaya Harapan Lestari)	2023	Ketapang Regency, Kalimantan Barat	-
		PT ASM – 768.72 Ha the area which suspect into liability mechanism	2023	Ketapang Regency, Kalimantan Barat	-
		KopBun Agro Seriam Mandiri	2018	Ketapang Regency, Kalimantan Barat	Certified 2019
		Koperasi Bawal Sejahtera Mandiri	2023	Ketapang Regency, Kalimantan Barat	-
		PT ASM – 494.49 Ha	2020	Ketapang Regency, Kalimantan Barat	Certified 2020
		Kelompok Tani Sawit Maju Sejahtera (1,427.09 Ha)	2022	Ketapang Regency, Kalimantan Barat	-
Sungai Rasau Mill (PT Karya Bakti Agro Sejahtera)	2023	Marau Raya	2023	Ketapang Regency, Kalimantan Barat	ST-1 (2014)
		KUD Rangkong Bertuah	2023	Ketapang Regency, Kalimantan Barat	-
		KUD Rasau Tiga Bersama	2023	Ketapang Regency, Kalimantan Barat	-
		PT Agriplus	2023	Ketapang Regency, Kalimantan Barat	-
Selucing Mill (PT. Windu Nabatindo Abadi)	2023	Serawak Damai (PT Windu Nabatindo Sejahtera)	2023	Kalimantan Tengah	Have not obtained the HGU
Sungai Cempaga Mill (PT. Windu Nabatindo Abadi)	2022	PT. Windu Nabatindo Abadi	2022	Kalimantan Tengah	No NPP have got sanction
		PT Nabatindo Karya Utama	2022	Kalimantan Tengah	NPP was complete
		KSU Sehati Pundu	2022	Kalimantan Tengah	-
		Koperasi Koling Hapakat	2022	Kalimantan Tengah	-
		Sungai Cempaga Estate (103.68 Ha)	2023	Kalimantan Tengah	RaCP
		Banama Haring Estate (65.13 Ha)	2023	Kalimantan Tengah	RaCP
		Sungai Mirah Minting Estate (513.46 Ha)	2023	Kalimantan Tengah	RaCP
Bukit Tunggal Jaya	2022	PT Ladang Sawit Mas	2022	Ketapang Regency,	Certified

Mill (PT Ladang Sawit Mas)			KopBun Bukit Tunggal Sejahtera	2022	Kalimantan Barat	NPP
			KopBun Mitra Perjalanan Permai	2022		
			PT Lestari Gemilang Intisawit	2022		NPP was complete
			Koperasi Kayong Sekayuk	2022		
			Koperasi Mitra Sejati	2022		NPP was complete
			PT Ago Manunggal Sawitindo	2022		
			PT Nabati Agro Subur	2022		NPP was complete
			PT Sejahtera Sawit Lestari	2022		
			PT Karya Makmur Langgeng	2022		NPP was complete
			PT Gemilang Makmur Subur	2022		
			Koperasi Istana Pawan Mandiri	2022		NPP on Process
			Koperasi Rungau Sejahtera	2022		
			PT Dmai Agro Sejahtera	2022		NPP on Process
		Bukit Belaban Mill (PT Sentosa Prima Agro) **Replanting from Acquisition	2022			PT Sentosa Prima Agro
	PT Raya Sawit Manunggal			2022	-	
	PT Wahana Hijau Indah			2022	-	
	PT Hungarindo Persada			2022	-	
	Time Bound Plan updated on 19 December 2022					
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	There are two scheme smallholders under PT Windu Nabatindo Abadi and PT Nabatindo Karya Utama Namely <i>KSU</i> Sehati Pundu (PT WNA) and <i>Koperasi Produksi</i> Koling Hapakat (PT NKU). Based on verifications of Time Bound Plan and interview with managements both cooperative planned to be certified in 2023					



<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>IC</b>	<p>1. <b>Moh Arif Yusni (Lead Auditor)</b>. Indonesian citizen. Bachelor of Agriculture, majoring in Plant Protection. Has experience as an operational staff at a private oil palm plantation company in Indonesia on 2010 to 2012. Has attended several trainings, i.e.: ISO 19011, ISO 9001; ISO 14001, SA 8000, RSPO lead auditor, ISPO lead auditor, OHS expert, OHS auditor based on National Government No. 50/2012, SCCS, RSPO LA Refresher Course, etc. Has conducting ISPO, RSPO and MSPO audit as an auditor and lead auditor with expertise on best management practices for estate and mill, legality, worker welfare, safety, social, environment, conservation, transparency, long term economic management plan and supply chain for palm oil mill aspects. During the audit, he verified Legality, Social, BMP, OHS, TBP and Partial certification.</p> <p>2. <b>Yudhi Yuniarto Tallutondok (Auditor)</b>. Indonesian citizen, Bachelor of Fisheries, Padjadjaran University. Have experience of working over three years since 2013 as plantation operations staff in private palm oil plantation company in Indonesia. Training have been followed including Lead Auditor of ISO 9001:2015, Lead Auditor of ISO 14001:2015, ISPO Auditor Training, RSPO P&amp;C Lead Auditor Training Course, RSPO SCC Lead Auditor Course, Social Accountability 8000, Basic Management Development Program Agronomy, Fire Anticipation on Land and Forest, Potential Mapping and Conflict Resolution in Production Forests, Awareness of OHS aspects, ISO 45001:2018, ISO 22000:2009, ISO 19011:2011, ISO 17021:2011, dan ISO 17065:2012. Has participated in audit activities for ISPO and RSPO scheme since 2017 for BMP, OHS, labour, social and legal aspects. In this audit activity performs the assessment of best management practices, OHS, worker welfare, social, legality and SCCS.</p> <p>3. <b>Erika Lucitawati (Auditor)</b>. Indonesian citizen. Bachelor of Engineering with major in Environmental Engineering. The trainings that have been attended include ISPO Lead Training, RSPO Lead Training, In House Training of ISO 19011: 2018, ISO 17021: 2015, ISO 17065: 2012, ISO 9001: 2015, ISO 14001: 2015, ISO 45001: 2018, and The Supervision of Occupational Health and Safety Training. During this assessment has verified environmental, conservation, Transparency and GHG aspects</p> <p>4. <b>Harry Wahyudi (Auditor Trainee)</b>. Indonesian citizen, Bachelor of Agricultural Technology, Department of Agricultural Engineering, Bogor Agricultural University. He has 8 years of working experience as a Field Assistant and Internal Audit Operational in a palm oil company and 3 years working experience as a Supervisor Internal Audit operational in a Industrial Forest Plantation Company. Has attended several trainings such as ISO 19011:2018, ISO 9001:2015, ISO 17021:2015, ISO 17065:2015, ISO 45001:2018, ISO 14001:2015 and OHS General Supervisor. During this audit, has verified best management practices and safety aspect under the supervision of the Lead Auditor.</p> <p>Curriculum vitae (CV) of the members and the assessment team is available at the PT Mutuagung Lestari office.</p>
<b>2.2</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>IC</b>	<p>Number of auditors: 3 auditor and 1 auditor trainee</p> <p>Number of days for IC assessment: 4 days</p> <p>Number of working days for IC assessment: 12 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>IC</b>	<p>The assessment was conducted by measuring the sufficiency of document and implementation done by the PT Windu Nabatindo Abadi and PT Nabatindo Karya Utama to the requirements of:</p> <ul style="list-style-type: none"> <li>RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20<sup>th</sup> April 2020</li> <li>RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020</li> </ul> <p>The scope of certification consist of Sungai Cempaga Mill of PT Windu Nabatindo Abadi and its five (5) estate supply bases, as follows:</p> <ul style="list-style-type: none"> <li>PT Windu Nabatindo Abadi: Sungai Bahaur Estate, Sungai Cempaga Estate and Bangung Koling Estate</li> </ul>

- PT Nabatindo Karya Utama: Banama Haring Estate and Sungai Mirah Minting Estate

The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. The mill was audited together with the estates and smallholders of its supply base. The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to directly observe the sufficiency of implementation on site.

During the COVID-19 pandemic, there were several modifications to the audit activity due to health protocols. Audit process carried out with high safety protocol procedure that developed by Certification Body and the unit of certification. before an onsite audit carried out, there are several meetings to discuss health protocol procedures. There are several activities that are not possible to do face to face, such as public consultations with government agencies, communities, or previous landowners so that these activities are carried out by telephone. Furthermore, during field observation auditor only verification the activity and interview process carried separately by telephone. Document verification conducted separately through the electronic files.

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

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Field workers were interviewed informally in small groups in the field. Company officials were not present at the interviews.

Some opportunities for improvement of the results **IC** delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (**ASA-1**). All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **IC**.

The opening meeting was held on Tuesday 11 October 2022 at 08 am in the meeting room Sungai Cempaga Mill the participants who attended the opening meeting are Area Controller, Mill Manager, Estate Manager, Supported Team and other relevan staff. While the closing meeting take place on Friday 14 October 2022 at 16.00 pm, attended by the same participants as the opening meeting. Commonly, the audit activities went smoothly with good cooperation from the unit management. The presentation of documents is presented quite well by involving related personnel. During closing meetings the unit agree with auditor recommendations and auditor conclusions.

The assessment program please find Appendix 2

### 2.2.3 Locations of Assessment

**IC**

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

#### **Sungai Cempaga Mill**

- **Security Post.** Observation and interview with security related personnel understanding over the applicable SOP, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
- **Weighbridge station.** Observations and interviews related to workers welfare, training, FFB traceability and supply chain system.

- **Sorting Station.** Observation of FFB sorting work practices according to SOPs, implementation of OHS and environmental aspects
- **Sterilizer Station.** Observation of the FFB boiling process according to SOPs, implementation of OHS and environmental aspects
- **Threshing Station.** Observation of FFB removal process according to the SOP, the application of OHS and environmental aspects
- **Press Station.** Observation of the pulp compression process according to the SOP, the application of OHS and environmental aspects
- **Boiler Station.** Observation of boiler work process according to SOP, implementation of OHS and environmental aspects
- **Engine Room Station.** Observation of work processes in the Engine Room according to SOPs, implementation of OHS and environmental aspects
- **Clarification Station.** Observation of the oil refining process according to SOP, implementation of OHS and environmental aspects
- **Composting Area.** Observation of the management of Solid waste consist of EFB, fibre and shell from the production process of mill.
- **Laboratory.** Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- **Chemical warehouse.** Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- **Spare part warehouse and PPE stock.** Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- **Hazardous Waste Warehouse.** Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- **Workshop.** Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- **Fuel tank.** Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- **Fire Fighting Equipment Storage.** Simulation the function of fire extinguishers and team readiness.
- **WWTP.** Observation on WWTP, indication of waste overflow, OHS implementation, and interview with worker about worker welfare, OHS, and company's policies.
- **WTP.** Observations and interviews related to water management, recording of water use, health checks, PPE and waste management.
- **Mill Drainage.** Observations mill effluent lines, sanitation mill and flow of leaching mill.
- **Empty Bunch Area.** Observation of the management of EFB waste and leaching from EFB.

### Sungai Cempaga Estate

- **Boundaries Pole No 044 and 045.** Observation the conditions and position of legal boundary.
- **Land application.** Observation about flat bed condition, indications of spillage or overflow of liquid waste, and interviews with workers related to tasks, responsibilities and aspects of employment.

### Sungai Bahaur Estate

- **Harvest, Block F18 Division 5, Block D19 Division 6.** Technical observation of work according to SOP and implementation of OHS aspects
- **Pick Loses Fruits, Block F18 Division 5, Block D19 Division 6.** Technical observation of work according to SOP and implementation of OHS aspects.
- **Manuring, Block G15 Division 5.** Technical observation of work according to SOP and implementation of OHS aspects.
- **Circle and Path Spraying Block G16 Division 5.** Observations and interviews with workers related to implementation of procedure, OHS and environmental aspect.
- **Manual Circle Block B16 Division 6.** Observations and interviews with workers related to implementation of procedure, OHS and environmental aspect.

- **Agro Chemical Storage.** Observation and interview with worker related to OHS, environmental and worker welfare aspect.
- **Fertilizer Storage.** Observation and interview with worker related to OHS, environmental and worker welfare aspect.
- **Hazardous and Toxic Waste Storage.** Observation and interview with worker related to OHS, environmental and worker welfare aspect.
- **Housing BGA Manuring System (BMS) Divisi 1.** Observation to manuring tool storage, management of hazardous symbols, emergency facilities, first aid, etc.
- **Housing BGA Ground System (BGS) Divisi 1.** Observation to spraying tool storage, management of hazardous symbols, emergency facilities, first aid, etc.
- **HCV Bahaur River Riparian Area.** Observation the implementation of management in HCV of riparian area.
- **Housing Complex of Division 4 & 5.** Observation to housing complex facilities, such as house condition, clean (for drink) water refill, assembly point, fire extinguisher, prayer building, child care and landfill for domestic waste.
- **Housing BHS (BGA Harvesting System).** Observation to harvest tool storage, management of hazardous symbols, emergency facilities, first aid, etc.
- **Daycare.** Observation related management in daycare.
- **Generator Room.** Observation and interview with an operator, related to remuneration, OHS, and environment aspect.
- **HCV Rage River Riparian Area.** Observation the implementation of management in HCV of riparian area.
- **Boundaries Pole No 25,26 and 27.** Observation the conditions and position of legal boundary

### Sungai Mirah Minting Estate

- **Material Storage** interview with officer, observation about warehouse condition, safety aspect, worker welfare, emergency preparedness and procedure
- **Oil Storage,** interview with officer, observation about warehouse condition, safety aspect, worker welfare, emergency preparedness and procedure
- **Chemical Storage,** interview with officer, observation about warehouse condition, safety aspect, worker welfare, emergency preparedness and procedure
- **Housing Complex.** Observation to housing complex facilities, such as house condition, clean (for drink) water refill, assembly point, fire extinguisher, prayer building, child care and landfill for domestic waste.
- **Harvesting, Block J24, Division II.** Observation and interview with harvester and picker related FFB criteria, wages, PPE, and labour union.
- **Manuring, Block I33, Division II.** Observation and interview with manuring worker related manuring dosage, application in the field, management on ex fertilizer sack, PPE, medical check-up, chemical prohibition area, and handling of hazardous material.
- **Circle and Path Spraying, Block K12, Division I.** Interview with spraying worker related to handling on pesticide, PPE, chemical prohibition area, and medical check-up.
- **Block spraying system store Div II.** Observation related PPE store for spraying team and ex agrochemicals management
- **Daycare.** Observation related workers facilities and welfare.
- **Housing Complex.** Observation related OHS, workers facilities, and waste management.
- **Landfill.** Observation related domestic waste management.
- **Riparian of Mirah Minting River.** Observation of riparian management according to the company's procedure.
- **Riparian of Batur River.** Observation of riparian management according to the company's procedure.
- **Boundaries Pole No 142, 143, and 144.** Observation the conditions and position of legal boundary.
- **Occupation area next to block I19,** Observation related occupation area and potential land dispute

### Bangun Koling Estate

- **Spraying Block M21 Division 2.** Observation and interview with workers related to personnel understanding over the applicable SOP, implementation of OHS, training from company and worker welfare.
- **Harvesting Block M19 Division 2.** Observation and Interview with workers related to personnel understanding over the applicable SOP, implementation of OHS, training from company and worker welfare.

- **Manuring Block M31 Division 3.** Observation and interview with workers related to personnel understanding over the applicable SOP, implementation of OHS, training from company and worker welfare.
- **General Storage.** Observation related OHS and hazardous waste management.
- **Fertilizer Storage.** Observation related OHS and hazardous waste management.
- **Diesel Tank.** Observation related OHS and material handling
- **Pesticide Storage.** Observation related OHS and hazardous waste management.
- **Boundaries Pole No 11, 12 and 13.** Observation the conditions and position of legal boundary
- **Worker's housing complex, Division 3** Observation and interview with residents about housing, sports, worship, clean water and electricity facilities, domestic waste management, and complaint mechanism.
- **BGA Harvesting System Division 3,** Observation related works tools for harvesting activity and OHS aspect
- **BGA Manuring System Division 3** Observation related works tools for Manuring activity, PPE Storage, Rinse House, environmental and OHS aspect
- **BGA Spraying System Division 3** Observation related works tools for spraying activity, PPE Storage, Rinse House, environmental and OHS aspect
- **Day-care Division 3.** Observations and interviews related to the facilities provided to workers such as employee housing, clean water, day-cares, school, employment and interview related complaint mechanism.

#### **Banama Haring Estate**

- **Harvest, Block M20 Division 2, Block N28 Division 3.** Technical observation of work according to SOP and implementation of OHS aspects
- **Manuring, Block L32 Division 3.** Technical observation of work according to SOP and implementation of OHS aspects.
- **Circle and Path Spraying Block L19 Division 2.** Observations and interviews with workers related to implementation of procedure, OHS and environmental aspect.
- **Agro Chemical Storage.** Observation and interview with worker related to OHS, environmental and worker welfare aspect.
- **Fertilizer Storage.** Observation and interview with worker related to OHS, environmental and worker welfare aspect.
- **Hazardous and Toxic Waste Storage.** Observation and interview with worker related to OHS, environmental and worker welfare aspect.
- **Housing BGA Manuring System (BMS) Divisi 1.** Observation to manuring tool storage, management of hazardous symbols, emergency facilities, first aid, etc.
- **Housing BGA Ground System (BGS) Divisi 1.** Observation to spraying tool storage, management of hazardous symbols, emergency facilities, first aid, etc.
- **Generator House.** Interviews of working procedure, OHS, employment, and environmental (hazardous waste management).
- **Worker's housing complex, Division 1 & 2.** Observation and interview with residents about housing, sports, worship, clean water and electricity facilities, domestic waste management, and complaint mechanism.
- **BGA Harvesting System Division 1 and 2,** Observation related works tools for harvesting activity and OHS aspect
- **BGA Manuring System Division 1 and 2,** Observation related works tools for Manuring activity, PPE Storage, Rinse House, environmental and OHS aspect
- **BGA Spraying System Division 1 and 2** Observation related works tools for spraying activity, PPE Storage, Rinse House, environmental and OHS aspect
- **Day-care Division 1 and 2.** Observations and interviews related to the facilities provided to workers such as employee housing, clean water, day-cares, school, employment and interview related complaint mechanism.
- **Boundaries Pole No 57 and 158.** Observation the conditions and position of legal boundary

<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>



IC	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for Sungai Cempaga Mill was held by:</p> <ul style="list-style-type: none"> <li>• Public consultation on RSPO and PT Mutuagung Lestari Website on 09 September until 09 October 2022</li> <li>• Public consultation with NGOs (by email) such as WALHI, WWF, and Sawit Watch on 05 October 2022</li> <li>• Public consultation meeting with government institution on 11 October 2022</li> <li>• Public consultation meeting with communities as well previous land owner on 11 October 2022</li> <li>• Public consultation meeting with internal stakeholders and contractor on 11 October 2022</li> </ul> <p>Numbers of input from stakeholders were clarified by the company as part of this report</p>
2.3.2	<b>Stakeholder contacted</b>
	Please find appendix 1
2.4	<b>Determining Next Assessment</b>
	The next visit ( <b>ASA-1</b> ) will be conducted eight (8) months to twelve (12) months after date of annual license.

### 3.0 ASSESSMENT FINDINGS

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

MUTUAGUNG LESTARI has conducted an assessment of Sungai Cempaga POM, PT Windu Nabatindo Abadi subsidiary of Bumitama Agri Ltd operation consisting of one (1) mill and five (5) oil palm estates.

During the assessment, there were four (4) Nonconformities was assigned against Major Compliance Indicators; two (2) nonconformities were assigned against Minor Compliance Indicator.

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).

MUTUAGUNG LESTARI found that Sungai Cempaga POM, PT Windu Nabatindo Abadi subsidiary of Bumitama Agri Ltd complied with the requirements of Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1</b>	<b>BEHAVE ETHICALLY AND TRANSPARENTLY</b>	
<b>1.1</b>	<b>The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>	
<b>1.1.1</b>	Unit of certification has types of documents and information that can be accessed by the public listed in the “ <i>SOP Komunikasi</i> ” No. BGA-SUST-SOP-09 Rev. 00 was approved by Regional Head 2 dated 08 September 2017. In the procedure, the part is “kebijakan pengendalian dokumen/informasi”, that documents that can be accessed by the public include: <ul style="list-style-type: none"> <li>• Land Use Title, Environmental Permit, and Environmental Management and Monitoring Plan.</li> <li>• Company Policies and Manuals.</li> <li>• HSE and social improvement programs.</li> <li>• HCV documents and SIA documents.</li> <li>• Details of grievance and complaints</li> <li>• Summary of general reports on the results of certification assessments.</li> <li>• Etc.</li> </ul> <p>All public documents are placed in mill and estate office. For example, unit of certification also provides information to relevant stakeholder routinely, for example mandatory reports have been delivered to relevant agency and it has been confirmed during public consultations with relevant agencies</p>	
<b>1.1.2</b>	Based on document review, unit of certification has <i>SOP Komunikasi</i> No. BGA-SUST-SOP-09 Rev. 00 was approved by Regional Head 2 dated 08 September 2017. In the procedure, the person in charge for receiving of request of information, types of documents that can be accessed by the public and regulates the time frame for responding to of request of information. Documents that can be accessed by internal and external stakeholders, among others: Land use title, environmental permit, and environmental management and monitoring plan, company policies and manuals, HSE and social improvement programs, HCV documents and SIA documents,	



details of grievance and complaints, etc. All public documents are placed in mill and estate office. Besides, public documents are available in appropriate language which is Bahasa and are accessible to relevant stakeholders such as OSH implementation report, environmental management and monitoring report, and plantation activities report. Based on interviews result with internal and external stakeholders including workers, local community representatives, and relevant agencies in Kotawaringin Timur Regency, it is known that they have known the mechanism for communication and request of information with the unit of certification.

### 1.1.3

Unit of certification has documented incoming and outgoing letter from external stakeholder in "Incoming Letter Book". Based on that document, there were incoming letter in kind of request of information, fund, and meeting invitation. Unit of certification also records the response of incoming letter. Based on document verification, unit of certification has responded to all incoming mails in accordance with its procedure which is no more than 15 days. For example, incoming letter and its respond by unit of certification have shown below:

- Letter on 21 June 2022 from Cempaga Hulu District about request for assistance of family welfare empowerment occasion and was responded by unit of certification on 21 June 2022.
- Letter on 4 July 2022 from Plantation Agency of Kalimantan Tengah Province about request mill report and responded by 4 July 2022 via telephone.

### 1.1.4

Procedure for communication and consultation is listed on SOP of Communication authorized by the Regional Head on 08 September 2017. In the procedure, the flowchart of the consultation/dialogue mechanism with the community is explained. The Management Unit submits a plan of consultation/dialogue with the community in writing through the Village Head/Customary Chair/Community Leader or local government apparatus, then the response from the Village Head/Customary Chair/Community Leader or Mediator (Government Apparatus), Head Office Management/related parties provide written positive responses (at most 15 days), consultation/dialogue forums facilitated by PAD/CSR/Unit Management, meeting results are distributed to relevant parties by the relevant Management Unit, follow up on the results of consultations/dialogues with the community by PAD/CSR/Management Units related to the interests. Procedures for consultation mechanisms have been socialized to workers and the surrounding community, as for example was carried out in 8 June 2020 to surrounding community including Cempaga Hulu District representatives and its workers. Besides, based on field observation result, socialization is carried out in form of banners installment equipped with pictures of consultation and communication flowcharts in unit. Based on the results of consultations with internal dan external stakeholder, they have been aware of consultation and communication mechanism with unit of certification.

### 1.1.5

Unit of certification has list of stakeholders which is issued on 25 August 2022 which informs the PIC and telephone number that can be contacted. External stakeholders are on the list including local government agency, *Muspika* Cempaga Hulu, surrounding village representatives, cooperative, supplier, contractor NGO, testing partner (MCU, SIO, laboratory, etc), mass media, and surrounding unit of certification representatives. There also internal stakeholder on the list including school, worker cooperative, gender committee, emergency response, OHC committee, and worker organization. This list will be updated if there are changes to stakeholders. Auditor verified by conducting a public consultation using the telephone number registered in the stakeholder list, and it was known that the number could be contacted by the auditor, such as village representatives, local contractor, etc.

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

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

### 1.2.1

The company has code of conduct document for all operational activities that listed on Document No. BGA-COC-HC-333.1-R0, dated October 28, 2014. Code of conduct explain Code of Conduct Principles, Conflict of Interest, Bribery and Illegal or Unethical Practices, Entertainment and Gifts, Misuse of Position, Insider Trading, Confidentiality, Restriction on Solicitation, Media Relations, Trade Union, Political and Social Activities, Installation of Illegal Computer Software, Anti Money Laundering, Trade Compliance & Export Controls and Sanctions, and Commitment to Human Rights.

The company shows documentation of socialization of policies and regulations that apply in company to relevant stakeholders, some examples include:

- a. Minutes of socialization on 8 February 2022 regarding Code of Conduct Policy to contractors and mill employees attended by 28 employees at mill office. The company can show the documentation, attendance list and socialization materials during the audit.
- b. Minutes of socialization on 12 May 2022 regarding Code of Conduct Policy to Bangun Koling Estate employees attended by 54 employees at estate office. The company can show the documentation, attendance list and socialization materials during the audit.
- c. Minutes of socialization on 14 September 2022 regarding Code of Conduct Policy to Banama Haring Estate employees attended by 35 employees at estate office. The company can show the documentation, attendance list and socialization materials during the audit.

Based on interview with CV Borneo Mulia Abadi, it is known that the company has conducted socialization related to the code of ethics applicable in the company's operational area, which includes the following: prohibition on employing children, prohibition of forced labour and human trafficking, protection of reproductive rights, as well as fair treatment without discrimination to all employees.

### 1.2.2

The company has code of conduct No. BGA-COC-HC-333.1-R0, dated October 28, 2014. This policy regulates about the guideline behavior for BGA worker, such as not allowed to accept and/ or give gifts, souvenirs, business meals or other facilities that can affect decision making in violation of applicable provisions in the company. This policy is implemented in all operation unit, therefore the whistle blowing complaint channel is a system for monitoring the implementation of business ethics policies.

The company also has mechanism to monitor the compliance and implementation of the policy and overall ethical business through performance assessment. The Performance assessment was conducted to company personnel (employees) or third party (contractors) regularly. The results of the performance assessment will deliver to the Administration Dept Head from each department.

For contractors, the company also carry out performance assessment when having a work agreement with the company. The performance assessment was conducted after the work finished by the company base on SOP of performance evaluation of contractors or suppliers. The performance assessment including implementation of the policy and ethical conduct by third party.

Based on the interviews with mill and estate workers known that information was obtained that there was no charge to employees or deductions to employee wages. In addition, the average employee who enters the company is done individually without going through the agent/ labour supplier.

Based on the interviews with contractors, it is known that the mechanism has been socialized when the contract was made. Then, the informant also stated that the company had evaluated compliance with applicable labour laws such as providing PPE for contractor workers, the absence of child labour, protection of contractor workers through the *BPJS* program, etc. This is in line with the procedure which explains the evaluation of sustainable plantation management which is carried out at least once a year

**Status: Comply**

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

### **2.1**

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

#### **2.1.1**

The company has list of regulations of 2021 that includes local regulations and national regulation updated annually. List of laws/regulations listed has covers several aspects such as land permit and legality, manpower, occupational health and safety, best management practices and environment. Some examples of regulations compliance that have been done such as:

#### **Compliance with Social and Environment Aspect**

Unit of certification already has permits in environmental sector, including:

- Document of Environmental Management and Monitoring (*UKL-UPL*) for Construction of Sungai Cempaga Mill (SCMM) and Other Supporting Facilities of PT Windu Nabatindo Abadi in 2014 which has been ratified based on Decree of Kotawaringin Timur Regent No. 188.45/789/Ek.SDA-BLH/2014 on 29 October 2014. Sungai Cempaga Mill capacity is 90 Tons FFB/Hour.

- Environmental Management and Monitoring Document (*DPPL*) of PT Windu Nabatindo Abadi's 11,900 Hectare Oil Palm Plantation on 2014 which has been ratified based on Decree of Kotawaringin Timur Regent No. 188.45/789/Ek.SDA-BLH/2014 in 18 August 2010.
- Environmental Management and Monitoring Document (*DPPL*) of PT Nabatindo Karya Utama's Oil Palm Plantation Activities covering an area of 11,000 hectares in 2009 which has been ratified based on Decree of the Kotawaringin Timur Regent No. 496 Year 2009 on October 31, 2009.
- Permit of Palm Oil Industrial Wastewater Utilization on Soil at PT Windu Nabatindo Abadi's Palm Oil Plantation based on Decree of Head of One-Stop Integrated Service and Investment Agency of Kotawaringin Timur Regency No. 52/DPMTSP-PT/LA/IX/2019 which has been ratified on 16 September 2019 and valid for 5 years from the date of stipulation
- Water Resources Utilization Permit to PT Windu Nabatindo Abadi based on the Decree of the Minister of Public Works and Public Housing No. 131/KTPS/M/2021 dated 9 February 2021 and is valid for 5 years.
- Decree of Kotawaringin Timur Regent No. 660/814/DLH-Ek.SDA/XI/2017 on 21 November 2017 regarding Permit of Hazardous and Toxic Waste Management for Storage Activity of PT Windu Nabatindo Abadi. This permit valid until 5 years.
- Decree of Kotawaringin Timur Regent No. 660/815/DLH-Ek.SDA/XI/2017 on 21 November 2017 regarding Permit of Hazardous and Toxic Waste Management for Storage Activity of PT Nabatindo Karya Utama. This permit valid until 5 years.

### **Employment Aspect**

- Employee wages have been referred to the Decree of the Governor of Kalimantan Tengah No. 188.44/445/2021 concerning the 2022 Regency Minimum Wage. The decree stipulated the minimum wage for plantation and the processing sector with a value of IDR 3,014,732.66
- The company has implemented a structure and scale of employee wages based on years of service and work assessment of each employee.
- Company Regulation for the period 2021-2023 which has been ratified based on the Decree of the Head of the Manpower and Transmigration Office of Kotawaringin Timur Regency.

### **OHS Aspect**

- Occupational Health and Safety Committee (OHS committee): has a OHS committee organizational structure and emergency response that has been approved by the *Dinas Tenaga Kerja Kabupaten Kotawaringin Timur*, has a OHS committee program, organizes Occupational Health and Safety training programs, quarterly OHS committee reports, has procedures related to OHS and Emergency Response, etc.
- Provision of Personal Protective Equipment (PPE) from the company for all workers and regulate the use of PPE according to the type of work based on the pre-determined HIRAC. Provision of PPE from the company for all workers and regulate the use of PPE according to the type of work based on the pre-determined HIRAC.
- Conduct a general medical check-up (Medical Check Up) every year for all workers and special examinations (cholinesterase and audiometry) according to the level of risk / danger for a particular job.
- Having a license/competence for several special jobs that require more expertise such as OHS experts, boiler operators, diesel engine operators, welders, wheel loader operators and others in accordance with the requirements contained in the legislation.
- Giving Insurance and social security facilities for all workers.
- Provision and fulfillment of first aid kits and facilities in each unit in accordance with applicable regulations.

### **Best Management Practice Regulation**

- Using oil palm seeds from seed-producing companies that are recognized and certified by the authorized agency
- There is a policy on the use of pesticides classified by the World Health Organization as class 1A or 1B registered by the Stockholm or Rotterdam conventions only in certain and urgent situations, if not in urgent conditions then the use of these types of pesticides will not be used.
- There is a policy for clearing and processing plantation land without burning in the form of a zero burning policy document, emergency response SOPs and documents for the formation of an emergency response team organization, and socialization and training on fire management to employees and the surrounding village community.

### **Land Legality**

PT Windu Nabatindo Abadi has granted land permit **7,760.67 Ha** area since 2014. PT Nabatindo Karya Utama also had land permit

for **3,298.63 Ha** area since 2016. They also had plantation permit for both concession.

### 2.1.2

Procedure of Identification law registration evaluation presented in document No: SUST-WNL-LAW-53, dated 1 March 2018 mentioned that sustainability officer has responsibility to arranged and monitored legal related laws and/or regulation. Internal audit of regulations compliance is conducted annually as example on 7 June 2021. The procedure mentioned that to monitor and update of laws and/or regulations, the sustainability officer required to actively check and make coordination with Government Agencies or Institutions.

The implementation of this procedure is the issuance of a law register document containing regulations that must be fulfilled and relevant to the company's operational activities, including for third parties working with the company (contractors). The law register is divided into several aspects, namely: Occupational safety and health, the environment, employment, and plantations. To ensure whether there are additions and subtractions to relevant regulations, a review is conducted every once a year with the latest updated on 10 January 2022

To ensure compliance with the Company and third-party laws in the Company, routine monitoring is carried out once a year by means of compliance audit / internal audit. The last internal audit for RSPO and SCCS was conducted on 05 – 07 July 2022. In addition to going through a compliance audit / internal audit, the company conducts monitoring and evaluation of third parties (contractors) through contractor evaluation activities which are conducted at least once a year. The types of evaluations carried out include contract compliance, contractor quality and performance, accuracy of work completion, compliance with labor regulations, OHS, housekeeping and the environment. The unit of certification can present evaluation for contractors on behalf CV Borneo Mulia Abadi on 08 August 2022

### 2.1.3

Procedure of legal boundary poles monitoring, and maintenance is presented in document No. WNA-GIS-SOP-01,. Procedure mentioned that maintenance was carried out by division assistant, Geographic Information System staff, Estate Manager and Legal Manager. Monitoring the boundaries of the HGU is done every 4 months.

Monitoring boundaries poles for period 2022 was done in April and August 2022 with the result all boundaries' stone are in good conditions. During assessment auditor verifies and visited several boundaries poles in Sungai Bahaur Estate (Poles No 25,26 and 27); Bangun Koling Estate (11.12 and 13); Sungai Mirah Minting Estate (poles No 142, 143 and 144) and Banama Haring Estate (No 57 and 58) using GPS tool. Based on field observations it was clearly the sighted poles are in well maintained and appropriate with coordinate points. Furthermore, during a visit to several stakes it was known that the plantations that were the scope of the certification were directly adjacent to non-certified plantations

<b>Status: Comply</b>
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## 2.2

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

### 2.2.1

List of contractors is presented in document “*Daftar Kontraktor*” that updated on 7 February 2022, which informs stakeholder category, name of PIC, relation, address and contact number. Currently, the company has 5 contractors. Based on document verification show that the number of contractors is in accordance with the list of stakeholders where the number of contractors are 5 which includes hazardous waste transporting, machine maintenance contractor at the mill, CPO transporter, PK transporter and heavy equipment contractor.

### 2.2.2

Based on verification to several work agreements, for example with CPO Transporter, such as through agreement No. 001/WNA/SPK/XII/2021 dated 30 December 2021 with PT Surya Mentaya Jaya and Agreement No. 002/WNA/SPK/XII/2021 dated 30 December 2021 with CV Borneo Mulia Abadi, it is known that the work agreement has covered several things, among others

- Implementation of sustainability certification system.
- Personal protective equipments (PPE).
- Prohibition on hazardous material disposal.

- d. Manpower protection.
- e. Law pursuance and human rights.

Based on document verification of the salary slip and proof of *BPJS Ketenagakerjaan* for each local contractor employee are known that each worker has received wages in accordance with the government's regulation. In addition, the company has also included its employees in the *BPJS Ketenagakerjaan* program.

Monitoring of law or regulation pursuance by contractors is presented in document of evaluation of contractor and form of evaluation and contractor. Sighted contractors evaluation dated 10 January 2022.

### 2.2.3

Based on verification to several work agreements with contractors, for example through agreement No. 001/WNA/SPK/XII/2021 dated 30 December 2021 with PT Surya Mentaya Jaya and Agreement No. 002/WNA/SPK/XII/2021 dated 30 December 2021 with CV Borneo Mulia Abadi, it was known that clauses of disallowing child, forced and trafficked labor has been explained in the agreement

The company showed that each work agreement between the company and the contractor, there were clauses related to fulfilling legal obligations in Indonesia as one of the obligations that must be fulfilled by the contractors. Some of these obligations are related to anti-bribery, anti-corruption, anti-forced and trafficked labor. To ensure compliance with these clauses, company always requests the requirements for the completeness before the contractor does work

Based on interview with both suppliers as mentioned above, it was known that socialization towards pursuance regulation on safety and manpower has delivered during contract agreement.

**Status: Comply**

## 2.3

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

### 2.3.1

Based on documents verifications obtained information FFB that accepted by Sungai Cempaga Mill are originally from:

1. Estate under scope of certifications (PT Windu Nabatindu Abadi and PT Nabatindo Karya Utama)
2. Scheme Smallholders of PT Windu Nabatindo Abadi and PT Nabatindo Karya Utaama

Based on explanation above it was known there are FFB from outgrowers or direct suppliers. All FFB accepted by mill are originally from estate under scope of certifications and Scheme Smallholders of PT Windu Nabatindo Abadi and PT Nabatindo Karya Utama

### 2.3.2

The unit of certification does not receive FFB indirectly, all FFB processed within the scope of Sungai Cempaga Mill originally from own estate and scheme smallholders

**Status: Comply**

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

### 3.1

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

#### 3.1.1

The company shows a record of long-term planning in the 5 Years Financial Projection document of Sungai Cempaga Mill PT Windu Nabatindo Abadi 2021-2025 which is approved by the Head Administration. The document contains information on plantation business including projected production of FFB, CPO, Kernel Oil, projection of CPO and Kernel extraction, CPO prices, kernel prices, FFB purchases from plasma and also from external parties.

	2021	2022	2023	2024	2025
Production (ton)	265,083	270,384	273,088	278,550	281,336
CPO (ton)	63,620	64,892	65,541	66,852	67,521



OER (%)	24.0	24.0	24.0	24.0	24.0
PK (ton)	11,371	12,438	12,562	12,813	12,941
KER (%)	4.3	4.6	4.6	4.6	4.6
CPO Price (Rp/Kg)	7,560	7,560	7,560	7,560	7,560
PK Price (Rp/Kg)	6,481	6,481	6,481	6,481	6,481
FFB <i>Plasma Price</i> (Rp/Kg)	1,520	1,520	1,520	1,520	1,520
FFB Price external (Rp/Kg)	1,627	1,627	1,627	1,627	1,627

Based on the description above, it is concluded that the company already has a long-term planning document that includes the feasibility of a jointly developed business for plasma farmers through the purchase of FFB from *plasma* farmers.

### 3.1.2

The company has a replanting plan for PT. Windu Nabatindo Abadi which is described in the following table:

Estates	Replanting Programmed (Ha)									
	2022		2023		2024		2025		2006	
	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual
SBHE	325.66	325.66	-	-	649.46	-	448.55	-	-	-

Based on the table above, it is known that PT WNA's annual replanting program is projected to be at least five years with an annual review available, while for PT NKU there is no plan for replanting to the next five years.

### 3.1.3

The company shows a record of the implementation of management reviews to conduct periodic evaluations contained in the Monthly Meeting Report document for certification and operations which were approved on 07 October 2022 by the Regional Head. The Monthly Meeting Report has discussed including the input from internal audit result, correction and corrective action, customer feedback, process Performa and product compliance, follow up of previous management review, and recommendation for improvement.

**Status: Comply**

## 3.2

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

### 3.2.1

The company shows evidence of implementation for continuous improvement. of which are shown as follows:

#### **Social and Environment Aspect**

Unit of certification has developed and implemented action plan for continuous improvement, and it is implemented, based on consideration of the main social and environmental impacts and opportunities of the unit of certification. such as:

- Use of renewable fuels accordance to reduce the use of fossil fuels.
- Waste management and monitoring through WWTP pond management, testing the quality of the effluent and reporting it to the Environmental Agency of Kotawaringin Timur Regency.
- Air quality management and monitoring through road maintenance, air quality testing and reporting to the Environmental Agency of Kotawaringin Timur Regency.
- Hazardous waste management through hazardous waste storage in permitted, management and monitoring of Hazardous waste also reported to the Environmental Agency of Kotawaringin Timur Regency.
- Greenhouse Gas (GHG) Management. Implement zero-burning policy, utilization of EFB, shells and fiber as renewable energy, regular engine maintenance, and regular emission quality tests.

#### **BMP aspects:**

- The use of a focal feeder as one of the measures to increase yield enhancement specifically in the marginal areas of *haplohuomds*, *quartzpsamment*, *dystrodept* and *plintudults*. Its uses are to put fertilizers, increase nutrient and water uptake, improve soil infiltration, source organic matter for plants and increase soil microorganism activity.
- Improving the quality of the BGA Harvesting System, improving the quality of the BGA Manuring System and improving the quality

of the BGA Ground System

### 3.2.2

The company has shown the auditor regarding the RSPO metric template Version 2.1 that has been filled in according to the facts and data in the company's record documents, such as the number of workers, the area of production to the record of work accidents. Base on document verification, for The RSPO metric template known annual data 12 month period use on year 2021 for schedule reporting annual data social and environmental, included monitoring data of water consumption, management dan monitoring HCV.

Status: Comply

### 3.3

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

#### 3.3.1

The companies (PT WNA and NKU) showed a record of SOP for Plant Cultivation as contained in the Standard Operating Procedure (Palm Oil Agronomy) document which refers to SOP for PT BGA Holding and was approved by the Director on 27 May 2011, consisting of 3 volumes, namely:

- BGAAGRKS-SOP-01 Jilid 1: *Pembibitan* (SOP-01), *Persiapan Lahan* (SOP-02), *Pembuatan dan Perawatan Jalan dan Jembatan* (SOP-03), *Pembuatan dan Pemeliharaan Parit* (SOP-04), *Konservasi Tanah dan Air* (SOP-05), *Penanaman Kacangan* (SOP-06), *Penanaman Kelapa Sawit* (SOP-07).
- BGAAGRKS-SOP-01 Jilid 2: *Pengendalian Gulma* (BGAAGRKS-SOP-08), *Pemupukan* (BGAAGRKS-SOP-09), *Pengendalian Hama dan Penyakit* (BGAAGRKS-SOP-10).
- BGAAGRKS-SOP-I Jilid 3: *Kastrasi dan Manajemen Kanopi* (BGAAGRKS-SOP-11), *Sensus Pokok dan Produksi* (SOP-12), *Panen* (SOP-13), *Pengelolaan Pestisida* (SOP-14), *Pengelolaan Transport* (SOP-15), *Pengelolaan Lahan Marginal* (SOP-16), *Peremajaan* (SOP-17).

The Company also has a Standard Operating Procedure for processing plantation products in the Mill Operational Control document (BGA-SOP-KMB22-RO), approved on September 25, 2012 by the Area Controller. The document contains general and operational requirements for each processing station as well as procedures for the laboratory.

The company's procedures have covered all processes of the main activities from land clearing to the transportation of FFB and for mills from fruit reception to CPO despatch. These procedures are also available in the respective units and are written in Indonesian.

The results of interviews with harvesting, spraying, fertilizing workers and operators at the Mill it was found that these workers understood and were able to describe the SOPs for their respective jobs.

#### 3.3.2

The company shows a record of the mechanism to check the consistent implementation of procedures contained in the SOP Internal Audit No. WNA-SUST-SOP-35, the document explains that the scope of supervision carried out by Internal Audit includes audits of RSPO – SCCS, RSP, ISPO, ISO 9001, ISO 14001, OHSAS 18001 in PT WNA's operating unit. The implementation of each audit is at least once a year or carried out based on the status of the interest of the area to be audited. The results of the internal audit will then be discussed in the management review meeting according to the procedures for the Management Review Meeting. The company also has a Quality Assurance division, which is tasked with conducting monthly checks on the quality of operational work both at the Mill and at the Estates.

#### 3.3.3

The company shows a record of mechanisms to check for consistent implementation of procedures, for example:

- Record of the implementation of management reviews to conduct periodic evaluations contained in the Monthly Meeting Report document for certification and operations which were approved on 07 October 2022 by the Regional Head Pundu. The Monthly Meeting Report has discussed including the input from internal audit result, correction and corrective action, customer feedback, process Performa and product compliance, follow up of previous management review, and recommendation for improvement.
- The recording of the RSPO and ISPO internal audit reports of PT WNA & PT NKU which was carried out on 11 – 14 April 2022 with the results of 7 non-conformances in the RSPO internal audit. Then also shown the document proof of improvement of the non-conformance, all of which have been fulfilled on October 7, 2022.
- SCMM Quality Management Report No. 01/MEMO/BGA-MQA2/VI/2022 dated 11 June 2022, which discusses process



performance, intermediate results, and end results.

- Socialization of several types of Work SOPs to related employees, such as socialization of OHS SOPs at PT WNA on March 25, 2022, socialization of fire extinguishers at SCMM on May 30, 2022 and socialization of the Supply Chain Certification System on October 6, 2022, etc.

Based on the description above, it is explained that the company has a system that ensures the consistency of SOP implementation and follow-up monitoring is preserved and available.

**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

##### **Environmental Impact Assessment**

Unit of certification established three environmental impact assessment document that consist of:

- Document of Environmental Management and Monitoring (*UKL-UPL*) for Construction of Sungai Cempaga Mill (SCMM) and Other Supporting Facilities of PT Windu Nabatindo Abadi in 2014 which has been ratified based on Decree of Kotawaringin Timur Regent No. 188.45/789/Ek.SDA-BLH/2014 on 29 October 2014. Sungai Cempaga Mill capacity is 90 Tons FFB/Hour.
- Environmental Management and Monitoring Document (*DPPL*) of PT Windu Nabatindo Abadi's 11,900 Hectare Oil Palm Plantation on 2014 which has been ratified based on Decree of Kotawaringin Timur Regent No. 188.45/789/Ek.SDA-BLH/2014 in 18 August 2010.
- Environmental Management and Monitoring Document (*DPPL*) of PT Nabatindo Karya Utama's Oil Palm Plantation Activities covering an area of 11,000 hectares in 2009 which has been ratified based on Decree of the Kotawaringin Timur Regent No. 496 Year 2009 on October 31, 2009. This EIA documents explained all activities for preconstruction, construction, operation, and post operation covered the palm oil mill and estates activities.

This EIA documents explained all activities for pre-construction, construction, operation, and post operation covered the palm oil mill and estates activities.

##### **Social Impact Assessment**

Unit of certification established two social impact assessment documents that consist of:

- PT WNA in collaboration with Ecotrop has carried out an SIA assessment in November 2020-February 2021. The field assessment was carried out on 10 November 2020-10 February 2021. The areas that were studied were Tumbang Koling, Selucing and Pundu villages. There are notes and minutes of interviews with village communities in Tumbang Koling, Selucing and Pundu villages with a total of 25 respondents conducted in November 2020.
- PT NKU in collaboration with Ecotrop has conducted an SIA assessment in November 2020-February 2021. The areas that are the study locations are Tumbang Koling Village and Selucing Village. There are notes and minutes of interviews with village communities in Tumbang Koling and Selucing villages with a total of 19 respondents, conducted in November 2020.

##### **HCV Identification**

PT WNA and PT NKU has conducted HCV assessment for the entire area of operations respectively on 2010 and 2013 by RSPO approved assessor. The process of HCV identification conducted by using HCV identification guides in Indonesia on June 2008, and indicates there is HCV 1, HCV 2, HCV 4, and HCV 5 presence covered on area of 1007.44 (PT WNA) and 699.06 ha for PT NKU. All of HCV attributes presence on company was mapped on 1:42000 scale, and this HCV identifications covered all estates/mill operational areas including surrounding landscape, species corridors, and RTE species presence.

#### 3.4.2

##### **Environmental Impact Assessment**

Unit of certification established three environmental impact assessment document that consist of:

- Document of Environmental Management and Monitoring (*UKL-UPL*) for Construction of Sungai Cempaga Mill (SCMM) and Other Supporting Facilities of PT Windu Nabatindo Abadi in 2014 which has been ratified based on Decree of Kotawaringin Timur Regent No. 188.45/789/Ek.SDA-BLH/2014 on 29 October 2014. Sungai Cempaga Mill capacity is 90 Tons FFB/Hour.

- Environmental Management and Monitoring Document (*DPPL*) of PT Windu Nabatindo Abadi's 11,900 Hectare Oil Palm Plantation on 2014 which has been ratified based on Decree of Kotawaringin Timur Regent No. 188.45/789/Ek.SDA-BLH/2014 in 18 August 2010.
- Environmental Management and Monitoring Document (*DPPL*) of PT Nabatindo Karya Utama's Oil Palm Plantation Activities covering an area of 11,000 hectares in 2009 which has been ratified based on Decree of the Kotawaringin Timur Regent No. 496 Year 2009 on October 31, 2009. This EIA documents explained all activities for preconstruction, construction, operation, and post operation covered the palm oil mill and estates activities.

There is also management and monitoring plan which has been established and included on those documents. Based on the results of the document review, aspects that must be managed and monitored at the operational stage include:

PT NKU and PT WNA (All Estate)

- Maintenance of mature crops.
- FFB transportation.
- Community empowerment program (Community Development).

PT WNA (Sungai Cempaga Mill)

- Recruitment of workers
- Operation of POM
- Operation of utility facilities (source of impact is liquid waste from the washing process of WTP and liquid waste from chemical residues in the laboratory)
- Maintenance of mill machines, equipment, vehicle, and heavy equipment
- Transportation of CPO and Kernel using tank trucks and cargo trucks
- Solid and liquid waste management.
- Utilization of POME

Results of monitoring are listed on regular environmental management and monitoring report which is in accordance with management and monitoring plan in those three environmental impact assessment documents. For examples, environmental management and monitoring implementation report of first semester of 2022 which have been delivered to relevant agency has been delivered to Environmental Agency of Kotawaringin Regency on 10 Oktober 2022, and Environmental Agency of Kalimantan Tengah Province while to Ministry of Environment and Forestry via environmental electronic information system based on electronic receipt number 1665462298-6051.

### **Social Impact Assessment**

#### **PT Windu Nabatindo Abadi**

Company has a management plan and social monitoring that refers to the results of the SIA study conducted at PT WNA in 2021. Management and monitoring recommendations have considered the negative and positive impacts of the company's existence. The recommendations have included management plans, monitoring, priority levels, stakeholder engagement, PIC and timelines. The issues identified during the study were:

- Improvement of local and regional economy
- Alternative livelihoods for the community
- Accessibility openness
- Increased public interest in cultivating oil palm plantations
- Negative perception of the community towards the company is due to the high expectations of the community for cooperation in trading dirty oil and POM waste
- Negative perception of the community towards the company is due to the high expectations of the community regarding the assistance program and social responsibility
- Social jealousy
- Rising rates of theft and drug use
- River silting and water pollution
- Air and noise pollution

#### **PT Nabatindo Karya Utama**

Company has a management plan and social monitoring that refers to the results of the SIA study conducted at PT WNA in 2021. Management and monitoring recommendations have considered the negative and positive impacts of the company's existence. The recommendations have included management plans, monitoring, priority levels, stakeholder engagement, PIC and timelines. The issues identified during the study were:

- Improvement of local and regional economy
- Alternative livelihoods for the community
- Accessibility openness
- Increased public interest in cultivating oil palm plantations
- Negative perception of the community towards the company is due to the high expectations of the community regarding the assistance program and social responsibility
- Social jealousy
- Increased rates of theft and drug use
- River silting and water pollution
- Air and noise pollution

There are notes and minutes of interviews with village communities in Tumbang Koling, Selucing and Pundu villages with a total of 25 respondents conducted in November 2020.

Based on document verification, it is known the management plan and monitor the social impact that has been implemented by the unit of certification based on participatory results with affected parties. The program has included an issues management schedule and PIC. During audit, unit of certification has shown document of social impact management and monitoring plan activities for the period 2021-2022. All issues and impacts that arise from the results of social impact management and monitoring plan has been studied and reviewed.

Social and environmental management and monitoring plan has been developed with participation of affected stakeholders. The involvement of affected stakeholders based on notes and minutes of interviews with village communities in Tumbang Koling, Selucing and Pundu villages with a total of 25 respondents conducted in November 2020. Based on result of interview with surrounding community, relevant agency, and internal stakeholders, it is known that unit of certification has identified and done management and monitoring towards environmental and social impact.

### **HCV Management and Monitoring**

Unit of certification has HCV management and monitoring plan which is contained in HCV Area Management Plan of PT WNA and PT NKU with management activity plans in the form of boundary marking, boundary marking maintenance, flora and fauna area protection, patrolling, species rehabilitation and enrichment, counseling, employee training and coordination with relevant agencies. HCV Management and Monitoring plan which developed participatively which has been shown based on involvement of village communities in Tumbang Koling, Selucing and Pundu villages with a total of 25 respondents conducted in November 2020. In addition, the management implementation timeline is contained in HCV Area Management Work Program with management activities in the form of monitoring/maintenance of buffer zone stakes every 2 months, patrols and monitoring of flora and fauna once in 2 months, HCV socialization 2 times within 1 year, and the manufacture and maintenance of the notice board once every 1 year. Furthermore, during the audit process it can be shown that the results of monitoring/maintenance of buffer zone stakes have been carried out every 2 months which shows the condition of all river border markers at PT NKU and PT WNA are available in good condition.

### **3.4.3**

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

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

Unit of certification has shown evidence of implementing the social impact management plan, reviewed, and updated in a participatory manner with affected stakeholders. This review has been conducted annually. Based on the results of social and environmental discussion document regarding the action plan and monitoring of social and environmental impacts in 2022, which was carried out on 18 January 2022, to surrounding community in Cempaga Hulu District. Based on this document, management and monitoring of social plan of 2022 which has been reviewed, such as social jealousy, increased rates of theft and drug use, river silting and water pollution, air and noise pollution, etc.

**Environmental Impact Assessment (EIA)**

Unit of certification involves Environment Agency and Ministry of Environment and Forestry to monitor results of environmental management that has been carried out by the unit of certification in the form of presenting environmental management and monitoring implementation reports and other environmental management documents sent every certain period which can be proven in indicator 1.1.2. Unit of certification also does not block access to all environmental agencies if they are going to carry out field verification to their management areas. It aims to obtain advice and advice in carrying out environmental management in accordance with the vision, mission and government programs so that they can run synergistically.

**HCV Management and Monitoring**

Monitoring and updating related to environmental impact management are also carried out in conjunction with an evaluation of HCV management described in more detail in indicator 7.12.4. However, in general, all recommendations from the assessment of HCV management carried out in a participatory manner will be carried out in line with the management and monitoring of environmental impacts. HCV management and monitoring implemented that taken by the management unit such as maintaining HCV attributes (HCV boundary, signboard), HCV socialization (community and worker), regular patrols for maintaining HCV, and species monitoring. Further explanation of HCV management and monitoring plan is contained in 7.12.4. HCV Management and Monitoring plan which developed participatively which has been shown based on involvement of village communities in Tumbang Koling, Selucing and Pundu villages with a total of 25 respondents conducted in November 2020.

<b>Status: Comply</b>
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**3.5**
**A system for managing human resources is in place.**
**3.5.1**

The company already has Company Regulation (2021-2023) which has been ratified based on the decision of the Director General of Industrial Relations and Labor Social Security No. KEP. 4/HL.00.00/00.0000.210714006/B/VII/2021 dated 27 July 2021. The Company Regulation regulates the terms and conditions of employee employment, including the regulation of recruitment requirements, working hours, wages, social security, leave, termination of employment, work rules and discipline, rules for the process dispute resolution, and other provisions. This company regulation has also been socialized to all estate and mill employees on August 9, 2021.

In addition, the company also has an Employee Recruitment SOP which explains the procedures for the recruitment process including job requests based on workforce planning, job vacancies notification, pre-selection and selection process, job interview and fitness, health checks, job offers, hiring decisions and employment agreements

Regarding employee performance appraisal, it is regulated in company policy which is the company's right to improve the quality and productivity of existing human resources by giving awards to employees who excel. Employee promotions are determined according to the results of the work performance assessment and in the interest of the company's strategy and employee career development with the following criteria: having dedication and loyalty in their field of duty, working based on the system and method as well as the stipulated conditions, having the ability to always try to improve abilities and performance and always work with a healthy and dynamic code of ethics.

**3.5.2**

The company shows the implementation documents for the 2022 employment procedure as follows:

1. Announcement of job vacancies from Bumitama Gunajaya Agro Group to the surrounding community on July 11, 2022. Job vacancies convey the requirements of the workers sought and the benefits that will be received by employees while working for example: wages, social security, PPE, infrastructure, etc. The announcement of job vacancies is delivered through announcements at the local village hall, regional offices and the offices of each estate.
2. Job application letter for prospective employees with the initials JA dated August 1, 2022. Attached documents sent by prospective employees are the latest education certificate, police record, identity card, and family card.
3. Evaluation of employee performance with Employee No. 361320131 for the 2022 period. The assessment is based on 3 criteria, namely: ability to work, how to work, and self-management. Based on the results of the assessment, the company gave a recommendation for promotion by moving work location.
4. Personnel Action Report of WNA Employee Transfer with Employee No. 361320131 from SCMM security officer to SCME

security officer effective August 15, 2022.

5. Evaluation of employee performance with Employee No. 301020001 for the 2022 period. The assessment is based on 3 criteria, namely: ability to work, how to work, and self-management. Based on the results of the assessment, the company gave a recommendation for promotion by moving work location.
6. Personnel Action Report of NKU Employee Transfer with Employee No. 301020001 from SMME mechanic to BHGE tank driver effective September 21, 2022.

Based on interviews with labour union officials found that labor procedures had been managed properly and transparently in accordance with procedures starting from job vacancy announcements, hiring new employees to evaluating employee performance.

Based on the above, it is known that the company has good documentation regarding the implementation of labor procedures.

**Status: Comply**

### 3.6

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

##### 3.6.1

The company shows the results of risk identification for the 2022 period which was approved by the Regional Head on June 22, 2022 which explains the work, Hazard, Risk (Effect), Risk Control, Risk assessment, recommendation Risk control and PIC. The activities identified have included all Estates and Mill activities at PT WNA & PT NKU.

Examples of HIRAC in the Estate include Harvesting Activities with sub-activities of cutting fruit, potentially being injured by falling fruit and falling litter, the current control is in the form of safety briefings on safe harvesting methods and wearing safe (helmets). Examples of HIRAC at the Mill include working in the stew area which has an impact on respiratory problems and work comfort, the current controls are in the form of preventive maintenance, making conveyor covers, using masks and gloves, regular MCU implementation. HIRAC was socialized to all workers on July 13, 2022 in the form of posting warnings, morning briefings, and other socializations.

##### 3.6.2

The company shows a recording of the OHS 2022 plan and realization in the PT WNA and PT NKU, including: OHS inspection plans to carry out monthly, Safety campaign plans to implement four times a year, socialization of OHS plans to implement twice a year, OHS Committee meeting plans to implement every month, employee medical checkup, implementation plan twice a year, OHSAS audit, implementation plan once a year, simulation of emergency handling, implementation plan 6 times a year.

The OHS work program is evaluated every month through regular OHS committee meetings, for example discussions at the OHS committee meeting in April 2022, including:

- Inspection of the first aid kit is carried out every month to ensure that the contents of the first aid kit and bag are in accordance with the doctor's recommendations and to ensure the expiration date of medicines.
- Inspection of Fire Extinguishers is carried out every month to anticipate the dangers of early fires as well as cleaning the fire extinguisher and replacing the damaged or empty fire extinguisher.
- Implementation of general medical checkups and special medical checkups, including:
  - General Medical Checkup of BHGE harvest employees on May 15, 2022, as many as 28 workers with normal inspection results.
  - Special medical checkup for SBHE manuring and spraying employees on September 30, 2022 as many as 66 workers with normal examination results.
- Socialization of OHS to all workers on March 25, 2022, which aims to provide an understanding to workers about the importance of recognizing the risk of hazards around the work area and the importance of using PPE.

Based on field observations it is known that the company has implemented OHS effectively, such as having first aid kits in several places in complete condition, Mill and Estate workers have used appropriate PPE, and the company has installed Fire Extinguishers in several places with decent conditions.



Based on the description above, it shows that the company monitors the effectiveness of the OHS plan to handle OHS risks for persons.

**Status: Comply**

### 3.7

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

##### 3.7.1

The company has established the annual training program for each unit including scheme smallholders, out growers and contractors. The training program covers all operational and RSPO aspects, such as agronomic best practices, chemical/ pesticide handling, OSH, and the environment. Further explained that there is no gender discrimination in the program but based on the operational and previous evaluation.

The company in this case shows the 2022 training program document which is based on an analysis of employee training needs. The training is carried out interactively by the trainer or supervisor through presentations and hands-on practice to increase participants' understanding. The training program covers the following aspects:

- a. First aid kit training.
- b. Harvest SOP socialization.
- c. Fertilizer SOP socialization.
- d. Spray SOP socialization.
- e. HCV conservation area training.
- f. Plant disease pest control training.
- g. Manual maintenance training.
- h. Emergency and fire response training.
- i. Toxic and hazardous materials management training.
- j. Toxic and hazardous waste management training.
- k. Strategic production unit training.

It was further explained that the 2022 training plan document can be accessed by all interested parties.

Based on field observations and interviews with estate and mill workers, known that the workers have understood their work in accordance with the procedures set by the company and their understanding of the duties and responsibilities for each job has been carried out quite well, because the company has routinely conducted training every year according to the type of work each.

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

##### 3.7.2

The company shows training documents to employees and the public around the 2022 period as follows:

1. First aid kit use training for contractor worker held on March 10, 2022. The company can show documentation and attendance list for the training.
2. Manuring safety training for plasma worker held on January 28, 2022. The company can show documentation and attendance list for the training.
3. Spraying safety training for plasma worker held on January 29, 2022. The company can show documentation and attendance list for the training.
4. Socialization of the useful life and replacement of PPE which will be held on May 7, 2022. The socialization was attended by estate, mill and contractor employees. The company can show documentation and attendance list for the socialization.
5. Socialization of human rights policies and ethical behavior which was held on May 21, 2022. The training was attended by employees and representatives of the surrounding community. The company can show documentation and attendance list for the training.
6. Emergency response simulation carried out on August 19, 2022. The simulation was followed by employees and representatives of the surrounding community. The company can show documentation and attendance list for the simulation.

Based interviews with management revealed that the company compiled a training program based on work units, for example training

on spray techniques and poisoning prevention for pesticide applicators which was carried out every month.

Based on field observations and interviews with estate, mill and contractor workers show that the company always provides regular training to employees to maintain and improve employee competencies in their respective jobs.

### 3.7.3

The training program period of 2022 is available including RSPO Supply Chain. Actual training for RSPO Supply Chain in 2022 was conducted in October 2022. The training was subjected to RSPO SCC System. Training attended by relevant personnel in mill and estate. The personnel's who involved training from mill are production clerk, weighbridge clerk, security, assistant, and other relevant staff, furthermore the participants from estate are harvesting supervisor, field assistant, head of administration, transportation clerk, harvesting clerk, production clerk and other staff.

Based on interviews with the workers involved in SCCS operations, such as security, weighbridge operator and Administration Head, knowing that the workers understood the SCCS mechanism, and the MB record has conducted and monitored well. Furthermore, based on interview with field assistant, production clerk and other estate staff they also have an understanding related to RSPO including the certified and non-certified area.

**Status: Comply**

## 3.8

### Supply Chain Requirements for Mills

#### 3.8.1 and 3.8.2

The Mill implements the MB Module, which is received both FFB from certified and uncertified sources. Verification of Mass Balance record, the Mill has been recorded well the FFB and products (CPO and PK) from certified and uncertified sources. The Mill only claims certified products from certified sources.

#### 3.8.3

Estimated certified product recorded in the last Assessment Report and Certificate and has been updated in the RSPO Palm Trace.. The estimates of certified production for the next license period also have been set, in reasonable amount considering the last year's production. The data are shown in the following table:

Products	Estimate Production of 12 month (MT) further
FFB	237,500
CSPO	54,625
CSPK	10,688

*There are area subjected to sanctions due to new planting after January 2010 without NPP covering 259.98 Ha in Sungai Bahaur Estate and 39.37 Ha Bangun Koling Estate*

#### 3.8.4

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

- Member Name: PT Windu Nabatindo Abadi - Bumitama
- Core Product: Palm Oil
- Member ID: **RSPO\_PO1000009211**
- RSPO Membership Number: 1-0043-07-000-00 (BUMITAMA AGRI LTD)
- Type of Business: Oil Mill

Since Sungai Cempaga Mill not yet obtained RSPO there is no transaction that announced in the RSPO IT Platform.

#### 3.8.5

The Mill has had procedures related supply chain, such as SOP of RSPO Supply Chain (No. SUST-WNA-SOP-43, revision R2 dated 23 July 2021). These procedures have referred to the latest RSPO Supply Chain System. The procedure has covered all aspects in SCCS MB model, such as receiving and recording that identify the traceability of RSPO certified and uncertified source and products, FFB processing, the announcement in RSPO Palmtrace, key persons such as security, weight bridge clerk, dispatch/kernel officer,



production clerk, Administration Head, as well as the training.

In addition, it has been explained in the procedure related to the identification of raw materials (clause 7.1.1), from the field and recorded in the delivery recipient (vehicle number, driver, plantation, division, time of departure, destination, block, planted year, fruit weight released, number of bunches, field number) and identification of FFB at reception at POM (security posts and weighbridges). It was also explained that the identification of raw materials originating from certified and non-certified areas was marked with the FFB Certified stamp on the FFB cover letter.

The regular dissemination and training of the procedures has been conducted on August 2022. Based on field interview, obtained information that key persons for SSCS implementation (such as weighbridge operators, security, and Head of Administration) have understood the supply chain implementation.

Based on the results of document review and interviews with management, it is known that there is an area of PT WNA that was planted after January 1, 2010 without going through the NPP procedure, covering an area of  $\pm$  299.35 Ha. The area is located on Sungai Cempaga Estate covering an area of 259.98 Ha and Bangun Koling Estate covering an area of 39.37 Ha

As stipulated in the RSPO NPP Procedure 2021 it is explained that for any oil palm plantations and related developments (which are not part of an RSPO certified management unit) that have been carried out (including land preparation that has begun, new planting of oil palms in progress) after 1 January 2010 and after the date of joining as an RSPO member, in the absence of a ratified NPP, sanctions will be imposed, with the sanction area not being able to trade FFB produced from the sanctioned area as Certified FFB for the first three (3) years of certification

Regarding the existence of areas whose production cannot be claimed as certificated products, the company has not set up a mechanism to receive and process the certified and non-certified FFB. **Based on that's explanation raised Nonconformity No 2022.01 with major category**

### 3.8.6

The procedure to conduct supply chain internal audit already set in the SOP of supply chain. In the SOP mentioned that internal audit will be conducted annually. Internal audit of RSPO supply chain conducted simultaneously with P&C audit on 05 – 07 July 2022. All of supply chain standard and rules on market communication and claim has been assessed, and the CARs have been complied.

Management Review of RSPO SCCS implementation conducted on 07 October 2022. The management review discussion has covered the input from internal audit result, correction and corrective action, customer feedback, process Performa and product compliance, follow up of previous management review, and recommendation for improvement

### 3.8.7

The mill has been developed mechanism to ensure traceability of certified FFB. Certified FFB originally from certified block area. Mechanism to handling and control nonconformance product are described in SOP that regulating among others controlling / handling of raw materials received (FFB), product identification in process, control of final product to be shipped to buyer and controlling/handling the improper document. In the procedure described if any occurring of non-conforming of oil product or document, the product is not claimed to be an RSPO certified product.

### 3.8.8

Since Sungai Cempaga Mill not yet certified this indicator is not applicable and will be verified in surveillance audit

### 3.8.9

The unit of certification has legal ownership of CPO and PK and did not outsource its milling activities. Only transportation of certified products (CPO and PK) is outsourced to the third parties. Currently, there are 1 contractor for CPO and 1 contractor for PK transport, for instance as shows through several Work Agreement as follows:

- Agreement with CPO Transporter of PT Surya Mentaya Jaya No. 001/WNL/SPK/XII/2021 dated 30 December 2021, valid until December 2022
- Agreement with PK Transporter of CV Catur Borneo Abadi No. No. 001/WNL/SPK/XII/2021 dated 30 December 2021, valid until December 2022

To ensure the contractors complies with the RSPO Supply Chain, in the agreement, there were clauses that set obligations of the contractor to comply with the supply chain rules. For instance, the responsibility to deliver products only from Sungai Cempaga Mill, as well as the willingness to observe by Certification Body and the company internal audit to verify the compliance.

### 3.8.10 and 3.8.11

The Mill has the record of details of the contractors, covers the contractor's company profile, address, contact person, email and phone number, contract agreement and period, and list of vehicles. The following are the details of the transporters in collaboration with the company:

No.	Contractors Name	Commodity
1	PT Surya Mentaya Jaya	CPO -
2	CV Catur Borneo Abadi	- PK

### 3.8.12

Since Sungai Cempaga Mill not yet certified this indicator is not applicable and will be verified in surveillance audit

### 3.8.13 and 3.8.14

Based on document verifications and interview with management it was known if there is no conversion rate of production of CPO (OER) and PK (KER) that applied by the mill. The production of CPO (OER) and PK (KER) are based on actual daily, monthly, and yearly production.

### 3.8.15

SCSS module used in Sungai Cempaga Mill is Mass Balance (MB), because the mill receives FFB from the estate and from third party that non-certified RSPO.

### 3.8.16

Since Sungai Cempaga Mill not yet certified this indicator is not applicable and will be verified in surveillance audit

### 3.8.17

Since Sungai Cempaga Mill not yet certified this indicator is not applicable and This will be verified in surveillance audit

3.8.5	Status : Nonconformity No 2022.01 with major category
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## 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 policy to respect human rights is stated in the Employment and Human Rights Policy signed by HR Reg 2 on 4 November 2019. The policy states that the company is committed to respecting human rights. The company is also committed to protecting whistle blowers related to human rights and is committed not to carry out acts of intimidation outside the law / violence in any form against defenders as well as including prohibiting retaliation against Human Rights Defenders (HRD).

During the audit carried out, the team auditor has been trying to ensure this policy has been communicated and implemented through stakeholder consultation. Interview with workers, the surrounding community (Selucing Village Head, Tumbang Sana Hamlet Head, Local Elderly Dayak Cempaga Hulu Subdistrict and smallholder's representative), and contractors known that the company has socialized company policies regularly including policies on human rights. Socialization is done by sticking to the policy in office, socializing in the housing, and socializing with workers during the morning briefing before the activities started.

#### 4.1.2

The policy to respect human rights is stated in the Employment and Human Rights Policy signed by HR Reg 2 on 4 November 2019. It states that the company is committed to respecting human rights. The company is also committed to protecting whistle blowers related to human rights and is committed not to carry out acts of intimidation outside the law / violence in any form against defenders.

Based on field visits and interviews with surrounding communities (Selucing Village Head, Tumbang Sana Hamlet Head, Local Elderly Dayak Cempaga Hulu Subdistrict and smallholder's representative, it is known that there was no intimidation or use of mercenaries in maintaining peace and order in the company's area. Until there is no conflict, there were no conflicts and land disputes within the company area

This is also in line with the results of interviews with surrounding communities and related agencies during a public consultation, which stating that there were no land conflicts in the company's operational area.

<b>Status: Comply</b>
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## 4.2

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

### 4.2.1

The company has a Complaint SOP with SOP document number WNA-SUST-SOP-10. The procedure is a reference in receiving and resolving complaints from external and internal parties. Meanwhile, the personnel responsible for receiving and documenting complaints from the parties are Corporate Affairs. Complaints that exist will be reviewed and consulted with the parties for resolution. It was further explained that each reporter's identity (anonymity/ whistleblower) is kept/ confidential, the company has installed a bulletin board at the front of the office area in each work unit, for example in the plantation and factory offices. The main points of the notification are the address of the complaint (phone number & email) and the guarantee of confidentiality and protection for the complainant.

If the complaint is not resolved by deliberation and consensus, then the company and the party submitting the complaint want a resolution through the Mediation Forum. The Mediation Forum meeting must take place at the location of the third party or other agreed place of neutrality.

Based on interview with community representatives known that during land acquisition process, all villager (land-owner) are free to deliver their comments or objection regarding to land acquisition process.

### 4.2.2

The company has established a system for handling complaints and complaints for all affected parties which is documented in the Grievance Handling and Complaints Procedure with document number WNA-SUST-SOP-10. There are additional provisions regarding the implementation of communication and consultation procedures to stakeholders, where the socialization of this procedure is carried out by displaying the procedure in writing or by showing pictures so that it can be understood by stakeholders who cannot read and write. The procedure states that all complaints must be registered in the Complaint Form in clear and easy to understand language. All complaint forms will be collected and registered monthly into the Grievance Register Book. Company will respond to each complaint within 14 days from the date the complaint request was received.

The procedure has been socialized to estate and mill workers as well as to the surrounding community on February 8, 2022. Company can show the minutes and attendance lists for the socialization.

### 4.2.3

Based on verification document of internal and external complaint in 2021-2022 revealed that there were no recorded complaints. This is similar with the results of interviews with *LKS Bipartite* representatives and the surrounding community that no complaints have been submitted to the company in 2022 until the audit activity takes place. It was further explained by the management that if there are complaints from both internal and external, the company through Community Development will inform and update the status of complaint handling to related parties.

### 4.2.4

The company has a communication procedure No. WNA-SUST-SOP-10. The procedure aims to provide assurance to whistleblowers who have a good will to report suspected abuse or divergent practices. Whistleblowers will be protected from retaliation or actions that may harm the whistleblower. Furthermore, regarding Confidentiality, it is explained that the company encourages the whistleblower to write a clear and complete identity when reporting irregularities that occur. All forms of reporting irregularities will be

guaranteed confidentiality by the company. If the complaint cannot be resolved by consultation, it can follow up the next step or go through the process to the RSPO. In the procedure also explained that if the settlement of the complaint is not agreed by both parties, the complaint can be resolved by a technical or independent mediator or a third party who legitimate.

The company already has officers who are responsible for handling complaints so that they continue to get further information related to the progress of complaint resolution, in this case the Assistant Public Relations/ CSR. The procedure also explained that the response time related to complaints was 2 weeks after the complaint was submitted.

Based on documents verifications as well as verifications through RSPO website there are complaints in PT NKU (<https://askrspo.force.com/Complaint/s/case/5000o00003GABkaAAH/detail>), and its based on documents verifications there are several meeting to resolved this complaints as follows:

- Minutes of meeting on 23 August 2022 between BGA, complainant and community from Tumbang Koling Village, with material discussed about the settlement process (involved RSPO Facilitator), subject of issue and numbers of meeting will be carried out
- Minutes of meeting on 19 September 2022 between BGA, RSPO Facilitator and complaints. The material discussed about initial meeting and process to be executed regarding these complaints
- Minutes of meeting on 11 October 2022 between BGA, RSPO Facilitator and complaints. The material discussed about introduction and agreement on procedures, roles and functions of the facilitator, parties involved other than the facilitator, and etc,

Based on interview with Selucing Head of Village sighted that if any conflict resolution, they have access to independent legal and technical advice.

**Status: Comply**

#### 4.3

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

The results of interviews with management, conveyed that the CSR program was prepared based on the participation of the surrounding community in the form of Development Planning Conference "MUSREMBANG" period 2021 located on sub-district office. The company shows examples of Development Planning Conference on 4 January 2021, involved nearest community included

From the results of meetings with the community, a CSR program was prepared in 2021. For the CSR program in 2021, the company arranged a CSR program in the fields of Economy, Environment, Education, and social culture. The company has also shown the CSR realization record to the communities. For example:

- Supporting educational activities to schools and educational institutions around the company, in the form of providing laptops for schools, COVID-19 PPE, recruitment of local students as employees, and develop of nursery areas for school practices
- Assistance for republican Independence Day, sports tournaments and flood disasters.
- Assistance for the covid 19 vaccine and the provision of PPE for covid.
- Assistance with land firefighting facilities and the Forming an organization of fire-aware communities on Waringin Agung village and Mulya Agung village
- Etc.

**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 concession area of PT WNA and PT NKU is in the village of District of Cempaga Hulu, Kotawaringin Timur Regency, Province of Kalimantan Tengah. Since the company obtained location permits from the Regent of Kotawaringin Timur (24 May 1997 for PT WNA and 15 August 2005 for PT NKU), the land acquisition process has been carried out by the company by engaging/approaching with the landowner / elderly and village head in the permit area.

Based on documents verifications and interview with management as well as previous landowner it was known land release documents that carried out by company is completed. Each land transfer document has explained the owner of the customary land and other documents such as:

- Agreement of submission of the arable land and compensation for plants as well as compensation (compassion) on state land in the company location permits
- Letter of submission of arable land
- Minutes of measurement of arable land
- Maps of the location of the arable land

Based on documents verifications and interviews with village head and local elder obtained information's the land acquisitions was carried out by company since 2006 until 2015 as presented in the table below:

Years	Land Acquisitions Area (Ha)	
	PT WNA	PT NKU
2006	4082.18	
2007	1186.08	
2008	262.87	
2009	136.00	
2010	180.00	
2011	2.50	
2013	68.68	1567.26
2014	56.07	1217.72
2015	5.42	156.44
<b>Total</b>	<b>5979.81</b>	<b>2941.42</b>

Based on documents verifications and interviews with managements the total certifications area are 11,059.3 Ha consist of PT NKU 7,760.67 Ha and PT WNA 3,298.63 Ha. The land ownerships that owned by PT WNA and PT NKU are HGU Certificate as described below:

a. PT WNA

- HGU Certificate No. 0065, covering an area of 19,878,400 M2
- HGU Certificate No. 0084, covering an area of 6,838,400 M2
- HGU Certificate No. 0085, covering an area of 3,345,800 M2
- HGU Certificate No. 0086, covering an area of 36,066,100 M2
- HGU Certificate No. 0087, covering an area of 11,478,400 M2.

b. PT NKU

- HGU Certificate No. 0090, covering an area of 25,298,100 M2
- HGU Certificate No. 0091, covering an area of 7,688,200 M2

#### 4.4.2, 4.4.4, 4.4.5

As a guidance during land compensation the company has had an Procedure – Indemnity of Planting and Area (BGA- SOP-GL-903.1-R0)) in the procedure described how to calculate and distribute fair and gender-equal compensation in all activities related to the compensation process for land over the land right cultivated by the Company, the purpose is to ensure the area of plantation free from others right

Based on document verification Social Impact Assessment report and HCV Identification report that knows in the company area there was no land under customary right. The evidence of compensation to land owner in each estate and the participation of head of village as witnessed was documented in each estate. Overall of compensation document was keep as historical of land acquisition by company. All of document was signed by company representation early land owner and included of government in village and sub district level.

Based on the results of interviews Selucing Village Head; Cooperative Officials (scheme smallholder); *Demang* (traditional leader) of Cempaga Hulu Sub-District obtained information if all compensation process has been held with fairly transparent regarding to mutual agreement. Whole area that managed by the company has been compensated. The compensation process involved all community witnessed also by the Village Head, Customary leader, Sub district head and others relevant parties. All land acquisition between



local people and company representatives conducted as mutual agreement and with Bahasa that understood by all parties involved. All relevant information regarding land acquisition is available in appropriate forms and languages. Until the audit was carried out, there was no written complaint from the community regarding the land dispute.

Based on the results of interviews with parties who have received compensation for land compensation from PT WNA and PT NKU obtained information if the process of land acquisition was done through the following stages: identification of land owners/cultivators, negotiation of the compensation, and payment of compensation. The list below serves as the proof of records of voluntary land acquisition (FPIC – Free, Prior, and Informed Consent) at the early stage of the estate establishment. As evidence of the negotiation process and voluntary land acquisition agreement (FPIC) in the early stages of plantation development, a list of compensation recipients is available in all villages affected by the development of oil palm plantations, accompanied by the following documents:

- Certificate of Land Ownership from the Village Head and District representatives.
- Statement Letter of Land Ownership of Ex-Land from the owner / cultivator of the land known by the Village Head and Demang / Customary Head
- Minutes of Land Inspection and Measurement known to the Village Head.
- Map of the area to be compensated based on the company's measurement results and known by the smallholders.
- A letter of agreement between the owner of the arable land and the company for compensation for land with a certain value that is agreed upon and known by other parties (Subdistrict Head, Village Head, *Demang* Customary Head and Cultivator).

### 4.4.3

The company can show a map showing legal rights in the form of a HGU boundary map with a scale of 1: 50,000 contained in the HGU certificate issued by the Land Office. Based on public consultation with village representatives from Selucing Village Head; Cooperative Officials (scheme smallholder); *Demang* (traditional leader) of Cempaga Hulu Sub-District obtained information, it is recognized that they know the legal boundaries owned by the companies

### 4.4.6

Based on the results of interviews with stakeholders it was informed that the company has had a positive impact such as employee recruitment and CSR assistance. There are no land conflicts between the community and the company, besides that the company regularly holds meetings with community representatives and absorbs community aspirations which are applied in company policies such as CSR or other assistance. Communication with the community is no problem, every request for information is always responded to by the company.

**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 – 4.5.8

There is no land expansion activity during this audit. Based on document Identification of HCV and stakeholder consultation, there was not found customary/indigenous rights in operational area. There were the records of the process of collecting information on the preparation of the High Conservation Values Identification Report and the Social Impact Assessment Report. The recording evidence comprising of participants' list and photographs.

**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

As a guidance during land compensation the company has had a Procedure – Indemnity of Planting and Area (BGA- SOP-GL-903.1-R0)) in the procedure described how to calculate and distribute fair and gender-equal compensation in all activities related to the compensation process for land over the land right cultivated by the Company, the purpose is to ensure the area of plantation free from others right



Based on document verification Social Impact Assessment report and HCV Identification report that knows in certifications area there was no land under customary right. The evidence of compensation to land owner in each estate and the participation of head of village as witnessed was documented in each estate. Overall of compensation document was keep as historical of land acquisition by company. All of document was signed by company representation early land owner and included of government in village and sub district level.

### 4.6.3; 4.6.4

The company has shown that land acquisition has been done through negotiation. Based on the results of interviews with the Previous landowners obtained information if the compensation process has been held with transparency regarding the mutual agreement. The whole area managed by the company has been compensated. Based on interview with previous land owners as well as village head obtained information during land compensation has been pay attention regarding equal opportunities were provided to both men and woman.

Based on the results of interviews Selucing Village Head; Cooperative Officials (scheme smallholder); *Demang* (traditional leader) of Cempaga Hulu Sub-District obtained information if all compensation process has been held with fairly transparent regarding to mutual agreement. Whole area that managed by the company has been compensated. The compensation process involved all community witnessed also by the Village Head, Customary leader, Sub district head and others relevant parties. All land acquisition between local people and company representatives conducted as mutual agreement and with Bahasa that understood by all parties involved. All relevant information regarding land acquisition is available in appropriate forms and languages.

Based on the results of interviews with parties who have received compensation for land compensation from PT WNA and PT NKU obtained information if the process of land acquisition was done through the following stages: identification of land owners/cultivators, negotiation of the compensation, and payment of compensation. The list below serves as the proof of records of voluntary land acquisition (FPIC – Free, Prior, and Informed Consent) at the early stage of the estate establishment. As evidence of the negotiation process and voluntary land acquisition agreement (FPIC) in the early stages of plantation development, a list of compensation recipients is available in all villages affected by the development of oil palm plantations, accompanied by the following documents:

- Certificate of Land Ownership from the Village Head and District representatives.
- Statement Letter of Land Ownership of Ex-Land from the owner / cultivator of the land known by the Village Head and Demang / Customary Head
- Minutes of Land Inspection and Measurement known to the Village Head.
- Map of the area to be compensated based on the company's measurement results and known by the smallholders.
- A letter of agreement between the owner of the arable land and the company for compensation for land with a certain value that is agreed upon and known by other parties (Subdistrict Head, Village Head, *Demang*/Customary Head and Cultivator).

In addition, as part of the company's development, the company has also developed palm oil plantations for the community through a smallholder scheme. The development of the smallholder scheme is one of the company's efforts so that the community around the company can benefit from the company's existence. In addition, to facilitate community access, the company has opened and built access roads to the community, where there are several access roads that cross the company connecting the surrounding villages/hamlets. With the existence of this access road, it is easier to access from villages / hamlets that now can pass through the company's access road. this information has been verified through public consultation with village head and government agency as well as workers who still live around the company.

**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

As a guidance during land compensation the company has had a Procedure – Indemnity of Planting and Area (BGA- SOP-GL-903.1-R0) in the procedure described how to calculate and distribute fair and gender-equal compensation in all activities related to the compensation process for land over the land right cultivated by the Company, the purpose is to ensure the area of plantation free from others right

Based on the results of interviews with parties who have received compensation for land compensation from PT WNA and PT NKU

obtained information if the process of land acquisition was done through the following stages: identification of land owners/cultivators, negotiation of the compensation, and payment of compensation. The list below serves as the proof of records of voluntary land acquisition (FPIC – Free, Prior, and Informed Consent) at the early stage of the estate establishment. As evidence of the negotiation process and voluntary land acquisition agreement (FPIC) in the early stages of plantation development, a list of compensation recipients is available in all villages affected by the development of oil palm plantations, accompanied by the following documents:

- Certificate of Land Ownership from the Village Head and District representatives.
- Statement Letter of Land Ownership of Ex-Land from the owner / cultivator of the land known by the Village Head and Demang / Customary Head
- Minutes of Land Inspection and Measurement known to the Village Head.
- Map of the area to be compensated based on the company's measurement results and known by the smallholders.
- A letter of agreement between the owner of the arable land and the company for compensation for land with a certain value that is agreed upon and known by other parties (Subdistrict Head, Village Head, *Demang*/Customary Head and Cultivator).

In addition, as part of the company's development, the company has also developed palm oil plantations for the community through a smallholder scheme. The development of the smallholder scheme is one of the company's efforts so that the community around the company can benefit from the company's existence. In addition, to facilitate community access, the company has opened and built access roads to the community, where there are several access roads that cross the company connecting the surrounding villages/hamlets. With the existence of this access road, it is easier to access from villages / hamlets that now can pass through the company's access road. this information has been verified through public consultation with village head and government agency as well as workers who still live around the company.

#### 4.7.3

Based on documents verifications and interview with managements it was known there is no expansion of plantation. The company carried out land compensation inside permits area (HGU). In addition, as part of the company's development, the company has also developed palm oil plantations for the community through a smallholder scheme. The development of the smallholder scheme is one of the company's efforts so that the community around the company can benefit from the company's existence. In addition, to facilitate community access, the company has opened and built access roads to the community, where there are several access roads that cross the company connecting the surrounding villages/hamlets. With the existence of this access road, it is easier to access from villages / hamlets that now can pass through the company's access road. this information has been verified through public consultation with village head and government agency as well as workers who still live around the company.

<b>Status: Comply</b>
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#### 4.8

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

##### 4.8.1 - 4.8.4

As a guidance to settlement land dispute the company has had Land Conflict Handling procedure no. BGA-SOP-GL-901.5-RO. This procedure is a reference in resolving cases of land conflicts between management units and other parties. The claim settlement process is carried out by involving various parties, including: former land owner/land acquirer, village government, and other parties involved. land owners, witnesses, village government and sub-district governments.

Based on the results of interviews Selucing Village Head; Cooperative Officials (scheme smallholder); *Demang* (traditional leader) of Cempaga Hulu Sub-District obtained information if all compensation process has been held with fairly transparent regarding to mutual agreement. Whole area that managed by the company has been compensated. The compensation process involved all community witnessed also by the Village Head, Customary leader, Sub district head and others relevant parties. All land acquisition between local people and company representatives conducted as mutual agreement and with Bahasa that understood by all parties involved. All relevant information regarding land acquisition is available in appropriate forms and languages. Until the audit was carried out, there was no written complaint from the community regarding the land dispute.

Although PT WNA and PT NKU has gained land rights legally but there are still many people using and cultivating in permit Area. The company has had the Area Statement map who described various land use in permit Area, included occupation area width., based areal statement documents, interview with managements and stakeholder its known there is area covering  $\pm 150.32$  Ha in PT WNA and  $\pm 112.29$  Ha that occupied by community due to the landowner not willing to be compensated

That's area managed by community are palm oil, rubber, or horticulture. Based on field observations in occupations area in Sungai Mirah Minting Estate in the occupations area (the locations are in next Block I19) it was known if the area is community settlement and farming area managed by the community. For areas that are currently still controlled by the community (occupational area) and have never been compensated the company respects the existence and didn't force to give the land to the company. The area was clearly bounded by roads and ditches.

**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**

Related to scheme smallholder FFB purchase, unit of certification has shown document of the Results of the Team Meeting for the Determination of Purchase Prices of Palm Oil FFB Production Sales of Planters in Kalimantan Tengah Province in August and September 2022. Unit of certification made a payment to the cooperation referring to the minutes. Based on the company's agreement with the cooperative, the determination of the price of FFB purchased refers to the provisions contained in the Regulation of the Minister of Agriculture regarding the Guidelines for Determining the Purchase Price of Fresh Fruit Bunches for Palm Oil Production by Smallholders (*KSU Sehati Pundu* (PT WNA) and *Koperasi Produksi Koling Hapakat* (PT NKU)).

##### **5.1.2**

Based on the result of interview with representative of the management of *KSU Sehati Pundu*, FFB price information is given from the company to cooperative if any FFB price change via telephone or text message. The price of FFB has referred to the price determined by the local government of Kalimantan Tengah Province. In addition, the FFB price is also posted in front of POM office and will be updated whenever there is price change.

##### **5.1.3**

Based on the results of interviews with representatives of management representative of *KSU Sehati Pundu*, FFB price information is given from the company to cooperative if any FFB price change via telephone or text message. The price of FFB has referred to the price determined by the local government of Kalimantan Tengah Province. Unit of certification already has cooperation contract with *KSU Sehati Pundu* and *Koperasi Produksi Koling Hapakat* as FFB suppliers of as shown in the following documents:

- Agreement between the *Koperasi Serba Usaha* (KSU) Sehati Pundu and PT Windu Nabatindo Abadi No. 01/KSU-SP/III/2006 and No. 02/PKS-WNA/III/2006 concerning Development and Management of Oil Palm Cultivation through Partnership Business with KKPA Patterns covering an area of 2,000 ha which was agreed on March 22, 2006 and is valid for 20 years.
- Agreement between *Koperasi Produksi Koling Hapakat* and PT Nabatindo Karya Utama No. 02/PK-KH/IV/2018 and No. 02/PK-NKU/IV/2018 concerning the Development and Management of Oil Palm Plantation Partnership Pattern which was agreed on 3 April 2018 and is valid for 30 years. This cooperation applies to the development and management of oil palm cultivation with a partnership pattern of ±336 ha.

Based on the agreements, the agreed FFB price is at least in accordance with price established by local government which is determined monthly.

##### **5.1.4**

Based on the results of interviews with representatives of management representative of *KSU Sehati Pundu*, FFB price information is given from the company to cooperative if any FFB price change via telephone or text message. The price of FFB has referred to the price determined by the local government of Kalimantan Tengah Province. Unit of certification already has cooperation contract with *KSU Sehati Pundu* and *Koperasi Produksi Koling Hapakat* as FFB suppliers of as shown in the following documents:

- Agreement between the *Koperasi Serba Usaha* (KSU) Sehati Pundu and PT Windu Nabatindo Abadi No. 01/KSU-SP/III/2006 and No. 02/PKS-WNA/III/2006 concerning Development and Management of Oil Palm Cultivation through Partnership Business with KKPA Patterns covering an area of 2,000 ha which was agreed on March 22, 2006 and is valid for 20 years.
- Agreement between *Koperasi Produksi Koling Hapakat* and PT Nabatindo Karya Utama No. 02/PK-KH/IV/2018 and No. 02/PK-NKU/IV/2018 concerning the Development and Management of Oil Palm Plantation Partnership Pattern which was agreed on 3

April 2018 and is valid for 30 years. This cooperation applies to the development and management of oil palm cultivation with a partnership pattern of  $\pm 336$  ha.

Unit of certification has shown proof of payment for the purchase of FFB from smallholders. For example, unit of certification which is shown proof of payment of in the following documents:

- Minutes of Delivery of Remaining Money from KSU Sehati Pundu for the period from May-June 2022 on 27 July 2022 as agreed by both parties.
- Minutes of Handing over the Remaining Money from KSU Sehati Pundu for the period from July-August 2022 on 28 September 2022 as agreed by both parties.
- Minutes of Submission of Remaining Money from *Koperasi Produksi* Koling Hapakat for the period from January-March 2022 on 27 April 2022 as agreed by both parties.
- Minutes of Submission of Remaining Money from *Koperasi Produksi* Koling Hapakat for the period from April-June 2022 on 27 July 2022 as agreed by both parties.

Based on document verification and interview with FFB supplier result, payment of FFB transaction has been in accordance with each contact signed.

#### 5.1.5

Unit of certification already has cooperation contract with KSU Sehati Pundu and *Koperasi Produksi* Koling Hapakat as FFB suppliers of as shown in the following documents:

- Agreement between the *Koperasi Serba Usaha* (KSU) Sehati Pundu and PT Windu Nabatindo Abadi No. 01/KSU-SP/III/2006 and No. 02/PKS-WNA/III/2006 concerning Development and Management of Oil Palm Cultivation through Partnership Business with KKPA Patterns covering an area of 2,000 ha which was agreed on March 22, 2006 and is valid for 20 years.
- Agreement between *Koperasi Produksi* Koling Hapakat and PT Nabatindo Karya Utama No. 02/PK-KH/IV/2018 and No. 02/PK-NKU/IV/2018 concerning the Development and Management of Oil Palm Plantation Partnership Pattern which was agreed on 3 April 2018 and is valid for 30 years. This cooperation applies to the development and management of oil palm cultivation with a partnership pattern of  $\pm 336$  ha.

Based on result of document review, cooperation agreement has been fair, legal and transparent and has an agreed term. The result of interview with the certification unit and representatives of KSU Sehati Pundu indicate that the parties understand the contract agreement that has been made.

#### 5.1.6

Unit of certification has shown proof of payment for the purchase of FFB from smallholders. For example, unit of certification which is shown proof of payment of in the following documents:

- Minutes of Delivery of Remaining Money from KSU Sehati Pundu for the period from May-June 2022 on 27 July 2022 as agreed by both parties.
- Minutes of Handing over the Remaining Money from KSU Sehati Pundu for the period from July-August 2022 on 28 September 2022 as agreed by both parties.
- Minutes of Submission of Remaining Money from *Koperasi Produksi* Koling Hapakat for the period from January-March 2022 on 27 April 2022 as agreed by both parties.
- Minutes of Submission of Remaining Money from *Koperasi Produksi* Koling Hapakat for the period from April-June 2022 on 27 July 2022 as agreed by both parties.

Based on the result of the document review and interviews with representatives of KSU Sehati Pundu, the details of quarterly payments have been completed with date, price determination, weight, discount, and amount to be paid. In addition, payments are made on time as agreed in the contract.

#### 5.1.7

Unit of certification has shown evidence that the weighing equipment is calibrated or verified by a third party which is carried out annually. The last calibration/verification was carried out on February 8, 2022 and carried out by the Trade and Industry Agency of Kotawaringin Timur Regency with the following information:

- Certificate of Testing Result No. 510.63/051/DPP/SKHP/MET/II/2022 for a weigh bridge with serial number 133450118 and

capacity of 40,000 Kg Class III. The scales will be recalibrated on 8 February 2023.

- Certificate of Testing Result No. 510.63/051/DPP/SKHP/MET/II/2022 for a weigh bridge with serial number 133450533 and capacity of 40,000 Kg Class III. The scales will be recalibrated on 8 February 2023.

### 5.1.8

Unit of certification already has cooperation contract with KSU Sehati Pundu and *Koperasi Produksi* Koling Hapakat as FFB suppliers of as shown in the following documents:

- Agreement between the *Koperasi Serba Usaha* (KSU) Sehati Pundu and PT Windu Nabatindo Abadi No. 01/KSU-SP/III/2006 and No. 02/PKS-WNA/III/2006 concerning Development and Management of Oil Palm Cultivation through Partnership Business with KKPA Patterns covering an area of 2,000 ha which was agreed on March 22, 2006 and is valid for 20 years.
- Agreement between *Koperasi Produksi* Koling Hapakat and PT Nabatindo Karya Utama No. 02/PK-KH/IV/2018 and No. 02/PK-NKU/IV/2018 concerning the Development and Management of Oil Palm Plantation Partnership Pattern which was agreed on 3 April 2018 and is valid for 30 years. This cooperation applies to the development and management of oil palm cultivation with a partnership pattern of  $\pm 336$  ha.

Results of interview with the certification unit and representatives of KSU Sehati Pundu, management of cooperative is carried out entirely by unit of certification

### 5.1.9

Unit of certification Unit of certification has had SOP related to complaint mechanism in SOP of Communication authorized by the Regional Head on 08 September 2017. In the SOP it explains objectives, responsibilities, procedures, documentation and exceptions. The period of complaint settlement is 15 days for each part. Based on document review of complaint book, there is no complaint from contractor or vendors.

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

Unit of certification supports the improvement of interested smallholders' level of livelihood and participation in sustainable palm oil explained by cooperation agreement for the development of smallholder plantations in the form plasma plantation. Unit of certification already has cooperation contract with KSU Sehati Pundu and *Koperasi Produksi* Koling Hapakat as FFB suppliers of as shown in the following documents:

- Agreement between the *Koperasi Serba Usaha* (KSU) Sehati Pundu and PT Windu Nabatindo Abadi No. 01/KSU-SP/III/2006 and No. 02/PKS-WNA/III/2006 concerning Development and Management of Oil Palm Cultivation through Partnership Business with KKPA Patterns covering an area of 2,000 ha which was agreed on March 22, 2006 and is valid for 20 years.
- Agreement between *Koperasi Produksi* Koling Hapakat and PT Nabatindo Karya Utama No. 02/PK-KH/IV/2018 and No. 02/PK-NKU/IV/2018 concerning the Development and Management of Oil Palm Plantation Partnership Pattern which was agreed on 3 April 2018 and is valid for 30 years. This cooperation applies to the development and management of oil palm cultivation with a partnership pattern of  $\pm 336$  ha.

### 5.2.2

Unit of certification has shown programs to improve the level of livelihoods, including at least an increase in the ability to increase productivity, quality, and organization management. Besides, company has attached evidence that the certification unit provides livelihood improvement programmers to scheme smallholders in the following documents:

- Minutes of Socialization of HCV Areas to BGS Team on 5 September 2022, which was attended by 19 sprayers. This has been including material regarding pesticide handling to sprayers.
- Minutes of Training and Socialization of Pesticide Applications dated 14 October 2022, which was attended by 19 participants.

### 5.2.3

Unit of certification has attached evidence that the certification unit provides support to smallholders such as by conducting socialization of support for independent smallholder to participate in certification of RSPO which was participated by 5 September 2022. Besides, company has shown evidence of cooperation with KSU Sehati Pundu dan *Koperasi Produksi* Koling Hapakat in the context of developing and managing oil palm plantation project with a main estate-plasma partnership pattern.



**5.2.4**

Unit of certification has attached evidence that the certification unit provides training on handling pesticides to Scheme Smallholders. For example, socialization/training to KSU Sehati Pundu showed in the following documents:

- Minutes of Socialization of HCV Areas to BGS Team on 5 September 2022, which was attended by 19 sprayers. This has been including material regarding pesticide handling to sprayers.
- Minutes of Training and Socialization of Pesticide Applications dated 14 October 2022, which was attended by 19 participants.

**5.2.5**

Based on results of interviews with KSU Sehati Pundu, it is known that the development and maintenance of smallholdings has been done well. Based on production data, it is known that there is FFBs from plasma sent to mill in period of this assessment. Company regularly reviews and publicly report on the progress of the smallholder programmed which is included in plantation business activity report (LPUP) each semester.

**Status: Comply**

**PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS**
**6.1**
**Any form of discrimination is prohibited.**
**6.1.1**

The company has an Employment Policy established on 10 July 2017 which one of the points states that PT WNA and PT NKU are committed to providing equal employment opportunities by not distinguishing race, religion, degree, ethnicity, gender, skin color, body disability, sexual orientation, affiliation politics, organizational membership, and age. Based on the employee registration document, company has provided equal opportunities and treatment in employment opportunities.

Based on interview with estate and mill workers for job vacancies that have been published by the company, there are no requirements that refer to discriminate against gender, race or ethnicity, disability, sexual orientation, age, or belief, so indirectly the company has implemented a non-discrimination policy and also equal opportunity. This is evidenced by the diversity of ethnic accepted to work.

Based on interviews with estate and mill workers, representatives of the gender committee and *LKS Bipartite* also obtained information that there was no indication of acts of discrimination based on religion, ethnicity, gender and regional origin in the process of accepting work.

**6.1.2**

The company shows an employee list document that informs religion, ethnicity, and gender for the period April – June 2022. From the document it is known that the employees in each unit come from different regions, for example: Ambon, Bangka, Banyuwangi, Banjarmasin, Blitar, Boyolali, Cilacap, Jambi, Kebumen, Karawang, Kendal, Kediri, Kupang, Lombok, Majalengka, Mojokerto, Gresik, Medan, Purworejo, and South Sulawesi. From the document it is also known that the employees who work consist of Muslims, Catholics, Protestant Christians, and Hindus.

In addition, there are no migrant workers. All recruitment is carried out in accordance with the company's employee recruitment SOP.

Based on the foregoing, it is known that there is no discrimination against religion, ethnicity and class in obtaining employment.

**6.1.3**

During recruitment process, the company had set the standard of competence that required based on the position offers. Selection had included evaluation towards skills, performance, and medical test result. Furthermore, promotion is conducted based on work period, annual evaluation result and availability of position. All workers are treated equally in accordance with company regulation including rights of worker as well.

Records on manpower procedure had been documented, as verified randomly to the several documents, as follows:

1. Evaluation of employee performance with Employee No. 361320131 for the 2022 period. The assessment is based on 3 criteria, namely: ability to work, how to work, and self-management. Based on the results of the assessment, the company gave a



- recommendation for promotion by moving work location.
2. Personnel Action Report Foreign Employee Movement with Employee No. 361320131 from SCMM security officer to SCME security officer effective August 15, 2022.
  3. Evaluation of employee performance with Employee No. 301020001 for the 2022 period. The assessment is based on 3 criteria, namely: ability to work, how to work, and self-management. Based on the results of the assessment, the company gave a recommendation for promotion by moving work location.
  4. Personnel Action Report NKU Employee Transfer with Employee No. 301020001 from SMME mechanic to BHGE driver effective September 21, 2022.

Based on the foregoing, it is known that employment procedures have been carried out based on the skills, abilities, and quality of employees.

#### **6.1.4**

The company does not perform a pregnancy test at the time of employee recruitment. Pregnancy checks are only carried out for spray and fertilizer workers monthly to find out whether workers are pregnant or not. Pregnancy checks are only carried out for female workers who do not use contraception.

Based on interviews with representatives of the gender committee and female employees in the field, it is known that pregnant workers will be transferred to jobs that do not endanger pregnancy, for example as guard officers in daycare centers or manual care workers.

#### **6.1.5**

The company has a gender committee that has been formed and chaired by the chair of the committee and coordinators in several sections and there are representatives in each unit. The gender committee structure only consists of female workers, but for builder and supervisors it consists of male representatives, namely unit managers and assistant managers. Head of the gender committee is Mrs. Siti Rodiyah and the secretary is Mrs. Wiwin Tri Wahyuni.

The main purpose of establishing a gender committee is to provide a forum that can accommodate the aspirations or complaints of workers (women and men), as company partners in carrying out socialization activities related to gender and other policies related to workers' reproductive rights.

Further explained that the gender committee provides support for female and male employees, including protection and maintenance of women's health, maintenance of family life and welfare, protection from sexual harassment and violence, providing continuing education that gender equality exists in the company.

Company also showed the policy against sexual harassment, violence, and reproductive rights. It stated that company committed to support the reporting of all incidents of sexual harassment, violence, abuse, and violations of reproductive rights experienced by any individual (regardless of gender and age).

Some of the gender committee activities include an internal meeting held on April 23, 2022, socialization of maternal and child health on May 28, 2022, and socialization of OHS and the Gender Committee on June 11, 2022.

Based on interviews with the management of the gender committee revealed that the management and members of the gender committee have understood issues related to reproductive rights and gender-based violence that often occur in plantation areas where management and members are constantly monitoring and discussing in each unit where until now there has been no violation on reproductive rights and gender based violence.

#### **6.1.6**

The company does not discriminate against workers' rights, this is indicated by the payment of equal wages for employees in the same scope of work. The company issued a decision on the payment of salaries for permanent employees in 2022 based on the Decree of the Governor of Kalimantan Tengah No. 188.44/445/2021 concerning the Regency Minimum Wage and the Kotawaringin Timur Regency Minimum Wage in 2022. The decree stipulated the minimum wage for plantation and processing sector with a value of IDR 3,014,732.66

The company has also developed a structure and pay scale that applies to employees with a service period of more than 1 year. It was further explained that the structure and scale of wages were determined based on years of service and an annual performance appraisal by each supervisor.

**Status: Comply**

## 6.2

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

### 6.2.1

The company shows a sample of job requirements documents for new employees as follows:

1. Job application letter for prospective employees with the initials JA. Attached documents sent by prospective employees are the latest education certificate, police record, identity card, and family card.
2. Confirmation of application for new employee acceptance with initials JA. The document explains the work location, position, class and wages that will be received every month.
3. New employee acceptance document with the initials JA. The employee acceptance document consists of a job application letter, identity card, family card, latest education certificate, and a certificate of good health from the company's doctor.
4. Work Agreement between company and the employee with the initials KM. The document explains the duties and responsibilities of employees, rights obtained by employees and the term of the work agreement.
5. A doctor's certificate stating that the employee with the initials JA has undergone a medical examination with the results being healthy and ready to work.

In addition, provisions related to work agreements have been contained in the Company Regulation, including regulating the rights and obligations of workers listed in detail, workers accepted have a minimum age according to applicable regulations, PPE obligations, working hours, overtime, maternity leave, facilities provided to workers. and *BPJS*. It was further explained that the work agreement was written in Indonesian and signed by the worker and the company.

Based on verification document of the estate and mill employees for 2021-2022 show that there are only 2 type of employees who work within the company's scope, namely permanent daily workers and permanent monthly workers.

The company already has a Company Regulation (*PP*) for the period of 2021-2023 which has been approved by the relevant agencies based on the Director General Decree of Industrial Relations Development and Labor Social Security.

During the audit activity, the company shows a sample of salary slip documents for each type of employee with the following details:

- |                  |                        |
|------------------|------------------------|
| a. Job           | : Engine Room Operator |
| b. Employee Code | : 14009008             |
| c. Basic Salary  | : IDR 3,099,732        |
| d. Overtime      | : IDR 2,400,948        |
| e. Gross Salary  | : IDR 5,500,680        |
| f. Deduction     | : IDR 125,479          |
| g. Net Salary    | : IDR 5,375,200        |

Based on field observations and interviews with employees in the estate and mill areas, it is shown that each employee has a work agreement with the company and has understood the rights and obligations of being an employee of the company. It was further explained that each employee had received wages in accordance with Company Regulations. In addition, the basic wages of employees have also referred to the structure and scale of wages.

### 6.2.2

Provisions related to work agreements have been contained in the Company Regulation (2021-2023), including regulating the rights and obligations of workers listed in detail, workers accepted have a minimum age according to applicable regulations, PPE obligations, working hours, overtime, deduction, maternity leave, facilities provided to workers, *BPJS*, workforce development, social security, OHS, work procedures for resolving complaints and industrial relations disputes. It was further explained that the work agreement was written in Indonesian and signed by the worker and the company. Company Regulation have been approved by the relevant agencies based on the Director General Decree of Industrial Relations Development and Labor Social Security.

Based on field observations and interviews with estate, and mill employees showed that all employees had received Company Regulation socialization and understood the contents of the Company Regulation.

Based on the verification of employee salary slips show that the payslips provide good information regarding wages, compensation, and deductions for each employee. Based on interviews with estate and mill employees show that the company always provides socialization related to item information in salary slips so that employees are not confused or misinterpreted.

### 6.2.3

The company shows documents related to evidence of compliance with labor provisions as follows:

1. Estate employee salary slip with employee number 17090217 for August 2022 period. The salary slip explains that employees get a basic salary in accordance with the prevailing wage structure and scale and receive benefits, attendance incentives and overtime whose calculations are in accordance with applicable regulations.
2. Estate employee salary slip with employee number 11000302 for August 2022 period. The salary slip explains that employees get a basic salary in accordance with the prevailing wage structure and scale and receive benefits, attendance incentives and overtime whose calculations are in accordance with applicable regulations.

Auditors verify employee rights, for example:

1. Certificate of Maternity Leave for employees with the initials HD who are on leave from September 16, 2022 until December 15, 2022.
2. Notification letter for employees who are sick from the company clinic after conducting a health check on August 11, 2022. It is further explained that employees are given time to rest for 1 day.
3. Based on interviews with management revealed that in the last 1 year there were no cases of dismissal of employees either in the estate or at the mill.

Based on document verification and interviews with management, information was obtained that there were jobs carried out outside normal working hours where the compensation model used was a premium system. During the audit, the company can show a Warrant and Overtime Realization document for October 9, 2022 in which the security with Employee No. 360720022 gets compensation in the form of a premium with a value of IDR 136,000 for 7 hours of work.

Based on the calculation verification when using the overtime system, the following results are obtained:

- a. Basic salary : IDR 3,014,732
- b. Wage/ hour : IDR 17,426.19
- c. Overtime hours : 7 hours
- d. Overtime pay :  $7 \times (\text{IDR } 17,426.19 \times 2) = \text{IDR } 243,966.66$
- e. Difference :  $\text{IDR } 243,966.66 - \text{IDR } 136,000 = \text{IDR } 107,966.66$

Based on the foregoing, it is known that the premium compensation payment set by the company is smaller than the payment based on the overtime system.

The company has not been able to show evidence related to the implementation of overtime pay in accordance with applicable labor regulations. **Based on that's explanation raised Nonconformity No 2022.02 with major category**

### 6.2.4

The company provides facilities and infrastructure for employee welfare, such as housing, polyclinics, clean water, sports fields, educational facilities, and places of worship. Based on interviews with estate, and mill employees revealed that the infrastructure provided by the company was adequate and proper. Based on field observations to employee housing are known that the house is in good condition, the drainage channel is quite good, and the domestic waste management is regular.

### 6.2.5

Based on field observations and interviews with estate, and mill employees revealed that in the company's environment there are basic food cooperatives, vegetable vendors and stalls in the employees' homes that provide their daily needs at affordable prices.

### 6.2.6

The company has calculated the prevailing wages and in-kind benefits based on the guidelines issued by the RSPO. Prevailing wages are taken from prevailing wages such as basic wages/ minimum wages. Meanwhile, in-kind benefits are taken from all costs incurred by the company for the provision and maintenance of facilities provided by the company to employees, such as electricity, housing, water, schools, health facilities, and baby care. For example, to calculate the in-kind benefit of housing, the costs considered in the calculation include building material costs, construction costs, and including maintenance costs for 25 years (technical considerations of buildings are feasible to use). The calculation result of prevailing wages and in-kind benefits received by employees is IDR. 5,452,235/ month (Minimum wages in 2022, IDR. 3,014,732/ month + in-kind benefit, IDR. 2,437,503/ month). Based on interviews with management found that the calculation of in-kind benefits was based on local prices and rates.

### 6.2.7

All workers working in the company are permanent workers. Since 2020 until now there are no longer contract workers, casual daily worker and migrant workers. For work that is permanent in its entirety by permanent workers. Non-permanent work employed by contractor workers is maintenance workers in the plantation. For the work given to the contractor, it has completed the regulated requirements such as a work agreement, wages that match the minimum wage, providing PPE, being registered as a member of BPJS, the contractor has a business license (SIUP), certificate of company registration (TDP) and others.

### 6.2.3

Status: NCR No 2022.02 with Major Category

### 6.3

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

### 6.3.1

The company has had a commitment due to respecting human rights stated in the Human Rights Policy. This policy explained that company is committed to provide all labor's rights specifically to establish free, open, independent, democratic, and responsible worker unions. The policy is publicly available on the company website in two languages (Indonesian and English), and has been gradually disseminated to all workers on 8 February, 12 May and 14 September 2022. The company can show the socialization documents and documentation of the activity.

Based on interview with *LKS Bipartite* representatives known that the company has accommodated employee rights to argued, associate and organize in *LKS Bipartite*. Employees, including migrant and transmigrant workers and contract workers were allowed to form associations and bargain collectively with their employer. There was no migrant and transmigrant since January 2018.

Company Regulation 2021 – 2023 and direct contracts of employment detailing payments and other conditions was made available in the languages which understood by the workers and explained carefully to them by management official.

Based on field observations and interviews with estate and mill worker revealed that the company routinely socializes related freedom of association and the delivery of employee complaints.

Based on interviews with estate and mill employees found that the company always provides outreach regarding freedom of association. However, the average employee does not intend to form a labour union because they feel that the *LKS Bipartite* has sufficiently represented the aspirations of employees so far.

### 6.3.2

Based on interview with *LKS Bipartite* representatives known that the meeting was only held if there were things that needed to be discussed with other members. In this case, the company shows an example of documenting a *LKS Bipartite* meeting, for example: meeting on September 17, 2022 which took place in the PT WNA meeting room. The meeting was for the election of the new *LKS Bipartite* board for the 2022 period. The company showed the attendance list and documentation of the meeting.

Based on the foregoing, it is known that the company already has good documentation regarding the internal meeting of the *LKS Bipartite*.

### 6.3.3

Based on interviews with *LKS Bipartite* representatives who explained that the company had given freedom of association and at present *LKS Bipartite* still active. The establishment of the *LKS Bipartite* is in accordance with the applicable laws and regulations. The company is giving freedom for worker to express their opinion and also, it is doing not give any intervention related to *LKS Bipartite* activity.

**Status: Comply**

#### 6.4

#### **Children are not employed or exploited.**

##### 6.4.1

The company has a Human Rights Policy signed by HR Region 2, which states that company does not tolerate child labor, any form of child exploitation and child abuse. The company has committed to prohibiting the use of child labor and forced or compulsory labor in its operations. In addition, child labor clauses apply across company's global operations, including subsidiaries, joint ventures and third-party suppliers. In addition, the Company Regulation also states that the recruitment requirements for new employees must not be under the age of 18.

This policy has been socialized to all employees in each estate, mill and local contractor. The company can show documentation, attendance list and information dissemination of the policy.

Based on field visits and interviews with workers in mill and estate, known that the minimum age for work is 18 years, and no workers found below the minimum age specified. This is supported by the results of a review of company and contractor workers' document which proves that there are no workers under the age of 18 at the time of entering work, the youngest age of workers is 21 years when entering work.

##### 6.4.2

The company shows a list of employees accompanied by date of entry and date of birth. In addition, an example of proof of recruitment is also shown in the form of a copy of the employee's ID card and family card. From these data it is known that there are no employees under 18 years of age when accepted to work at the company.

Based on field observations and interviews with estate, mill, and contractor employees revealed that there were no employees under the age of 18 when they started working.

##### 6.4.3

Based on field observations and interviews with the management unit revealed that within the last 1 year there were no students who were in internships or field work practices in the company's operational areas.

##### 6.4.4

Based on interviews with the gender committee and workers in the field revealed that the workers had understood the rules regarding the prohibition of bringing children to work. The company also showed the news of the socialization and education on child protection and development on 8 February, 12 May and 14 September 2022.

**Status: Comply**

#### 6.5

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

##### 6.5.1 and 6.5.2

The policy on prevention of sexual harassment and violence is contained in the Employment Policy signed on July 10, 2017, which states that company strives to provide a conducive work environment characterized by equality and mutual respect, and encourages reporting of all incidents sexual violence and harassment, and violations of reproductive rights experienced by every individual. The gender committee was formed to provide support for female workers against sexual harassment and violence and to communicate and communicate the policy to all workers.

This policy has been socialized to all employees in each estate, mill and local contractor on 8 February, 12 May and 14 September 2022. Company can show documentation, attendance lists and socialization materials.



**6.5.3**

The company shows the document for the list of new mothers in 2022. From the list, it is known that in 2022 there were 6 employees who are pregnant and giving birth. Furthermore, the company showed the document Identification of the Needs of New Mothers in which the assessment was carried out on 6 employees who were pregnant since 2022. From the results of the assessment, several things were known as follows:

- a. Provision of a lactation room.
- b. Provide breaks for breastfeeding.
- c. Breastfeeding counseling.
- d. Job transfer for pregnant and lactating women.

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

**6.5.4**

The company showed the procedure to accommodate complaints and grievances from employees specifically in sexual harassment and violence. In the procedure described that if requested, the company guarantees the confidentiality of the reporting identity and the disclosure of disgrace or incident (whistle-blower).

Besides that, the company has formed gender committee for handling the harassment issue around female workers. Complaint can be submitted to board of gender committee, or their foreman. Based on interview with the board of gender committee, the company provides the female worker with menstrual leave, pregnant and nursing leave for about 3 months. Pregnant and nursing female worker is prohibited to work related to chemical. And also, company give special breast-feeding time for female worker, but prohibit the worker from working with chemical material.

**Status: Comply**

**6.6**

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

**6.6.1**

Based on interviews with operational staff revealed that all employees were those who passed the recruitment and selection process according to company's procedures and requirements. The company post job vacancies then prospective workers come voluntarily to apply for jobs that are available for free and there is no holding of identity documents. Overtime is monitored by the company and workers are given the freedom to choose overtime. The company also does not force or make it difficult for employees to resign. There is no penalty for termination if they wish to terminate the contract early.

Based on verification document, field observation, and interviews with workers and stakeholders, auditors did not see any harvester accompanied by their wife or children and any indication of forced labor. There is no threat against family members. Based on document verifications and field observations in spraying & harvesting activities at Estate and Mill operations activities, there were no forms of forced or trafficked labor are used. Besides that, there are no foreign workers who work at company.

**6.6.2**

There are no migrant workers who work in the company's operational area. All workers come from within one country (although from various regions). In addition, each worker has been provided with a clear work contract. The rights and obligations of workers are also clearly stated in company regulations, Company Regulation, and in work agreements. Based on the employee list, it is known that all employees are permanent employees.

**Status: Comply**

**6.7**

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

**6.7.1**

The company already has an OHS organization in the form of OHS Committee (Occupational Safety and Health Development Committee) in each unit that has been approved by the local manpower office, namely:

- Decree of the Head of the Manpower and Transmigration Office of Kalimantan Tengah Province with the number



Kep.277/DISNAKERTRANS/X/2022 concerning Ratification of the Occupational Safety and Health Supervisory Committee of PT Nabatindo Karya Utama, ratified on October 7, 2022. The organizational structure of OHS Committee consists of: Chairperson of OHS Committee executives, Secretary and Head of Division and Members. General SKP AOHS on behalf of Rikki Andri Yanto as Secretary, who just completed the training program on 12 – 27 September 2022 conducted by PT Patrari Jaya Utama and until now the relevant SKP OHS has not been published.

- Decree of the Head of the Office of Manpower and Transmigration of Kalimantan Tengah Province with the number Kep.278/DISNAKERTRANS/X/2022 concerning the Ratification of the Occupational Safety and Health Supervisory Committee of PT Windu Nabatindo Abadi, ratified on October 7, 2022. The organizational structure of OHS Committee consists of: Chairperson of the OHS Committee executive, Secretary and Head of Division and Members. General SKP AOHS on behalf of Muhammad Gaddafi as Secretary, with no Reg.71049/POHS/AJ/62/2022/P1 with a valid date of 30 June 2025.

The OHS work program is evaluated every month through regular OHS Committee meetings, which include Issues, action plans, current status, actions taken by and target dates, for example contained in the second quarterly OHS Committee report, a recap of discussions in the OHS Committee meetings in April – June 2022, among others associated with:

- Work accidents in January – June 2022, by emphasizing the application of HIRAC and continuous PPE discipline.
- PPE inspection activities, conduct PPE inspections for employees to prevent and always remind employees to use PPE in an orderly manner.
- Inventory of firefighter facilities and infrastructure to anticipate forest and land fires.

#### 6.7.2

The company already has Emergency Preparedness and Response procedures (Document No: WNA-SUST-SOP-20, dated March 1, 2018 regarding instructions for handling and preventing emergencies and their recovery efforts, whether affecting humans, the environment or work activities/processes. These procedures are in a language that is easily understood by the working person.

The company also shows the structure of the Emergency Response Team which has been provided with first aid training. The structure of the Emergency Response Team consists of a chairman, vice chairman, coordinator and members.

Based on field observations and document review, it is known that the company has provided first aid kits at strategic and easily accessible places and provided supplies to the foreman in the form of first aid bags. For example, in SCMM the number of first aid kits available is type A with 5 units and approximately 101 employees, this is in accordance with the standards of *Permenakertrans Regulation No.15 2008*. Every foreman such as the Spray Foreman is provided with a first aid bag and can explain how to use it contents of the first aid kit. First aid training at SCMM PT WNA carried out on June 8, 2022, which was attended by 8 workers and staff. In addition, first aid training was also conducted at PT NKU BHGE which carried out on September 10, 2022, which was attended by 28 workers and the foreman. The company also shows the results of the first aid kit inspections which are carried out every month at all company locations.

Based on interviews and document review, it is known that the company has reported work accidents and is reviewed regularly in the OHS committee's quarterly report to the Manpower and Transmigration Agency.

#### 6.7.3

Regarding the use of personal protective equipment, it is regulated in PPE SOP No. BGA-SOP-CCS-1106. 1-R0, which explains that:

- The company provides all PPE needed by employees according to the risk of danger
- PPE that has been damaged and cannot function properly because it is worn by workers
- If the employee's PPE is damaged, the employee is entitled to a new PPE, by submitting the damaged PPE

The company has carried out socialization related to the policy on the use of PPE, one of which was at SCMM on March 20, 2022 to Mill employees and at BKLE on October 11, 2022 to 36 workers. In addition, socialization on the use of PPE was also carried out to heavy equipment operator contractors at SCMM on October 4, 2022. The company also showed the BA handover of PPE, namely:

- SCMM PT WNA, the distribution is carried out in stages in March and June 2022 and distributed to 97 workers
- BKLE PT WNA, distribution will be carried out in June 2022 and distributed to 32 workers

- PT NKU BHGE, the distribution is carried out in stages to different employees, namely in June and July 2022 as many as 26 workers.

The results of interviews with several workers and field observations of work activities both in the estate and in the PKS show that workers have used the appropriate PPE and got the PPE from the company for free and understand the mechanism for replacing PPE if the PPE is damaged/lost.

Based on field observations of the BGS (BGA Ground System) and BMS (BGA Manuring System) buildings, it is known that the company has implemented procedures for bathing, washing PPE and spray equipment, as well as storing work tools and PPE.

Based on this objective evidence, the company provide sanitation facilities and Personal Protective Equipment (PPE) in accordance with their designation for each worker.

#### 6.7.4

The company shows proof of payment of *BPJS Kesehatan* and *BPJS Ketenagakerjaan* for estate and mill for the period June – August 2022. From the results of document verification, it is known that all workers have been included in the *BPJS Kesehatan* and *BPJS Ketenagakerjaan* program, for example:

- BPJS Ketenagakerjaan* proof of payment for 99 SCMM employees for the period of August 2022 which was paid on September 15, 2022.
- BPJS Ketenagakerjaan* proof of payment for 570 SBHE employees for the period of August 2022 which was paid on September 15, 2022.
- BPJS Ketenagakerjaan* proof of payment for 344 BKLE employees for the period of August 2022 which was paid on September 15, 2022.
- BPJS Ketenagakerjaan* proof of payment for 411 BHGE employees for the period of August 2022 which was paid on September 15, 2022.
- BPJS Ketenagakerjaan* proof of payment for 345 SMME employees for the period of August 2022 which was paid on September 15, 2022.
- BPJS Kesehatan* proof of payment for 1463 PT WNA employees for the period of August 2022 which was paid on August 8, 2022.
- BPJS Kesehatan* proof of payment for 756 PT NKU employees for the period of August 2022 which was paid on August 8, 2022.

Based on field observations and interviews with estate, mill and contractor employees revealed that each employee had been included in the *BPJS Kesehatan* and *BPJS Ketenagakerjaan*, further explained that employees had used *BPJS Kesehatan* for treatment at public health services.

#### 6.7.5

The company is still consistent in monitoring the recording of occupational accidents by calculating the lost time accident (LTA). Recapitulation of work accidents with a formula to find the level of severity and frequency of accidents. This document informs the time period, the number of working days, the number of no effective working days, overtime, hours of work in total, the number of accidents, the number of working days lost, hours of work a year, the number of accidents a year, lost days a year, Calculation of Severity Rate and Frequency Rate is reviewed regularly and monitoring will be evaluated at the monthly meeting of OHS Committee. For example, LTA recordings for the May 2022 period are:

Unit	Work Hours	Case	LTI	FR	SR
BHGE (PT NKU)	369,250	9	9	24.4	24.4
SMME (PT NKU)	308,000	9	4	29.2	13.0
SBHE (PT NKU)	511,875	8	15	15.6	29.3
SCME (PT NKU)	389,375	9	3	23.1	7.7
BKLE (PT NKU)	299,250	4	0	13.4	0

Based on the description above, the company records work accidents using Lost Time Accident (LTA).

**Status: Comply**

<b>PRINCIPLE #7 PROTECT, CONSERVE AND ENHANCE ECOSYSTEMS AND THE ENVIRONMENT</b>	
<b>7.1</b>	<b>Pests, diseases, weeds, and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.</b>
<b>7.1.1</b>	<p>The integrated pest control plan is contained in the annual budget document which refers to the procedures in place, including:</p> <ul style="list-style-type: none"> <li>• Carry out detection, census and monitoring of pest attacks of rats and leaf-eating caterpillars periodically in accordance with procedures.</li> <li>• Carry out biological pest control by using owls to control the population of rats and planting beneficial plants as habitats for predators of leaf-eating caterpillars.</li> </ul> <p>The company has a record of the implementation of pest monitoring and control, by showing evidence such as:</p> <ul style="list-style-type: none"> <li>• Records of integrated pest control show that the company has carried out observations of pest attacks in September 2022 at PT WNA and PT NKU, with the following observations: <ul style="list-style-type: none"> <li>- PT NKU SMME found oryctes attack on average 1.6% (below the threshold), 0% setora nitens, and rats with an average of 0.8% (below the threshold).</li> <li>- PT WNA BKLE did not have oryctes pests, 0.1% setora nitens attack (below the threshold), and 1.0% mice (below the threshold).</li> </ul> </li> <li>• Planting a predatory host plant for oil palm leaf-eating caterpillars, the company has planted a beneficial plant by showing the beneficial plant monitoring documents, namely Turnera subulata and Nephrolepis. Based on field observations at SBHE Division 6 blocks B14, B15, B16, C14, C16, D19, and D20, BHGE Division 2 blocks L19, M21, it is known that there are Turnera subulata and Nephrolepis plants for predatory hosts of caterpillars that eat oil palm leaves.</li> <li>• Development of Owls as natural predators of rats. The results of the study on the report on the condition of guppies in September 2022 revealed that in PT WNA BKLE there were 62 owl cages consisting of 36 active cages and at PT NKU SMME there were 51 owl cages consisting of 17 active cages. Based on field observations at BHGE Division 2, block M21, it is known that there is an owl cage unit in an active condition.</li> </ul> <p>From the results of field visits, interviews, and document review, it is known that the company has and has implemented SOPs for pest monitoring and control.</p>
<b>7.1.2</b>	<p>Based on document review and interviews with relevant management, it is known that the company does not use the species mentioned in the Global Invasive Species Database and CABI.org in integrated pest control.</p> <p>The company has a record of the implementation of pest control, by showing evidence such as:</p> <ul style="list-style-type: none"> <li>• The company planting a predatory host plant for oil palm leaf-eating caterpillars, the company has planted a beneficial plant by showing the beneficial plant monitoring documents, namely Turnera subulata and Nephrolepis. Based on field observations at SBHE Division 6 blocks B14, B15, B16, C14, C16, D19, and D20, BHGE Division 2 blocks L19, M21, it is known that there are Turnera subulata and Nephrolepis plants for predatory hosts of caterpillars that eat oil palm leaves.</li> <li>• Development of Owls as natural predators of rats. The results of the study on the report on the condition of guppies in September 2022 revealed that in PT WNA BKLE there were 62 owl cages consisting of 36 active cages and at PT NKU SMME there were 51 owl cages consisting of 17 active cages. Based on field observations at BHGE Division 2, block M21, it is known that there is an owl cage unit in an active condition.</li> </ul>
<b>7.1.3</b>	<p>The company has shown its commitment to eco-friendly plantation management. Based on document review, field observation, as well as interview with the workers and external stakeholders, known that the company did not use fire for pest control.</p>
	<b>Status: Comply</b>
<b>7.2</b>	

**Pesticides are used in ways that do not endanger health of workers, families, communities or the environment.**
**7.2.1**

The company has a commitment to reduce pesticides in plantation operations, which is contained in the Sustainability Policy document ratified on August 13, 2015. One of the policies contained in the document is a commitment to implement Integrated Pest Management to reduce pesticide use. Pesticides classified by WHO as class IA or IB listed by the Stockholm or Rotterdam Conventions will not be used, except in certain and urgent situations. It also prohibits the use of paraquat pesticides.

Measures to avoid the development of resistance are to use pesticides selectively (for weeds) and develop biological control (for pests). The company shows a list of all types of pesticides used for the period 2022 in BHGE. These are described in the following table:

Pesticides	Active Ingredients	No. Registration	Objects
Starlon	<i>triclopyr active equivalent</i>	RI. 01030120072899	Broadleaf weed Chromolaena odorata
Prima-Furon	<i>metil metsulfuron</i>	RI. 01030120103786	Broadleaf weed Ageratum conyzoides, Clidemia hirta, Synedrella nodiflora
Penta-up	<i>Glyphosate</i>	RI. 01030120062456	Broadleaf weed Borreria alata Mikania micrantha golongan rumput Ottochloa nodosa Paspalum conjugatum

Based on observations and interviews conducted with spray workers in block L19 Division 2 BHGE and block G16 Division 5 SBHE, it was concluded that workers knew about the function of chemicals used and were selective when spraying activities, such as for example for Methyl and Glyphosate materials used for path spray.

**7.2.2**

The company shows a record of pesticide use from January to December 2021, which is included in the monthly pesticide monitoring document containing information on the type of pesticide used, active ingredient, area used, amount used, % active ingredient, period of use and LD-50. For example in the PT. NKU BHGE for the period January - December 2021 as follows:

Pesticides	Active ingredient	LD50 (rat) (mg/kg)	% Active ingredient	Amount used (Ltr or Kg)	Area used (Ha)	Unit/Ha
Penta Up-Z	<i>Glyphosate</i>	>5000	48	3,156.00	6,035.41	0.52 L/Ha
Prima-Furon	<i>Metyl Metsulfuron</i>	>8000	20	64.85	6,035.41	0.01 Kg/Ha
Kenlon	<i>Tryclopir</i>	>2500	48	437.52	4,291.55	0.10 L/Ha

Based on field observations, it is known that workers understand the principle of selective weed control and the Buffer zone area such as a river border, around 2 crops along the river border, there should be no application of pesticide spraying.

**7.2.3**

The company shows records of pesticide use in 2020 and 2021 at PT NKU BHGE which shows a decrease in pesticide use, such as:

Active ingredients	Unit	2020	2021
<i>Adjuvan</i>	L	92.8	-

The company has also planted beneficial plants, such as *Turnera subulata* dan *Nephrolepis*. In addition, the company also showed documents on the number of active and inactive Owl cages to eradicate rats

Based on field observations, interviews, and document review, it is known that the company has maintained records of pesticide use and its reduction to some extent by substitution of environmentally friendly materials/use of biological agents for plant maintenance.

**7.2.4**

The company shows the Division's work documents and the plan for pest control activities, which consist of detection and census of

rats, leaf-eating caterpillars, termites and biological control, such as planting beneficial crops and developing owl populations. The company monitors the effectiveness of biological pest control such as developing crops that are beneficial for oil palm leaf-eating caterpillars and developing owls for mice. The use of insecticides is carried out if the level of pest attack is above the threshold (>5% caterpillars / midrib). Based on a review of integrated pest control documents, it is known that the company has carried out observations of pest attacks on September 2022 in PT WNA (BKLE), and PT NKU (SMME), namely:

- PT NKU SMME found oryctes attack on average 1.6% (below the threshold), 0% setora nitens, and rats with an average of 0.8% (below the threshold).
- PT WNA BKLE did not have oryctes pests, 0.1% setora nitens attack (below the threshold), and 1.0% mice (below the threshold).

Based on the results of document review, interviews, field observations, and pest census, the company has not carried out chemical pest control.

#### 7.2.5

The company has justification for the use of selective pesticides according to pest specifications, both in pest, disease and weed control procedures, as well as a management commitment to update 2021. The document contains the type and name of the pesticide, physical form, active ingredient, group according to WHO, LD50, working method, target selective, dose, manufacturer, register number at the Pesticide Commission, and distribution permit. From the review of the document, it is known that the pesticides used do not fall into categories 1A, 1B, the Stockholm/Rotterdam Convention, and there is no paraquat.

The company has a commitment to reduce pesticides in plantation operations, which is contained in the Sustainability Policy document ratified on August 13, 2015. One of the policies contained in the document is a commitment to implement Integrated Pest Management to reduce pesticide use. Pesticides classified by WHO as class IA or IB listed by the Stockholm or Rotterdam Conventions will not be used, except in certain and urgent situations. It also prohibits the use of paraquat pesticides.

#### 7.2.6

The company has an HSE Work Instruction on the Use & Control of Pesticides Number BGA/WNA-K3/IK-01/03/2012 Revision number 0 approved by Area Controller 4 dated March 14, 2012.

The company shows a recording of training on the use of pesticides for pest / weed spraying activities which were carried out simultaneously on June 12, 2022 at SMME which was attended by 18 workers consisting of the foreman and workers related to pesticides and spraying techniques.

The results of field observations, it is known that workers have carried out work in a trained manner and according to procedures, use of appropriate PPE, areas related to chemicals equipped with hazardous warnings, limited area warnings, warnings on the use of PPE, emergency response facilities such as fire extinguisher, MSDS, HIRAC, washroom, spill control area and cleaning equipment.

#### 7.2.7

Procedures for handling pesticide waste are presented in waste disposal procedures no. WNA-SOP-LK-010-RO, which explains, among other things, that the former pesticide packaging from the hazardous waste generating unit is sent to the pesticide rinsing site. The used pesticide packaging is rinsed a minimum of 3 times in accordance with the recommendations from the supplier, after being assessed as clean, the waste is stored and arranged in a hazardous waste storage area that has a permit.

The results of the field visit at the Spray Unit Building Division 2 BHGE, it is known that the company already has sanitation facilities equipped with rinse rooms, showers, drainage channels, storage areas for work tools and PPE, milk drinking rooms, no pesticides were found in the building.

The results of the field visit at the Agrochemical material storage warehouse in Division 2 BHGE, it was found that the chemical storage area was equipped with a closed container, there was an MSDS in Indonesian and labeled with the name of the pesticide according to its location, the fertilizer storage area was equipped with ventilation and covered with pallets.

Based on this explanation, it is concluded that the company has stored the chemicals in accordance with the applicable regulations.

#### 7.2.8



Result of document verification, unit of certification has document Identification of Waste Sources and Management in each unit. Based on the document, it is known the following:

- Sources of waste originating from fertilization with non-hazardous category, namely fertilizer sacks stored temporarily in the Used Goods Warehouse with the final destination of landfill. Meanwhile, waste with hazardous category, namely used PPE, fertilizer, and washing water, is managed by storing it in the Hazardous Waste Warehouse, re-applying it and storing it in holding tank.
- Sources of waste originating from Chemical Warehouse with hazardous category, namely herbicide packaging, used cloth, used oil drums, used chemical jerry cans, pesticide packaging and chemical sacks stored in the Hazardous Waste Warehouse with the final destination being transported by licensed party.

Furthermore, as related to hazardous waste management, unit of certification already has Hazardous and Toxic Waste Management Permit for Hazardous and Toxic Waste Storage Activities at PT Nabatindo Karya Utama based on the Decree of Kotawaringin Timur Regent No. 660/815/DLH-Eks.SDA/XI/2017 dated 21 November 2017 and is valid for 5 years. Based on the document, the maximum permitted storage period for hazardous waste is 365 days from the time the hazardous waste is generated.

However, based on the results of field visits and document studies, it is known that:

- Two jerry cans of used herbicide were found which were used as clean water containers for washing dishes in SMME employee housing.
- Used jerry can of agrochemicals was found in the BHGE Fertilizer Warehouse which was used as measuring tool for fertilizer
- Hazardous waste is stored for more than 365 days as regulated in Government Regulation No 22 of 2021, this is evidenced by the last transportation on 10 July 2021 with 3,252 kg of hazardous packaging type with manifest number AZG 0003559.

Furthermore, during the audit, the company can show a follow-up to the auditor's findings, which is indicated by:

- Follow-Up Report of Used Jerry Cans at BHGE on 13 October 2022 regarding the transfer of used agrochemical jerry cans used as a fertilizer dosing tool to a hazardous waste storage.
- Minutes of Transfer of 2 Units of Poison Jerrycans on 13 October 2022 from SMME employee housing to hazardous waste storage.

However, the auditor team considered that the corrective actions had not been comprehensive and covered the entire scope where evidence could not be addressed that:

- Waste management is not in accordance with the identification and method of waste management that has been determined by the company
- Hazardous waste transportation at PT NKU has not been in accordance with the timetable stated in the permit owned

Therefore, unit of certification has not yet shown evidence that the management of all pesticide containers has been disposed of and/or used for other purposes in accordance with the applicable provisions in the permit owned. **Based on that's explanation raised Nonconformity No 2022.03 with Minor category**

### 7.2.9

Based on the results of a review of pesticide application documents and interviews with management, spray workers and the village heads, it was found that during initial certification the company did not apply airborne spraying.

### 7.2.10

The company has carried out special health examinations (cholinesterase) for workers with certain occupational risks that have been carried out by accredited laboratory with the following results:

- a. Medical check up for BKLE was held on September 30, 2022, to 38 workers with the results of the examination that there were 1 workers in an unhealthy condition. The company shows the minutes of follow-up on the results of the medical check up on October 3, 2022 to the 1 worker in the form of transfers to manual work.
- b. Medical check up for SMME was held on 12 September 2022, for 51 workers with the results of the medical that there were 3 workers in unhealthy condition. The company shows the minutes of follow-up on the results of the medical check up on September 16, 2022 to the 3 worker in the form of transfers to manual work.

The company has not been able to carry out special spirometry examinations based on the Certificate of Implementation of the medical check up of Workers During the Covid-19 Pandemic from the Company Doctor, dated January 3, 2022, which among other



things explained that based on the situation during the Covid-19 pandemic, special medical check up for spirometry were not yet available. carried out because the risk of transmission and spread is rather high, namely from respiratory droplets (droplets), air transmission, contaminated surfaces. (OFI)

Based on this explanation, it can be concluded that the company has carried out special annual medical checks for pesticide/ chemical operators and documented evidence of follow-up on the results of the inspection.

### 7.2.11

Based on field observations of fertilization and spraying activities, it is known that workers understand the procedures for pregnancy checks for female workers and the prohibition for pregnant and lactating women to work related to chemicals. In addition, none of the pesticide operators were pregnant or breastfeeding during the audit.

The company has had an internal memorandum that prohibits pregnant and breastfeeding personnel working with chemical material. Based on interview with some female spraying personnel, it's known that there was neither pregnant nor lactating female personnel who work with pesticide. However, unit management conducts pregnancy test and examination every month. Based on interview with the female worker known that the personnel have understood that female personnel cannot work with chemical material if they are pregnant or lactating.

**7.2.8 Status: Nonconformity No 2022.03 with Minor category**

### 7.3

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

#### 7.3.1

The company shown evidences that the waste has been identified based on toxicity and hazardous characteristics, and then managed in accordance with waste management procedure. Company has identified the waste contained in the Waste Identification and Waste Management Plan documents that made by each Estate and POM. The identification is grouped by activities that produce waste, waste name, waste code, solid or liquid type, and its management. Determination of the waste code based on applicable regulation and stored in a hazardous and toxic waste warehouse that has permits as shown below:

- Decree of Kotawaringin Timur Regent No. 660/814/DLH-Ek.SDA/XI/2017 on 21 November 2017 regarding Permit of Hazardous and Toxic Waste Management for Storage Activity of PT Windu Nabatindo Abadi. This permit valid until 5 years. Six Locations of hazardous and toxic waste warehouses contained in the permit as shown below:

Name and Location	Coordinate	
	S	E
Sungai Cempaga Estate in Selucing Village	01° 49' 05.0"	113° 00' 43.5"
Sungai Bahaur in Selucing Village	01° 52' 01.8"	113° 04' 27.1"
Sungai Cempaga Mill Tumbang Koling Village	01° 47' 54.6"	112° 59' 07.2"
Bangun Koling in Tumbang Koling Village	01° 48' 11.9"	112° 58' 31.4"
Lokasi PKS in Selucing Village	01° 52' 54.2"	113° 01' 49.2"
Lokasi Traksi in Selucing Village	01° 53' 00.2"	113° 02' 00.5"

- Decree of Kotawaringin Timur Regent No. 660/815/DLH-Ek.SDA/XI/2017 on 21 November 2017 regarding Permit of Hazardous and Toxic Waste Management for Storage Activity of PT Nabatindo Karya Utama. This permit valid until 5 years. Location of hazardous and toxic waste warehouses contained in the permit is on S 01° 44' 22.0" and E 112° 59' 24.5".

#### **Hazardous and Toxic & Domestic Waste**

The certification unit already has a document on Identification of Waste Sources and Management in each unit. Based on the document, it is known the following:

- Sources of waste originating from housing & mess with non-hazardous categories, namely plastic, food scraps, paper/leaves, and broken glass are temporarily stored in trash bins with the final destination of landfill.
- Sources of waste originating from fertilization with non-hazardous category, namely fertilizer sacks stored temporarily in the Used Goods Warehouse with the final destination of landfill. Meanwhile, waste with hazardous category, namely used PPE, fertilizer, and washing water, is managed by storing it in the Hazardous Waste Warehouse, re-applying it and storing it in holding tank.

- Sources of waste originating from Chemical Warehouse with hazardous category, namely herbicide packaging, used cloth, used oil drums, used chemical jerry cans, pesticide packaging and chemical sacks stored in the Hazardous Waste Warehouse with the final destination being transported by licensed party.

Furthermore, based on the results of document review and interviews with management, the certification unit has carried out hazardous waste management by storing it in licensed Hazardous Waste Storage. In addition, household waste management is carried out by routinely transporting waste to landfill and implementing Clean Friday. However, based on the results of field visits and interviews with management, it is known that there is waste management that has not been in accordance with the predetermined plan, for example:

- Domestic waste management  
Based on the results of the field visit, it was found:
  - Household waste piled behind the house at SCMM Employee Housing.
  - Household waste piled behind the house in the Employee Housing Division 4/5 SBHE.
  - Household waste scattered around the garbage collection pit in the dead gate of SMME Employee Housing.
  - Household waste dumped on the tributary of the Mirah Lui BHGE River.
  - 2 points of burning household waste in SMME Employee Housing.
  - 1 unit of used oil jerry can which is not used in the BHS SBHE House.
- Hazardous waste management  
Based on the results of the document review, it is known that there was transportation of hazardous waste at the PT NKU hazardous waste storage on July 10, 2021, which was equipped with a manifest sheet for the hazardous waste transportation manual. However, based on the Minutes of releasing hazardous waste and hazardous waste logbook, transportation activities were carried out on May 21, 2021 and have not been equipped with an electronic manifest (*festronik*), this is not in accordance with Environment and Forestry Minister Regulation No. 6 of 2021 in Article 99 (1) states that, "Transportation of hazardous waste must be accompanied by *Festronik*."

During the audit process the company can show follow-up actions on these field findings, such as

- Minutes of the Prohibition of Waste Disposal at SMME dated October 14, 2022, which includes waste disposal activities in SMME employee housing.
- Minutes of Cleaning Plastic Waste at Emplacement Division 4 SBHE on October 14, 2022.
- Internal Office Memo No. 01/SBHE/X/2022 dated October 3, 2022, which was approved by the SBHE Estate Manager regarding the Clean Friday activities carried out every week. There is an attachment to the SBHE Waste Disposal Schedule which is set every day in each SBHE division.

However, the auditor team considered that the corrective actions had not been comprehensive and covered the entire scope where evidence could not be addressed that:

- Waste management is not in accordance with the identification and method of waste management that has been determined by the company.
- The recording of hazardous waste management at PT NKU has not matched the hazardous waste manifest, the hazardous waste logbook, and the official report on the transportation of hazardous waste.

Therefore, unit of certification has not shown evidence that waste management is not in accordance with the identification and method of waste management that has been determined by the company. **Based on that's explanation raised Nonconformity No 2022.04 with Minor category**

#### Liquid and Air Waste

The company does not utilize waste air which is generally used as a biogas power plant, but the company does utilize liquid and solid waste. For liquid waste (POME) utilization is carried out as a land application which is pumped from the WWTP to an application area that already has a permit. Meanwhile, solid waste such as shells and fiber are used as a substitute for diesel fuel as boiler fuel. Meanwhile, other solid wastes such as sludge and empty leaves are used for composting and applied to land for fertilizer substitution.

#### **7.3.2**

Based on the results of visits to the SCMM, SBHE, and BKLE hazardous waste warehouses, information was obtained that the last transportation was carried out on 17 February 2022, so the condition of the warehouses during the visit was relatively empty. Result of interview with worker & manager also showed that they understood regarding waste disposal to landfill and prohibition of waste burning. In addition, the landfill visit also shows that there are landfills that are full and have been stockpiled. For the new landfill, it is not in full condition and there are also no traces of waste burning activities at that location. Trash cans are provided properly and replaced if damaged. In addition, the company is also committed to reducing plastic waste from bottled drinking water and that is also applied in all areas of the company, including housing for the community and employees.

### 7.3.3

Unit of certification does not carry out open burning for waste culling, this can be proven from a field visit to the landfill where there are no encounters of incinerated waste by unit of certification. Organic waste from housing is managed by burial, while inorganic trash is disposed of in the space provided, then transported weekly and dumped into Landfill and then buried when the Landfill is full. The results of field observations in the employee housing area also showed that there were no traces of burning activities, besides that there were also many warnings to prohibit waste burning activities as well as the dangers that could arise from burning activities. The waste identification and management plan stipulated in document of Waste Source Identification and Management. It has been identified the source of waste and pollution from Mill and Estates. For example, engine room produce emission from generator, sterilizer station produces solid waste and scattered loose fruit, chemical storage produces solid waste, such as ex chemical container, etc.

### POME

The waste treatment process in the factory with the WWTP pond system. Before being used on plantation land, all wastewater is treated first in the WWTP pond until it reaches the permissible quality standards for wastewater utilization with the provisions of pH 6-9 and BOD  $\leq$  5000 mg/l. Sungai Cempaga POM has a permit for factory waste management, disposal or land application in accordance with stipulated requirements, accordance Permit to utilize palm oil industrial wastewater on the ground (Land Application) number 52/DPMPSTP-PT/LA/IX/2019 which was legalized on 16 September 2019 and is valid for 5 years.

### Solid Waste (Fiber, Shell and EFB)

The company utilizes fiber and shells as boiler fuel, while EFB is applied to plantation land as fertilizer for oil palm plants.

### Hazardous Waste and Toxic

The company also has a permit for the Temporary Storage of Hazardous and Toxic Waste by the Regional Government based on documents below:

- Decree of Kotawaringin Timur Regent No. 660/814/DLH-Ek.SDA/XI/2017 on 21 November 2017 regarding Permit of Hazardous and Toxic Waste Management for Storage Activity of PT Windu Nabatindo Abadi. This permit valid until 5 years.
- Decree of Kotawaringin Timur Regent No. 660/815/DLH-Ek.SDA/XI/2017 on 21 November 2017 regarding Permit of Hazardous and Toxic Waste Management for Storage Activity of PT Nabatindo Karya Utama. This permit valid until 5 years.

Based on the results of the verification of the Land Application permit document, the permit expires on 21 November 2012. In this regard, result of interview with Environmental Agency of Kotawaringin Timun Regency stated that land application permit is still valid since there is no change in implementation of land application. Based on result of field observation to Temporary Storage of Hazardous and Toxic Waste in company, company did not do burning for waste disposal.

7.3.1	Status: Nonconformity No 2022.03 with Minor category	Open
<b>7.4</b> <b>Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.</b>		
<b>7.4.1</b> The company has Technical Guidelines for Palm Oil Plantations / Standard Operational Procedures for Palm Oil Agronomy to manage soil fertility which was issued on May 25, 2011 including: <ul style="list-style-type: none"> <li>• BGA-AGR-KS-SOP-01 Volume 1 contains about soil and water conservation (SOP-05) and planting of legumes (SOP-06)</li> <li>• BGA-AGR-KS-SOP-01 Volume 2 contains Fertilization (SOP-09)</li> <li>• BGA-AGR-KS-SOP-01 Volume 3 contains Management of marginal lands (SOP-16)</li> </ul>		

The implementation and monitoring of SOPs can be seen from the monitoring of fertilization work by each division, while the monitoring of fertilization performance results is carried out by the agronomy quality control section.

The company has implemented practices to optimize production results in accordance with established procedures, including:

- Sampling of soil and leaves periodically to ensure the elements needed by plants can produce optimally. The results of the analysis of the tested soil and leaves will be the basis for determining the dose of fertilization in each Estate.
- Fertilization activities that prioritize the principles of being on time, right on target, right dose and right application. In addition, for marginal soils, additional fertilization is given in the form of providing a total of 16,261 tons of empty bunches in period Jan – Sep 2022 at BHGE and SCME.
- Application of palm oil effluent (POME) to increase soil fertility. For example, the POME application on August 2022 was 33,888 m<sup>3</sup> at SCME.
- Maintenance of cover crops to reduce evaporation (maintain soil moisture). For example planting legumes (*Mucuna bracteata*) and maintenance of soft ferns (*Nephrolepis bisserata*).
- The company's commitment to no longer use herbicides with the active ingredient paraquat since 2015.
- Monitoring of the implementation of SOPs, among others, is carried out through an internal audit mechanism that is carried out by the OIA Department every semester.

Based on the explanation above, it is concluded that the company has a record of implementing good cultivation practices.

#### 7.4.2

The company routinely monitors changes in nutrient status based on regular soil sampling units (SSU) and leaf sampling units (LSU) to determine fertilization recommendations. The results of the soil analysis at SBHE, SCME and BKLE which were last carried out on May 30, 2022, totaled 504 samples using the method of analyzing soil texture, soil pH, and several other parameters were measured. The last analysis of leaves in SMME and BHGE was carried out on June 5, 2022 as many as 314 total samples and several nutrient parameters were measured such as: N, P, K, Mg, Ca and B. The results of the analysis were used as fertilizer recommendations in 2022.

Visual observations are carried out every year during leaf analysis activities. Visual observations are considered in determining fertilizer recommendations, nutrient deficiencies and analyzing potential diseases that may become endemic to certain diseases. The results of soil and leaf analysis become recommendations for fertilizer doses to produce optimal oil palm fruit production. The principle of fertilization is to provide treatment in the field to produce the nutrients needed by oil palm plants and produce optimal results.

#### 7.4.3

The company shows records of realization of empty bunches in PT WNA and PT NKU from January 2021 to September 2022, with details:

Location	Tonnage Empty Bunch	
	Jan – Dec 2021	Jan – Sep 2022
PT NKU BHGE	10,677.6	9,378
PT WNA SCME	6,294	6,883

The company also shows a record of the realization of palm oil liquid waste (POME) applications on Augustus 2022 at SCME of 33,888 M3 and compost applications in Augustus 2022 of 1,980 ton.

#### 7.4.4

The company shows the recording of the recommendation report and the realization of fertilization for the January - December 2021 period is in accordance with the dose. For example in the Fertilization Recommendation and Realization Report for the period January – December 2021 at PT WNA and PT NKU as follows:

Fertilizer	Actual of Fertilizing January – December 2021 (Ton)			Recommendation of Fertilizing January – December 2021 (Ton)		
	PT NKU BHGE	PT WNA SBHE	PT WNA SCME	PT NKU BHGE	PT WNA SBHE	PT WNA SCME

NPK Granule	2,021	2,761	-	2,234	2,720	-
HGFB	40	-	42	40	-	42
CuSO <sub>4</sub>	7	-	1,652	7	-	1,758
Dolomite	876	1,064	1,028	876	1,064	1,028
Kieserite	34	8	-	34	8	-

From the results of document verification of the realization of the company fertilization, it was concluded that the realization of fertilization was in accordance with the recommendations and the fertilization plan for 2021 had been completed by the company as a whole based on the fertilizer recommendations set.

**Status: Comply**

## 7.5

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

#### 7.5.1

The company shows a map of marginal areas compiled by the GIS Department based on survey activities with the BGA Research Department. Marginal land is defined based on the main limiting factor, so it requires special action / treatment. The PT WNA and PT NKU marginal land map documents are available from the BGA GIS Department, namely:

- Soil type map of PT WNA with a scale of 1:2.250.000, soil types consist of Dystrudepts (54,421 Ha), Local alluvium (676 Ha), paleudults (1Ha), plinthudults (21 Ha), Quartzpsamments (614 Ha).
- Soil type map of PT. NKU 1:2.250.000 scale, soil types consist of Dystrudepts (2,229 Ha), Local alluvium (166 Ha), haplohumods (23 Ha), udifluvents (11 Ha), Quartzpsamments (55 Ha).

The company has also shown a contour map of PT WNA and PT NKU, namely:

- PT NKU's topographic map with a scale of 1:70,000, which describes the slope of the land:

Slope Class	Area	
	Hectares	(%)
2-8%	1,486.48	45.1
9-15%	1,810.15	54.9
16-25%		-
<b>Total</b>	<b>3,296.63</b>	<b>100</b>

- PT WNA's topographic map with a scale of 1:75,000, which describes the slope of the land:

Slope Class	Area	
	Hectares	(%)
<2%	26.39	3.4
2 – 8 %	454.60	5.9
9 – 15 %	7,279.68	90.7
<b>Total</b>	<b>7,760.67</b>	<b>100</b>

Based on the data above, it can be concluded that the land of PT WNA and PT NKU is dominated by slope class 0-15% (flat).

#### 7.5.2

The company shows a map of marginal areas compiled by the GIS Department based on survey activities with the BGA Research Department. Marginal land is defined based on the main limiting factor, so it requires special action / treatment. The PT WNA and PT NKU marginal land map documents are available from the BGA GIS Department, namely:

- PT NKU's topographic map with a scale of 1:70,000, which describes the slope of the land:

Slope Class	Area	
	Hectares	(%)
2-8%	1,486.48	45.1

9-15%	1,810.15	54.9
16-25%		-
<b>Total</b>	<b>3,296.63</b>	<b>100</b>

- PT WNA's topographic map with a scale of 1:75,000, which describes the slope of the land:

Slope Class	Area	
	Hectares	(%)
<2%	26.39	3.4
2 – 8 %	454.60	5.9
9 – 15 %	7,279.68	90.7
<b>Total</b>	<b>7,760.67</b>	<b>100</b>

Based on the data above, it can be concluded that the land of PT WNA and PT NKU is dominated by slope class 0-15% (flat).

The results of field observations in Block B16 Division 6 SBHE showed that replanting was carried out on flat land. This is in accordance with the study of the PT WNA Topographic Map document with a scale of 1:75,000 that the slope class is 0 - 15% (Flat). The unit of certification stated that there were no new plantings, but replanting.

### 7.5.3

Based on document review, field observations and interviews with management representatives, it was found that during the Stage 2 audit activity no new land clearing and new plantings were carried out.

Based on the 1:70,000 scale topographic map it is known that PT NKU does not have areas with steep topography (the slope of PT NKU's land is flat, ranging from 2% -25%) and based on the 1:75,000 scale topographic map it is known that PT WNA do not have areas with steep topography (the slope of the land at PT WNA is flat, ranging from 2% -15%). Based on this explanation it was concluded that PT WNA and PT NKU did not plant in steep areas.

**Status: Comply**

## 7.6

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

### 7.6.1

The company shows a map of marginal areas compiled by the GIS Department based on survey activities with the BGA Research Department. Marginal land is defined based on the main limiting factor, so it requires special action / treatment. The PT WNA and PT NKU marginal land map documents are available from the BGA GIS Department, namely:

- Soil type map of PT WNA with a scale of 1:2.250.000, soil types consist of Dystrudepts (54,421 Ha), Local alluvium (676 Ha), paleudults (1Ha), plinthudults (21 Ha), Quartzpsamments (614 Ha).
- Soil type map of PT. NKU 1:2.250.000 scale, soil types consist of Dystrudepts (2,229 Ha), Local alluvium (166 Ha), haplohumods (23 Ha), udifluvents (11 Ha), Quartzpsamments (55 Ha).

The company has also shown a contour map of PT WNA and PT NKU, namely:

- PT NKU's topographic map with a scale of 1:70,000, which describes the slope of the land:

Slope Class	Area	
	Hectares	(%)
2-8%	1.486,48	45,1
9-15%	1.810,15	54,9
16-25%		-
<b>Total</b>	<b>3.296,63</b>	<b>100</b>



- PT WNA's topographic map with a scale of 1:75,000, which describes the slope of the land:

Slope Class	Area	
	Hectares	(%)
<2%	26,39	3,4
2 – 8 %	454,60	5,9
9 – 15 %	7.279,68	90,7
<b>Total</b>	<b>7.760,67</b>	<b>100</b>

Based on the data above, it can be concluded that the land of PT WNA and PT NKU is dominated by slope class 0-15% (flat).

The results of field observations in Block B16 Division 6 SBHE showed that replanting was carried out on flat land. This is in accordance with the study of the PT WNA Topographic Map document with a scale of 1:75.000 that the slope class is 0 - 15% (Flat). The unit of certification stated that there were no new plantings, but replanting.

#### 7.6.2

The company shows the Minutes of Payment for the results of the replanting land clearing work on May 25, 2022 at the Division 6 SBHE, with a mechanical system that includes chipping, root removal and hole-in-hole construction, trenching, stacking and compacting, and field construction. drain

The results of field observations in the Immature Plants area for 1 Year Planting 2022 block B16 Division 6 SBHE, it is known that planting is carried out in flat areas and also planting beans.

From the results of the document review and field observations, it is known that the company has applied soil management principles with the best practices when replanting, such as making ditches, field drains, planting peanuts and land clearing without burning.

#### 7.6.3

The company shows records and maps of land management that are in accordance with topographic conditions, including those listed in the following documents:

- Map of the statement area with a scale of 1:70,000, the map explains the names of blocks, road blocks, division boundaries, ditches, rivers, emplacements, miles, seedlings and offices.
- Topographic maps with a scale of 1:70,000 and 1:75,000, in these maps describe the topographical conditions of PT WNA and NKU used by the company in the development of oil palm plantations that are now underway, such as the construction of road infrastructure, bridges, fire towers, ditches and others.
- Trench construction map with a scale of 1:70,000, which describes the locations of trench construction in PT WNA and PT NKU, such as a 0.5x0.5 trench =113,544.65 M, 1x1 trench = 396,231.19 M.

Based on interviews with management representatives, document review, and field observations, it is known that the company has records and maps of land clearing and arrangement according to topography and requirements in environmental permits or AMDAL/RKL-RPL.

**Status: Comply**

#### 7.7

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

##### 7.7.1, 7.7.2, 7.7.3, 7.7.4, 7.7.5, 7.7.6 & 7.7.7

Based on the document review and interviews with the management of PT WNA and PT NKU, the company is no longer planting new crops in existing plantation areas or clearing new land. The company also does not own peat areas. The types of soil found in the company area are Dystrudepts, haplohumods, udifluvents, Quartzpsamments, Local alluvium, paleudults, plinthudults.

**Status: Comply**

#### 7.8

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

**7.8.1**

Unit of certification has identification on water course within its operational area in HCV document and there is also water management plan covered in HCV management plan, environmental management and monitoring plan document and riparian management procedure No. 001/KG-BGA/CSV/04/2021/R0 on 4 June 2021. 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. The company was conducted water quality testing every semester by accredited testing laboratory by KAN No. LP-242-IDN. Based on environmental monitoring analysis in RKL-RPL report in first semester of 2022, it was informed that the company activity has not given negative effect.

**7.8.2**

Unit of certification has HCV assessment and river border management procedure on SOP No. 001/KG-BGA/CSV/04/2021/R0 on 4 June 2021. Unit of certification has HCV identification results, river border and protection procedures with a width of 50 m. Based on observation to replanting area and riparian area in each estate, it is known that unit of certification has done effort for maintain and protect the catchment area for example the management efforts carried out including the installation of HCV warning boards, marking of spraying limits in the form of circular yellow paint on the oil palm and planting of woody trees on the river border.

**7.8.3**

All palm oil mill effluent produced by Sungai Cempaga Mill are processed at waste water treatment plant before it distributed to estates as land applications. Monitoring of BOD has carried out every month regularly and reported to Environment Agency every three month. Based on waste water analysis in period January to June 2022, all parameters that tested under the threshold especially BOD and COD. It shows that POME can be applied in to the land application. For examples, BOD on June 2022 is 1758 mg/l with threshold 5000 mg/l and pH 7.01. Unit of certification has had license to use the effluent for land application based on Permit of Palm Oil Industrial Wastewater Utilization on Soil at PT Windu Nabatindo Abadi's Palm Oil Plantation based on Decree of Head of One-Stop Integrated Service and Investment Agency of Kotawaringin Timur Regency No. 52/DPMTSP-PT/LA/IX/2019 which has been ratified on 16 September 2019 and valid for 5 years from the date of stipulation.

**7.8.4**

The procedure of water use monitoring in mill available under document Procedure of Water Treatment Plant. Water consumption monitored by using flowmeters installed in the piping system of WTP. According to water use data in the last period January to December 2021 average water used for processing still below the determined use water in permit. The overall use of water under the determined use water in permit.

<b>Status: Comply</b>
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**7.9**

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

**7.9.1**

Unit of certification uses shells and fiber as boiler fuel to generate turbine power, which can reduce the use of fossil fuels. There are the documentation of shells and fiber usage on document of "*Efisiensi Penggunaan Energi*" period January-December 2021. For example, use of shells and fiber period January-December 2021 usage is 12,969 ton and 31,671 ton respectively, while electricity generated from diesel fuel 2277,0 kWh. The efficiency renewable energy use per ton of palm product in the mill is 3.01 KWH/Ton CPO, while result direct fossil fuel used is 3.26 liter/MT CPO.

<b>Status: Comply</b>
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**7.10**

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

**7.10.1**

CH has conducted GHG emission calculations period 2021 Using Calculator Palm GHG version 4.1. Accurate data has been put into the RSPO PalmGHG Calculator (Palm GHG version 4.1) and has been verified. Summary of net GHG emissions from PalmGHG calculator of the audit report which calculation option is applied "Apply full version".

Summary of Net GHG Emissions

Emissions per product	tCO <sub>2</sub> e/tProduct
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CPO	1.39
PK	1.39
Production	t/yr
FFB processed	252,460
CPO produced	58705,86
PK produced	11371
Extraction	%
OER	23.25
KER	4.5
Land use	Ha
Planted area on mineral	11954.47
Planted on peat	0.00
Total area planted	11954.47
Conservation Area (Forested)	5.16
Conservation Area (Non-Forested)	139.15
FFB Production per hectare	28.00

Summary of field emission and Sinks

Description	Own crop		Group	3rd			Total
	tCO2e	tCO2e/ha		tCO2e	tCO2e/ha	tCO2e	
Emissions Sources							
Land conversion	102023.24	14.25	28968.24	10.37	1971.22	0.18	132962.71
CO2 emissions from fertilizer	10630.54	1.48	7939.96	2.84	38.26	0.00	18608.76
NO2 emissions from peat	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NO2 from Fertilizer	7252.32	1.01	4403.93	1.58	21.41	0.00	11677.67
Fuel consumption	1909.74	0.27	1042.09	0.37	55.12	0.01	3006.95
Peat oxidation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sinks							
Crop sequestration	-90308.43	-12.61	-26154.63	-9.36	-2201.78	-0.20	-118664.84
Sequestration in Conservation area	-47.32	-0.01	0.00	0.00	0.00	0.00	-47.32
Total	31460.09	4.39	16199.60	5.80	-115.76	-0.01	47543.93

Summary Oil Mill Emissions and Credits

Remarks	tCO2e	tCO2e/t FFB
Emissions sources		
POME	49486.44	0.20
Fuel consumption	596.81	0.00
Grid electricity	0.00	0.00

Credits		
Export of grid electricity	-142.93	0.00
Sales of PKS	-264.48	0.00
Sales of EFB	0.00	0.00
Total	49675.83	0.20

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

Divert to compost (%)	17
Divert to anaerobic digestion (%)	83

**POME Divert to Anaerobic Digestion**

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

Based on document review, difference of planting area in Palm GHG and basic info due to addition of area from Koperasi Sehati Pundu. This also resulted difference in HCV area in Palm GHG.

**7.10.2**

Based on document verification, there is no additional new areas in the scope of certification, it is still the same as the previous audit activities. Company has identified pollution and emissions activities including GHG. Pollution/emissions come from activities such as land clearing, fertilization and use of chemicals (spray activities), use of solar in transportation, lighting and processing of FFB, and management of POME. Based on the results of document review and interviews with management, it is known that there is an area of PT WNA that was planted after January 1, 2020 without going through the NPP procedure, covering an area of  $\pm$  403.03 Ha. The area is located on Sungai Cempaga Estate covering an area of 363.66 Ha and Bangun Koling Estate covering an area of 39.37 Ha.

**7.10.3**

Based on document verification, there is no additional new areas in the scope of certification, it is still the same as the previous audit activities. Company has identified pollution and emissions activities including GHG. Pollution/emissions come from activities such as land clearing, fertilization and use of chemicals (spray activities), use of solar in transportation, lighting and processing of FFB, and management of POME. Company has also implemented of GHG emission management including: establishing a policy of zero burning in land clearing, fertilizer and chemical use in accordance with recommendations, EFB and POME applications on land, routine emission testing, use of fibers and shells as boiler fuel, planting trees in the area riparian.

**Status : Comply**

**7.11**

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

**7.11.1**

The company has a no-burn policy contained in the Policy on Environment and Biodiversity and was approved by the Regional Head on June 1, 2016 which states that PT BGA in running its business is committed to land clearing implementing a zero burning system in all plantation development activities and waste disposal. The company also has SOP No. BGA-AGRKS-PTKS-PLH has been approved by the Director on January 4, 2011 regarding Land Preparation, where the procedure explains that land clearing is carried out by mechanical means and Zero Burning

At the time of the audit, there are replanting in Sungai Bahaur Estate. Based on the results of interviews with management and the Environment Agency as well as field observations, it was known that the company is committed not to carry out burning activities for land clearing.

**7.11.2**

The company has a no-burn policy contained in the Policy on Environment and Biodiversity and was approved by the Regional Head on June 1, 2016 which states that PT BGA in running its business is committed to land clearing implementing a zero-burning system (no burning) in all development activities estate and waste disposal. The company also has SOPs on fire prevention:

- SOP for Fire Management and Prevention (BGA-WNA-KRD/PRO-19/03/2012) was approved on 21 March 2012 by the Area Controller 3. Emergency response conditions identified include: fire, explosion, pollution, natural disaster, civil commotion violence, demonstrations, work accidents. Broadly speaking, the SOP contains fire prevention procedures (with APAR, Hydrant), fire prevention, coordination, communication, training and socialization processes.
- The Work Instruction for Land Fire Management and Prevention (BGA-WNA-KRD/IK-20/03/2012) was ratified on March 21, 2012 by the Area Controller 3. The procedure describes land fire prevention, formation of a firefighting team, land fire prevention, and activities after the blackout.

In carrying out fire prevention and control activities, the company has carried out several activities, including:

- Establish an internal emergency response structure for PT WNA and PT NKU.
- Annually the Health Fire Fighting Department together with Estate management analyze fire hazards and risks to assess the level of danger and protected areas by determining the priority scale according to the hazard.
- Fire-prone locations are marked on the map and assigned different grades and colors according to hazard based on the level of fire hazard and limiting factors in Fire control.
- The field team will monitor the daily level of vulnerability based on weather behavior by counting days without rain, fuel conditions in the field, rainfall in the last 15 days and also the level of relative humidity (relative humidity).
- PT WNA and PT NKU plans, carries out fire prevention patrols whose frequency is adjusted to the daily fire hazard level and carries out patrols with a priority scale to areas with higher danger levels.
- Establish clear handling procedures in the context of Land Fire Control.
- Conduct training involving competent parties and create applications to monitor Hotspots in the certification unit's area and its surroundings.
- The certification unit has also formed a Forest and Land Fire Brigade, stratified according to the scale and extent of the fire as well as the severity and equipped with a support team such as logistics, planning, heavy equipment, medical, work safety, security, public relations and others. updated to ensure preparedness.
- Conduct socialization of the dangers of forest and land fires directly and indirectly, namely through warning boards.

Based on the field observation also show that socialization regarding the prohibition of burning land has been conveyed through direct socialization to employees during morning apples and symbols posted in places that are easy for everyone to read. Field observations at the fire extinguisher storage location also show that the available tools are quite complete and in good condition, this is evidenced by the simulation of water pumps and hydrants.

### 7.11.3

The company routinely conducts socialization and training to employees for fire prevention and control activities, some examples of activities that have been carried out include documentation in the form of socialization reports, simulations, and training for land, plantation, and forest firefighters in collaboration between Manggala Agni and PT WNA with PT NKU on 22-23 July 2022 with 67 participants, the training participants also involved villages surrounding company.

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

PT WNA and PT NKU have been clearing new land since November 2005 without prior identification of HCVs. BGA Group has sent disclosure and liability, and has carried out LUC analysis and has been sent to the RSPO on April 1, 2015 and November 7, respectively, 2014. The results of the document review show that there is a Final Conservation Liability of PT WNA of 103.68 Ha and Final Conservation Liability of PT NKU is 578.59 ha.

#### 7.12.2

PT WNA and PT NKU has conducted HCV assessment for the entire area of operations respectively on 2010 and 2013 by RSPO approved assessor. The process of HCV identification conducted for 11,900 ha of PT WNA and 11,000 ha of PT NKU by using HCV identification guides in Indonesia on June 2008, and indicates there is HCV 1, HCV 2, HCV 4, and HCV 5 presence covered on area of 1007.44 (PT WNA) and 699.06 ha for PT NKU. All of HCV attributes presence on company was mapped on 1:42000 scale, and

this HCV identifications covered all estates/mill operational areas including surrounding landscape, species corridors, and RTE species presence. Those assessment cover entire locations permits, however the HCV area in certifications area are 107.66 consist of 52.55 in PT NKU and 55.11 in PT WNA. The determinations of HCV area based on IOM (Internal Office Memo) on 05 April 2022 regarding Determination of HCV Area PT. WNA and NKU.

HCV identification results also explain there is RTE species according IUCN-Redlist V3.1 for examples *Hylobates agilis* (EN), *Manis javanica* (CR), and *Pongo pygmeus* (CR) (sign by orangutan nest). To provide protection against RTE species, management unit has provides HCV management plan that consist of HCV areas marking, signboard placement, regular species monitoring and patrols, rehabilitation of riparian, and etc.

Related to RTE species company has programmed regular RTE/HCV socialization for all workers, and last socialization was conducted on December 13 2018 for SBHE, SCME, and SMME workers representatives. RTE species protection policy also has developed by Regional Head on August 2017.

### 7.12.3

Based on procedural note in INANI-RSPO P&C of 2018, Indicator 7.12.3. is not relevant to Indonesia, until further decisions by the RSPO.

### 7.12.4

The company has a HCV management and monitoring plan which is contained in the KBKT Area Management Plan of PT WNA and PT NKU with management activity plans in the form of boundary marking, boundary marking maintenance, flora and fauna area protection, patrolling, species rehabilitation and enrichment, counseling, employee training. and coordination with relevant agencies. In addition, the management implementation timeline is contained in the 2022 HCV Area Management Work Program with management activities in the form of monitoring/maintenance of buffer zone stakes every 2 months, patrols and monitoring of flora and fauna once in 2 months, HCV socialization 2 times within 1 year, and the manufacture and maintenance of the notice board once every 1 year. Furthermore, during the audit process it can be shown that the results of monitoring/maintenance of buffer zone stakes have been carried out every 2 months which shows the condition of all river border markers at PT NKU and PT WNA are available in good condition.

Based on the results of field visits to HCV areas, the following were found:

- Field visit to the Bahaur River border at SBHE shows that there is no limit to the application of chemicals. In addition, there is 1 point of chemical spraying on the Bahaur River at SBHE. This is in line with the Foreman's Daily Report dated September 2, 2022 which states that there is chemist treatment in the area.
- Field visits to the Mirah Minting and Bahaur River boundaries showed that the buffer zone boundary marking and chemical application boundary were on one side of the river border.
- Field visit to the Batur River border shows that there is no information board on the presence of HCVs.

The unit of certification has provided an explanation regarding this matter which is shown in the following document:

- Minutes of Socialization of the HCV area to the PT WNA BGS Team on 5 September 2022 which was attended by 19 participants.
- Minutes of HCV Socialization during Morning Call on 29 September 2022 which was attended by 25 participants.
- Minutes of HCV Boundary Maintenance dated October 13, 2022 at the Bahaur river border Block D18 SBHE by marking 50 meters from the river border line.
- Minutes of the Installation of HCV Signs on October 13, 2022 at the Batur river border SMME
- Minutes of Buffer Zone Installation and Marking of Palm Trees on October 13, 2022 at the Mirah Minting River border

However, the auditor team considered that the corrective actions had not been comprehensive and covered the entire scope.

Therefore, company has not been able to show evidence that the implementation of the HCV area management and monitoring plan has been in accordance with the predetermined plan. **Based on that's explanation raised Nonconformity No 2022.05 with Major category**

### 7.12.5

PT WNA and PT NKU has conducted HCV assessment for the entire area of operations respectively on 2010 and 2013 by RSPO



approved assessor. The process of HCV identification conducted by using HCV identification guides in Indonesia on June 2008, and indicates there is HCV 1, HCV 2, HCV 4, and HCV 5 presence covered on area of 1007.44 (PT WNA) and 699.06 ha for PT NKU. Based on document verification, unit of certification has established HCV areal which is in its operational area in 2022 which are 55.11 ha for PT WNA and 52.55 ha for NKU.

#### 7.12.6

Company established HCV management plan to maintain the HCV areas in operation area listed on Management plan HCV 2021 documents. Based on document review, it is shown that result of HCV management and monitoring in 2021 has been implemented in accordance with management plan, e.g., maintain HCV attributes (HCV boundary, sign board), HCV socialization (community and worker), maintain HCV area, regular patrols for maintain HCV security, and species monitoring. All of records for patrols on each estate are available and verified by auditors. Management and monitoring activities of HCV contained in management and monitoring HCV report.

According to the result of management and monitoring evaluation 2021, it is known that there are protected animal in the areal of unit of certification. Result of monitoring also reported to Nature Conservation Agency (BKSDA) of Kalimantan Tengah in 10 October 2022. Based on the 2022 HCV monitoring report, it is known that some protected species are still found in the company's management area. As for the results of the evaluation in 2021 for the 2022 management plan was done by involving surrounding community on January 2022. Based on that evaluation, company established management and monitoring that taken by the management unit such as maintain HCV attributes, HCV socialization, maintain HCV area, regular patrols for maintain HCV security, and species monitoring. Besides, based on interview with employees and surrounding communities, it was known that they had known that there is RTE species and HCV area in company's operational area.

#### 7.12.7

Unit of certification has a policy to protect RTE species and has conducted socialization activities for the protection of RTE types, including:

- Minutes of the socialization of HCV BKLE to the Tumbang Koling Village Community on 20 May 2022 which was attended by 13 participants.
- Minutes of the socialization of the HCV fertilizer team of BKLE on September 20, 2022 regarding the prohibition of fertilizing HCV areas with a distance of 50 meters, which was attended by 18 participants.
- Minutes of the socialization of the HCV spray team of BKLE on October 3, 2022, which was attended by 18 participants.
- Minutes of training & spray simulation in HCV areas on 12 February 2022 related to training on introduction of HCV areas on riverbanks and chemist prohibition in HCV areas attended by 14 participants at BHGE.
- Minutes of socialization of HCV management to the community on August 28, 2022 around SMME.
- News of the HCV management socialization event on August 12, 2022, which was attended by 26 participants in SMME.

According to interviews with workers and local communities in surrounding community representatives, it is known that they know protected animals, through socialization and signboards available on plantations. According to interviews with local residents and field observations to housing areas there were no animal hunting activities carried out by employees and local residents.

#### 7.12.8

PT WNA and PT NKU have been clearing new land since November 2005 without prior identification of HCVs. BGA Group has sent disclosure and liability, and has carried out LUC analysis and has been sent to the RSPO on April 1, 2015 and November 7, respectively, 2014. The results of the document review show that there is a Final Conservation Liability of PT WNA of 103.68 Ha and Final Conservation Liability of PT NKU is 578.59 ha. BGA Group has been in communication with the RSPO until the Stage-2 assessment is carried out. Based on email from RSPO on 10 February 2022, RSPO stated that, "*While for the uncertified management units, The Initial Certification audit may be conducted, but the Certificates can only be issued when the completion of the RaCP Process (i.e approval of Compensation and Remediation Plans) is approved by the Compensation Panel*". Until the initial certification assessment is carried out, there has been no decision from the RSPO regarding the approval of the RaCP. Therefore, unit of certification has not yet demonstrated that the RaCP has been endorsed and approved by the RSPO. **Based on that's explanation raised Nonconformity No 2022.06 with Major category**

7.12.4	Status: Non-Conformity No. 2022.05 with Major Category
7.12.8	Status: Non-Conformity No. 2022.06 with Major Category

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

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

### 3.3 Summary of RSPO Partial Certification.

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

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

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

MUTU Auditor has verified company partial certification and concludes that:

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

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

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

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		these units. Evidence of submission to RSPO is provided and the NPP notification are at RSPO website.
2.1.4	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO criteria 2.2, 6.4, 7.5 and 7.6 (it has changed be Criterion 4.8, 4.7 and 4.5 in P&C 2018).	<p>There is no land conflicts.</p> <p><i>Auditor verification</i> There is land conflicts and has been resolved with RSPO Grievance procedure or Dispute Settlement Facility.</p>
2.1.5	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3 (it has changed be Criterion 4.2 in P&C 2018).	<p>There is labor disputes. There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <p><i>Auditor verification</i> There is labour dispute in uncertified unit i.e PT Bumitama Gunajaya Abadi. The dispute has been resolved as we can seen in RSPO website that the status of dispute in closed for monitoring.</p>
2.1.6	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1 (it has changed be Criterion 4.2 in P&C 2018).	<p><b>PT Langgeng Muara Makmur Sejahtera</b></p> <ul style="list-style-type: none"> <li>Izin Prinsip Arahana Lokasi No. 525.21/660/Ek.SDA/IX/2014 dated 12 September 2014 5,325 Ha</li> <li>Location Permit SK District Kotawaringin Timur No. 188.45/330/Huk-BPN/2014, 23 September 2014 5,370 Ha</li> <li>Environment Permit No. 660/2140/BLH-Ek.SDA/2015, 19 October 2015 for 5,325 Ha</li> <li>IUP No. 188.45/490/Huk-Ek.SDA/2014, 19 December 2014 4,810.72 Ha</li> <li>SK HGU No. 5/HGU/KEM-ATR/BPN/2017, January 10th 2017.</li> </ul> <p><b>PT Andalan Sukses Makmur</b></p> <ul style="list-style-type: none"> <li>Izin Prinsip Arahana Lokasi SK District Kotawaringin Barat No.590/105/Pem-XI/2012, November 21 2012 for areal 9,000 Ha.</li> <li>Location Permit SK District Kotawaringin Barat No.525/68/XII/2012, December 18th 2012 for 9,275 Ha</li> <li>IUP No. 525/45/ek, 06 February 2013</li> <li>HGU on process.</li> </ul> <p><b>PT Investa Karya Bhakti</b></p> <ul style="list-style-type: none"> <li>Izin Prinsip Arahana Lokasi No. 590/09.Pem-II/2014, 3rd February 2014 for areal 14,500 Ha.</li> <li>Location Permit SK District Kotawaringin Barat No. 525/62/IX/2014, 1st September 2014, 11,746.74 Ha</li> <li>IUP No. 525/014/EK, April 21 2015, 5,700 Ha</li> </ul> <p><b>PT Rohul Sawit Industri and PT Masuba Citra Mandiri</b></p> <ul style="list-style-type: none"> <li>HGU on process</li> <li>Panitia B Inti No. 03/RSL/HGU/2015 seluas 1,893.11 Ha</li> </ul>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ul style="list-style-type: none"> <li>• Panitia B Plasma No. 04/RSL/HGU/2015 seluas 938,16 Ha</li> </ul> <p><b>PT Gunajaya Harapan Lestari</b></p> <ul style="list-style-type: none"> <li>• Izin Prinsip Arahan Lokasi No. 525/426/Bappeda-D year of 2007, 08 May 2007 for areal 3,000 Ha.</li> <li>• Location Permit SK District Kendawangan No. 265 year of 2007, 28 June 2007 for 3,000 Ha</li> <li>• Revision Location Permit No. 370 year of 2008, 07 October 2008 for 3,000 Ha</li> <li>• Extension Location Permit No. 415 year of 2010, 27 July 2010 for 3,000 Ha</li> <li>• IUP No. 365/DISBUN-D/2012, August 23rd 2012 for 1,750 Ha</li> <li>• HGU No. 62/HGU/KEM-ATR/BPN/2016, 1,973.45 Ha</li> </ul> <p><b>PT Windu Nabatindo Sejahtera</b></p> <ul style="list-style-type: none"> <li>• Izin Prinsip Arahan Lokasi No. 02.04.28/525.26/463/XI/EkBang/03, 8th November 2003 for areal 7,000 Ha.</li> <li>• Location Permit SK District Kotawaringin Timur No. 165.460.42, 26 February 2004 for 5,370 Ha</li> <li>• IUP No. 525.26/152/V/EkBang/2004, 17 May 2004 for 5,370 Ha</li> <li>• Permit Location No. 374.460.42, December 13 2006 for 5,000 Ha (Revision)</li> <li>• IUP No. 525.26/386/V/EkBang/2007, May 30th 2007 for areal 5,000 Ha (Revision)</li> <li>• Kadastral Map No. 355-15.05-2007, July 6th 2007 for areal 4,998.76 Ha</li> <li>• Surat Permohonan HGU 003/WNS-Dir/VII/2007, July 11th 2007 for areal 5,000 Ha.</li> </ul> <p><b>PT Windu Nabatindo Abadi</b></p> <ul style="list-style-type: none"> <li>• Sertifikat HGU No. 37/HGU/BPN RI/2014 seluas 1,987.8 Ha</li> <li>• Sertifikat HGU No. 48/HGU/KEM-ATR/BPN/2015 tanggal 20 Mei 2015 seluas 5.773 Ha</li> </ul> <p><b>PT Nabatindo Karya Utama</b></p> <ul style="list-style-type: none"> <li>• Sertifikat HGU No. 17/HGU/KEM-ATR/BPN/2016 tanggal 07 April 2016 seluas 3,298.63 Ha</li> </ul> <p>HGU on process for Ladang Sawit Mas, PT Lestari Gemilang Intisawit, PT Agro Manunggal Sawitindo, PT Karya Makmur Langgeng, and PT Gemilang Makmur Subur</p> <p><i>Auditor verification</i> Land legal process is still going on and there is a detail update progress documented by the company for each year.</p>



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

#### 3.4.1. Identification of Findings, Corrective Actions and Observations at Initial Certification Assessment

<i>NCR No.</i>	:	2022.01	<i>Issued by</i>	:	Moh Arif Yusni
<i>Date Issued</i>	:	14 October 2022	<i>Time Limit</i>	:	13 October 2023
<i>NC Grade</i>	:	Major	<i>Date of Closing</i>	:	20 November 2022
<i>Standard Ref. &amp; Requirement</i>	:	<b>3.8.5</b> <b>Documented procedures</b> <b>The mill shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:</b> <b>a) Complete and up to date procedures covering the implementation of all elements of the supply chain model requirements.</b> <b>b) Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).</b> <b>c) Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the mill's procedures for the implementation of this standard.</b> <b>d) d) The mill shall have documented procedures for receiving and processing certified and non- certified FFBs including ensuring no contamination in the IP mill.</b>			
<b>Evidence observed (filled by auditor):</b> Based on the results of document review and interviews with management, it is known that there is an area of PT WNA that was planted after January 1, 2010 without going through the NPP procedure, covering an area of ± 299.35 Ha. The area is located on Sungai Cempaga Estate covering an area of 259.98 Ha and Bangun Koling Estate covering an area of 39.37 Ha  As stipulated in the RSPO NPP Procedure 2021 it is explained that for any oil palm plantations and related developments (which are not part of an RSPO certified management unit) that have been carried out (including land preparation that has begun, new planting of oil palms in progress) after 1 January 2010 and after the date of joining as an RSPO member, in the absence of a ratified NPP, sanctions will be imposed, with the sanction area not being able to trade FFB produced from the sanctioned area as Certified FFB for the first three (3) years of certification  Regarding the existence of areas whose production cannot be claimed as certificated products, the company has not set up a mechanism to receive and process the certified and non-certified FFB.					
<b>Non-Conformance Description (filled by auditor):</b> The company has not set up a mechanism to receive and process the certified and non-certified FFB.					
<b>Root Cause Analysis (filled by organization audited):</b> Lack of coordination between sustainability staff in Head Office with regional sustainability as well as GIS officer which caused there are sanctions area was not included in uncertified FFB maps					
<b>Correction (filled by organization audited):</b> Included sanctions area covering 403.03 Ha as non certified area on the maps and on the list of certified and uncertified area blocks					
<b>Corrective Action (filled by organization audited):</b> Carried out evaluation and monitoring regarding separation of FFB certified and uncertified through internal audit and management review meeting					
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> Verifications on 12 November 2022 The unit of audit presented correction evidence as follows: 1. Maps which described scope of certification and uncertified area including sanctions blocks without NPP 2. Revision data list blocks documents estate in PT WNA and NKU period of 2022 including sanctions area without NPP and liability					

in each estate

Based on corrective evidence that presented by the company, the non conformity for this indicators not yet comply, the company needs to complete additional evidence such as:

- Training related to the mechanism for separating FFB from sanctioned areas
- Simulation of FFB documentation received from sanctioned areas

#### Verifications on 20 November 2022

Evidence of improvement can be shown in the form of:

1. Documentation/minutes of socialization activities on the separation of certified FFB and non-certified FFB on November 17, 2022. The socialization activity was carried out by 20 participants/employees from plantations and mills with training materials on:
  - Basic Info Map of PT WNA and NKU Certificated and Non-certified FFB.
  - Separation mechanism for Certified and Non-certified FFB.
  - Production areas that cannot be claimed as certified products (Sanction Areas without NPP)
2. Minutes of the simulation of recording certified FFB and Non-certified FFB on November 17, 2022 with discussion material on
  - Simulation of separation of Certified and Non-certified FFB.
  - Production areas that cannot be claimed as certified products (NPP Sanctions Areas)
  - Marking of FFB consignment letter of Certificated and Non-certificated FFB

Based on the explanation above, the nonconformity on this indicator is declared comply and will be verify on the next assessment.

Verified by : Moh Arif Yusni

NCR No.	:	2022.02	Issued by	:	Yudhi Yuniarto Tallutondok
Date Issued	:	14 October 2022	Time Limit	:	13 October 2023
NC Grade	:	Major	Date of Closing	:	22 November 2022
Standard Ref. & Requirement	:	6.2.3 There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, and other legal labour requirements.			
Evidence observed (filled by auditor):					
Based on document verification and interviews with management, information was obtained that there were jobs carried out outside normal working hours where the compensation model used was a premium system. During the audit, the company can show a Warrant and Overtime Realization document for October 9, 2022 in which the security with Employee No. 360720022 gets compensation in the form of a premium with a value of IDR 136,000 for 7 hours of work.					
Based on the calculation verification when using the overtime system, the following results are obtained:					
a. Basic salary : IDR 3,014,732					
b. Wage/ hour : IDR 17,426.19					
c. Overtime hours : 7 hours					
d. Overtime pay : 7 x (IDR 17,426.19 x 2) = IDR 243,966.66					
e. Difference : IDR 243,966.66 - IDR 136,000 = IDR 107,966.66					
Based on the foregoing, it is known that the premium compensation payment set by the company is smaller than the payment based on the overtime system.					

<b>Non-Conformance Description (filled by auditor):</b>  The company has not been able to show evidence related to the implementation of overtime pay in accordance with applicable labor regulations.	
<b>Root Cause Analysis (filled by organization audited):</b> The implementation of the day off security schedule at the mill and the provisions for paying wages on off days/national holidays at SCMM have not followed the applicable provisions due to a lack of knowledge from the personnel department at SCMM who regulates the off schedule and payment of employee wages.	
<b>Correction (filled by organization audited):</b> 1. Improvements in determining the day off security system at mills. 2. Provisions for setting the day off system and also the policy for paying wages when working on holidays (day off) / national holidays in accordance with the provisions of the applicable labor regulations. 3. Dissemination of provisions for System Day Off Arrangements and Wage Payment policies in accordance with overtime provisions, especially to the personnel department which regulates day off schedules and payments.	
<b>Corrective Action (filled by organization audited):</b> Review and monitoring will be carried out by Regional HR and will be evaluated in the RSPO internal audit activity.	
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> Auditor Verification 22 November 2022, The company shows evidence of improvement in the form of: a. Memo from HR Regional Pundu No. 044/MEMO-BGA/HR-Pundu/10/2022 dated 10 October 2022 regarding the confirmation of the overtime security shift provisions for holidays. In point 3 of the Memo it is explained that if there is an urgent need so that it is necessary to enter from the schedule that has been set, then the calculation is in accordance with the applicable provisions. Including the calculation of overtime on official holidays. b. The SCMM security shift schedule for the November 2022 period is for the morning shift 07.00 – 15.00, the afternoon shift 15.00 – 23.00 and the night shift 23.00 – 07.00. For rest hours each personnel is given 1 hour but it is done alternately for each person in the walking shift. c. The minutes of the socialization of overtime to all security personnel which took place on November 4 2022 took place in the SCMM meeting room and were attended by 8 people consisting of payroll officers, members of security and operational staff. d. Warrant and Realization of Employee Overtime with NIK 360720022 and 360620019 for November 22, 2022. e. Calculation of employee overtime with NIK 360720022 and 360620019 from 22 October - 12 November 2022.  Based on the corrective evidence that addressed , the nonconformity is declared fulfilled and will be observe in the next audit	
<b>Verified by</b>	<b>: Yudhi Yuniarto Tallutondok</b>

<b>NCR No.</b>	<b>: 2022.03</b>	<b>Issued by</b>	<b>: Erika Lucitawati</b>
<b>Date Issued</b>	<b>: 14 October 2022</b>	<b>Time Limit</b>	<b>: ASA -1</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>:</b>
<b>Standard Ref. &amp;</b>	<b>: 7.2.8</b> <b>All pesticide containers that are disposed of and/or used for other purposes are managed according to applicable regulations and/or instructions on the packaging.</b>		
<b>Evidence observed (filled by auditor):</b> Result of document verification, unit of certification has document Identification of Waste Sources and Management in each unit. Based on the document, it is known the following: <ul style="list-style-type: none"> <li>Sources of waste originating from fertilization with non-hazardous category, namely fertilizer sacks stored temporarily in the Used Goods Warehouse with the final destination of landfill. Meanwhile, waste with hazardous category, namely used PPE, fertilizer, and washing water, is managed by storing it in the Hazardous Waste Warehouse, re-applying it and storing it in holding tank.</li> <li>Sources of waste originating from Chemical Warehouse with hazardous category, namely herbicide packaging, used cloth, used oil</li> </ul>			

drums, used chemical jerry cans, pesticide packaging and chemical sacks stored in the Hazardous Waste Warehouse with the final destination being transported by licensed party.

Furthermore, as related to hazardous waste management, unit of certification already has Hazardous and Toxic Waste Management Permit for Hazardous and Toxic Waste Storage Activities at PT Nabatindo Karya Utama based on the Decree of Kotawaringin Timur Regent No. 660/815/DLH-Eks.SDA/XI/2017 dated 21 November 2017 and is valid for 5 years. Based on the document, the maximum permitted storage period for hazardous waste is 365 days from the time the hazardous waste is generated.

However, based on the results of field visits and document studies, it is known that:

- Two jerry cans of used herbicide were found which were used as clean water containers for washing dishes in SMME employee housing.
- Used jerry can of agrochemicals was found in the BHGE Fertilizer Warehouse which was used as measuring tool for fertilizer
- Hazardous waste is stored for more than 365 days as regulated in Government Regulation No 22 of 2021, this is evidenced by the last transportation on 10 July 2021 with 3,252 kg of hazardous packaging type with manifest number AZG 0003559.

Furthermore, during the audit, the company can show a follow-up to the auditor's findings, which is indicated by:

- Follow-Up Report of Used Jerry Cans at BHGE on 13 October 2022 regarding the transfer of used agrochemical jerry cans used as a fertilizer dosing tool to a hazardous waste storage.
- Minutes of Transfer of 2 Units of Poison Jerrycans on 13 October 2022 from SMME employee housing to hazardous waste storage.

However, the auditor team considered that the corrective actions had not been comprehensive and covered the entire scope where evidence could not be addressed that:

- Waste management is not in accordance with the identification and method of waste management that has been determined by the company
- Hazardous waste transportation at PT NKU has not been in accordance with the timetable stated in the permit owned

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

Unit of certification has not yet shown evidence that the management of all pesticide containers has been disposed of and/or used for other purposes in accordance with the applicable provisions in the permit owned.

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

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

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

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

**Verified by**

:

NCR No.	:	2022.04	Issued by	:	Erika Lucitawati
Date Issued	:	14 October 2022	Time Limit	:	ASA 1
NC Grade	:	Minor	Date of Closing	:	
Standard Ref. & Requirement	:	7.3.1 A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented in accordance with applicable laws and regulations.			

**Evidence observed (filled by auditor):**  
The certification unit already has a document on Identification of Waste Sources and Management in each unit. Based on the document, it is known the following:

- Sources of waste originating from housing & mess with non-hazardous categories, namely plastic, food scraps, paper/leaves, and broken glass are temporarily stored in trash bins with the final destination of landfill.
- Sources of waste originating from fertilization with non-hazardous category, namely fertilizer sacks stored temporarily in the Used Goods Warehouse with the final destination of landfill. Meanwhile, waste with hazardous category, namely used PPE, fertilizer, and washing water, is managed by storing it in the Hazardous Waste Warehouse, re-applying it and storing it in holding tank.
- Sources of waste originating from Chemical Warehouse with hazardous category, namely herbicide packaging, used cloth, used oil drums, used chemical jerry cans, pesticide packaging and chemical sacks stored in the Hazardous Waste Warehouse with the final destination being transported by licensed party.

Furthermore, based on the results of document review and interviews with management, the certification unit has carried out hazardous waste management by storing it in licensed Hazardous Waste Storage. In addition, household waste management is carried out by routinely transporting waste to landfill and implementing Clean Friday. However, based on the results of field visits and interviews with management, it is known that there is waste management that has not been in accordance with the predetermined plan, for example:

- Domestic waste management  
Based on the results of the field visit, it was found:
  - Household waste piled behind the house at SCMM Employee Housing.
  - Household waste piled behind the house in the Employee Housing Division 4/5 SBHE.
  - Household waste scattered around the garbage collection pit in the dead gate of SMME Employee Housing.
  - Household waste dumped on the tributary of the Mirah Lui BHGE River.
  - 2 points of burning household waste in SMME Employee Housing.
  - 1 unit of used oil jerry can which is not used in the BHS SBHE House.
- Hazardous waste management  
Based on the results of the document review, it is known that there was transportation of hazardous waste at the PT NKU hazardous waste storage on July 10, 2021, which was equipped with a manifest sheet for the hazardous waste transportation manual. However, based on the Minutes of releasing hazardous waste and hazardous waste logbok, transportation activities were carried out on May 21, 2021 and have not been equipped with an electronic manifest (*festronik*), this is not in accordance with Environment and Forestry Minister Regulation No. 6 of 2021 in Article 99 (1) states that, "Transportation of hazardous waste must be accompanied by *Festronik*."

During the audit process the company can show follow-up actions on these field findings, such as

- Minutes of the Prohibition of Waste Disposal at SMME dated October 14, 2022, which includes waste disposal activities in SMME employee housing.
- Minutes of Cleaning Plastic Waste at Emplacen Division 4 SBHE on October 14, 2022.
- Internal Office Memo No. 01/SBHE/X/2022 dated October 3, 2022, which was approved by the SBHE Estate Manager regarding the Clean Friday activities carried out every week. There is an attachment to the SBHE Waste Disposal Schedule which is set every day in each SBHE division.

<p>However, the auditor team considered that the corrective actions had not been comprehensive and covered the entire scope where evidence could not be addressed that:</p> <ul style="list-style-type: none"> <li>Waste management is not in accordance with the identification and method of waste management that has been determined by the company.</li> <li>The recording of hazardous waste management at PT NKU has not matched the hazardous waste manifest, the hazardous waste logbook, and the official report on the transportation of hazardous waste.</li> </ul>	
<p><b>Non-Conformance Description</b> (filled by auditor):</p> <p>Unit of certification has not shown evidence that waste management is not in accordance with the identification and method of waste management that has been determined by the company.</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>:</p>

NCR No.	:	2022.05	Issued by	:	Erika Lucitawati
Date Issued	:	14 October 2022	Time Limit	:	13 October 2023
NC Grade	:	Major	Date of Closing	:	20 November 2022
Standard Ref. & Requirement	:	7.12.4 Where HCVs, HCS forests after 15 November 2018, peatland and other conservation areas have been identified, they are protected and/or enhanced. An Integrated management plans to protect and/or enhance HCV and HCS forests, peatland and other conservation areas are developed, implemented and adapted if necessary, and contains monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan was developed in consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (where these are identified)			
<b>Evidence observed</b> (filled by auditor): The company has a HCV management and monitoring plan which is contained in the KBKT Area Management Plan of PT WNA and PT NKU with management activity plans in the form of boundary marking, boundary marking maintenance, flora and fauna area protection, patrolling, species rehabilitation and enrichment, counseling, employee training. and coordination with relevant agencies. In addition, the management implementation timeline is contained in the 2022 HCV Area Management Work Program with management activities in the form of monitoring/maintenance of buffer zone stakes every 2 months, patrols and monitoring of flora and fauna once in 2 months, HCV socialization 2 times within 1 year, and the manufacture and maintenance of the notice board once every 1 year. Furthermore, during the audit process it can be shown that the results of monitoring/maintenance of buffer zone stakes have been carried out every 2 months which shows the condition of all river border markers at PT NKU and PT WNA are available in good condition.					
Based on the results of field visits to HCV areas, the following were found: <ul style="list-style-type: none"><li>Field visit to the Bahaur River border at SBHE shows that there is no limit to the application of chemicals. In addition, there is 1 point of chemical spraying on the Bahaur River at SBHE. This is in line with the Foreman's Daily Report dated September 2, 2022 which states that there is chemist treatment in the area.</li></ul>					



- Field visits to the Mirah Minting and Bahaur River boundaries showed that the buffer zone boundary marking and chemical application boundary were on one side of the river border.
- Field visit to the Batur River border shows that there is no information board on the presence of HCVs.

The unit of certification has provided an explanation regarding this matter which is shown in the following document:

- Minutes of Socialization of the HCV area to the PT WNA BGS Team on 5 September 2022 which was attended by 19 participants.
- Minutes of HCV Socialization during Morning Call on 29 September 2022 which was attended by 25 participants.
- Minutes of HCV Boundary Maintenance dated October 13, 2022 at the Sungai Bahaur border Block D18 SBHE by marking 50 meters from the river border line.
- Minutes of the Installation of HCV Signs on October 13, 2022 at the Sungai Batur border SMME
- Minutes of Buffer Zone Installation and Marking of Palm Trees on October 13, 2022 at the Mirah Minting River border

However, the auditor team considered that the corrective actions had not been comprehensive and covered the entire scope.

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

Company has not been able to show evidence that the implementation of the HCV area management and monitoring plan has been in accordance with the predetermined plan.

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

HCV monitoring has been carried out but the results are not in accordance with the conditions in the field. so that some corrective actions cannot be carried out in accordance with the existing conditions, this is because in the unit there is no special officer who has the competence to be appointed in carrying out HCV monitoring

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

1. Appoint a special officer for HCV monitoring for each unit
2. Conduct proper HCV monitoring training
3. Re-monitoring by designated officers who have received training
4. Creating a program according to monitoring results
5. Take corrective action on issues encountered in the field

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

Carried out evaluation and monitoring regarding separation of FFB certified and uncertified through internal audit and management review meeting

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

Auditor Verification (14 November 2022)

The company has shown proof of improvement in the form of the following documents:

1. Decree of the HCV officer at BHGE, BKLE, SCME, SMME dated 18 October 2022. However, the letter number for each decision letter has not yet been stated.
2. Minutes of HCV Officer Training held on 25 October 2022 which was attended by 9 participants including HCV Officers at SBHE, SCME, BKLE, SMME, and BHGE.
3. PT Nabatindo Karya Utama KBKT Management Activity Plan for 2022-2023 approved by the Area Controller. The management activity program includes installing boundary markers, installing singboards, rehabilitation and enrichment, external and internal outreach, and identification of the distribution of flora and fauna in the Mirah Minting and Batur Rivers.
4. PT Windu Nabatindo Utama KBKT Management Activity Plan for 2022-2023 approved by the Area Controller. The management activity program includes installing boundary markers, installing singboards, rehabilitation and enrichment, external and internal outreach, and identification of the distribution of flora and fauna in Bahaur.
5. Monitoring of the HCV of PT WNA SS Sungai Bahaur in September-October 2022 which was carried out on 6 September 2022 and 17 October 2022 which included items being managed such as stake conditions, signboard conditions, and disturbance levels. However, there is still no monitoring of disturbances due to chemical application activities.
6. PT NKU SS Sungai Batur HCV monitoring for September-October 2022 which was carried out on September 10, 2022 and October 17, 2022 which included managed items such as stake conditions, signboard conditions, and disturbance levels.
7. Monitoring of HCV PT NKU SS Sungai Mirah Minting in September-October 2022 which was carried out on September 12 2022 and October 18 2022 which includes managed items such as stake conditions, signboard conditions and disturbance levels.
8. Minutes of HCV Management Installation of Signboards/Boundary Markings/Installation of HCV Bufferzone Stakes Equivalent to the Batur River on 17 October 2022 by installing 1 signboard unit and painting 64 trees on the Batur River.
9. Minutes of HCV Management Installing HCV Boundary Signs Equivalent to the Bahaur River on 17 October 2022 by painting 9

trees on the Bahaur River SBHE.

Based on the explanation above, the company has established a root cause analysis, correction and corrective action. However, the unit of certification still needs to show proof of improvement based on the description above for example:

- Information related to the letter number on each decision to appoint an HCV officer in each estate
- monitoring of disturbances due to chemical application activities has not yet been demonstrated.

Verify November 20, 2022

Evidence of improvement can be shown in the form of:

1. Decree of HCV Officer with Decree Number in each estate
2. Update on HCV monitoring with additional observations regarding whether there is agrochemical application

Based on the corrective evidence that addressed, the nonconformity is declared fulfilled and will be observe in the next audit

**Verified by** : Erika Lucitawati / Moh Arif Yusni

NCR No.	:	2022.06	Issued by	:	Erika Lucitawati
Date Issued	:	14 October 2022	Time Limit	:	13 October 2023
NC Grade	:	Major	Date of Closing	:	24 November 2022
Standard Ref. & Requirement	:	7.12.8 Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15 November 2018, the Remediation and Compensation Procedures (RaCP) applies.			
<b>Evidence observed (filled by auditor):</b> PT WNA and PT NKU have been clearing new land since November 2005 without prior identification of HCVs. BGA Group has sent disclosure and liability, and has carried out LUC analysis and has been sent to the RSPO on April 1, 2015 and November 7, respectively, 2014. The results of the document review show that there is a Final Conservation Liability of PT WNA of 103.68 Ha and Final Conservation Liability of PT NKU is 578.59 ha. BGA Group has been in communication with the RSPO until the Stage-2 assessment is carried out. Based on email from RSPO on 10 February 2022, RSPO stated hat, “While for the uncertified management units, The Initial Certification audit may be conducted, but the Certificates can only be issued when the completion of the RaCP Process (i.e approval of Compensation and Remediation Plans) is approved by the Compensation Panel”. Until the Initial Certification assessment is carried out, there has been no decision from the RSPO regarding the approval of the RaCP. Therefore, unit of certification has not yet demonstrated that the RaCP has been endorsed and approved by the RSPO					
<b>Non-Conformance Description (filled by auditor):</b> unit of certification has not yet demonstrated that the RaCP has been endorsed and approved by the RSPO					
<b>Root Cause Analysis (filled by organization audited):</b> The length of the review process from the RSPO secretariat					
<b>Correction (filled by organization audited):</b> Excluded liability area from certification scope and planned to be certified in 2023					
<b>Corrective Action (filled by organization audited):</b> Further monitoring and updating is carried out through communication with the RSPO secretariat					
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> Auditor Verification (14 November 2022) The company has established root cause analysis, correction, and corrective actions. In addition, the company has shown proof of improvement in the form of the following documents: 1. Basic Info PT Nabatindo Karya Utama which was approved by Area Controller 4B which contains a liability area of 578.59 ha. However, the document does not yet contain the ratification date. 2. Basic Info PT Windu Nabatindo Abadi which was approved by Area Controller 4B which contains a liability area of 103.68 ha					

However, the document does not yet contain the ratification date.

3. Work Map of PT Nabatindo Karya Utama with a scale of 1:2,250,000 which was approved by Area Controller 4B and contains information on Certified FFB, Non-Certified FFB, and Non-Certified (Liability) FFB blocks covering an area of 578.59 ha.
4. Work Map of PT Windu Nabatindo Abadi with a scale of 1:2,250,000 which was approved by Area Controller 4B and contains information on Blocks of Certified FFB, Non-Certified FFB, and Non-Certified FFB (without going through the NPP process) covering an area of 103.68 ha.

Based on the explanation above, the area affected by Final Conservation Liability is 103.68 ha in PT WNA and 578.59 ha in PT NKU. However, the company has yet to show a Time Bound Plan showing the certification timeline for the PT WNA and PT NKU sanctioned areas. Thus, the discrepancy on this indicator has not been fulfilled.

Verification 24 November 2022 ,

The Bumitama Agri Ltd Time Bound Plan can be shown, updated on November 23, 2022, where the area included in the liability or RACP area of 578.69 Ha at PT NKU and 103.68 Ha at PT WNA is planned to be certified in 2023.

Based on the corrective evidence that addressed , the nonconformity is declared fulfilled and will be observe in the next audit

<b>Verified by</b>	<b>:</b>	<b>Moh Arif Yusni / Erika Lucitawati</b>
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**3.4.2. Opportunity for Improvement**

No	Ref. Std.	Description
1	7.2.10	<p><b>Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.</b></p> <p>The company has carried out special health examinations (cholinesterase) for workers with certain occupational risks that have been carried out by accredited laboratory with the following results:</p> <ol style="list-style-type: none"> <li>Medical check up for BKLE was held on September 30, 2022, to 38 workers with the results of the examination that there were 1 workers in an unhealthy condition. The company shows the minutes of follow-up on the results of the medical check up on October 3, 2022 to the 1 worker in the form of transfers to manual work.</li> <li>Medical check up for SMME was held on 12 September 2022, for 51 workers with the results of the medical that there were 3 workers in unhealthy condition. The company shows the minutes of follow-up on the results of the medical check up on September 16, 2022 to the 3 worker in the form of transfers to manual work.</li> </ol> <p>The company has not been able to carry out special spirometry examinations based on the Certificate of Implementation of the medical check up of Workers During the Covid-19 Pandemic from the Company Doctor, dated January 3, 2022, which among other things explained that based on the situation during the Covid-19 pandemic, special medical check up for spirometry were not yet available. carried out because the risk of transmission and spread is rather high, namely from respiratory droplets (droplets), air transmission, contaminated surfaces.</p>

**3.4.3. Noteworthy Positive Components**

No	Description
1	The company's commitment to continue to apply the principles of sustainable palm oil
2	Enthusiasm and good teamwork in audit activities.
3	The presentation of the document is quite good.

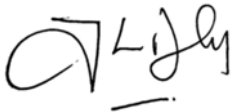

**3.5 Summary of Arising Issues from Public and Auditor Verification**

Public Issues (Institution/ NGO/Community)	Auditor Verification
<b>Manpower Agency of Kotawaringin Timur Regency</b> <ul style="list-style-type: none"> <li>The company has registered the Bipartite Organization.</li> <li>No complaints regarding labor issues (child labour, worker discrimination, forced labor and so on).</li> <li>There were no information request or complaint from Manpower Agency. Every communication with the company is carried out through text message or telephone.</li> </ul>	<p>There was no negative issue that need further verification.</p>
<b>Environmental Agency of Kotawaringin Timur Regency</b> <ul style="list-style-type: none"> <li>There's no negative issue related towards environmental aspect.</li> <li>Company routinely reported all mandatory report, such as RKL-RPL report, hazardous waste report and liquid management report.</li> <li>There is no complaint from surrounding communities related to environment aspect.</li> <li>Company has permit for liquid waste utilization to land, hazardous waste storage, and domestic waste water disposal and are still valid until now.</li> <li>Communication between company and agency well established.</li> </ul>	<p>There are no negative issues, no need further verification.</p>
<b>Agricultural Agency Kotawaringin Timur Regency</b> <ul style="list-style-type: none"> <li>There have been no land fires in the last year</li> <li>There are no indigenous peoples in the company's operational areas</li> <li>The company carries out CSR programs on a regular basis</li> <li>No overlapping operational areas with mining</li> </ul>	<p>There were no negative issues related from agency that need any further verification. The explanation regarding the interview output had been explained specifically in summary report.</p>
<b>National Land Agency of Kotawaringin Timur Regency</b> <ul style="list-style-type: none"> <li>PT Windu Nabatindo Abadi and PT Nabatindo Karya Utama has granted land cession.</li> <li>There is no issues or complaint from stakeholder regarding on that land permit.</li> <li>According to the legal requirement in Indonesia, the company has had the legal right to manage his land concession.</li> </ul>	<p>There were no negative issues related from agency that need any further verification. The explanation regarding the interview output had been explained specifically in summary report.</p>
<b>Representative of Surrounding Community</b> Interviewee: <ul style="list-style-type: none"> <li>Cempaga Hulu District Head</li> <li>Cempaga Hulu <i>Demang</i> (Previous land owner)</li> <li>There have never been any complaints related to land pollution.</li> </ul>	<p>There were no negative issues related from surrounding community that need any further verification. The explanation</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>• Village representatives are participated in the CSR program created by the company every year.</li> <li>• Good village relations with the company.</li> <li>• Many villagers work in the company.</li> <li>• There is no issue of land fires in Unit of Certification's operational area.</li> <li>• There are no issues of intimidation or violence from the company towards the community.</li> </ul>	<p>regarding the interview output had been explained specifically in summary report.</p>
<b>Bipartite Cooperative PT WNA &amp; PT NKU</b> <ul style="list-style-type: none"> <li>• Unit of certification has implemented a determination related to minimum wages</li> <li>• Providing work tools and PPE has been provided free of charge by the company</li> <li>• Unit of certification has included all workers in the "BPJS Ketenagakerjaan" and "BPJS Kesehatan" program</li> <li>• Payment of overtime is in accordance with related regulation</li> <li>• The complaints mechanism is known by the workers and the complaints are always addressed by unit of certification</li> <li>• The housing conditions of workers in a good state</li> <li>• Over the past year there have been no issues related to child labor, discrimination and human rights violations in the corporate environment</li> <li>• The labor union (<i>LKS Bipartit</i>) structure of PT WNA and PT NKU does not consist of management representatives such as manager, but all of the labour union structure (<i>LKS Bipartit</i>) is all from workers.</li> </ul>	<p>There were no negative issues related to bipartite cooperative that need any further verification. The explanation regarding the interview output had been explained specifically in summary report.</p>
<b>Gender Committee of PT WNA and PT NKU</b> <ul style="list-style-type: none"> <li>• There were no complaints regarding issues related to sexual harassment and violence against women.</li> <li>• All woman in pesticides applicator worker and others work which related to chemical material if reported pregnant, the worker would be transferred to non-agrochemical works (e.g.: daycare officer).</li> <li>• The gender committee had socialized some policies related to sexual harassment, and child protection.</li> <li>• The company has had a policy to protect female workers from sexual harassment in the workplace as well as a grievance mechanism.</li> <li>• The company also implemented some regulations related to reproductive rights such as menstruation leave and maternity paid leave.</li> </ul>	<p>There were no negative issues related to gender discrimination that need any further verification. The explanation regarding the interview output had been explained specifically in summary report.</p>
<b>Village Head of Selucing</b> <ul style="list-style-type: none"> <li>a. There is no negative issues, land dispute issues or environmental pollution. The land compensation process has been carried out by involving various parties</li> </ul>	<p>There are no negative issues related to the certification unit, and verification has been carried out in the report.</p>



Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>b. The company has made efforts to develop the surrounding community through CSR programs, development of scheme smallholders, the use of local labor and local contractors.</li> <li>c. The relationship between the company and the community has run quite well and harmoniously. Communication between the company and the village is quite good.</li> </ul>	
<b>Local Contractor (CV Borneo Mulia Abadi)</b> <ul style="list-style-type: none"> <li>a. The agreement has been agreed by both parties.</li> <li>b. Local contractor is a kernel transporter.</li> <li>c. Contractor provides PPE to workers.</li> <li>d. There were no complaints regarding payments and payments in accordance with the work agreement.</li> <li>e. The certification unit has also provided work accident insurance to all employees.</li> </ul>	<p>There is no negative issue related to local contractor.</p>
<b>Sehati Pundu Cooperative</b> <ul style="list-style-type: none"> <li>• The FFB purchase price refers to the government's FFB pricing.</li> <li>• The management of plasma plantations is carried out by the Company.</li> <li>• Currently there is a replanting savings account managed by the cooperative which is obtained from the sale of FFB.</li> <li>• Payment of FFB sales proceeds is made at the beginning of every month. So far, there have been no problems with payments made by the company.</li> <li>• Payments made through cash payments.</li> <li>• The applicable FFB price is in accordance with the price set by the Government, namely the Plantation Service.</li> <li>• The company has provided trainings such as pesticide handling training, Cooperative management training, HCV</li> <li>• Communication between the Cooperative and the Company is going well. If there is a complaint, it will be reported to the PIC of the Company.</li> </ul>	<p>There are no negative issues from the Harapan Abadi Cooperative. Several explanations have been described in the report.</p>

<b>4.0</b>	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>
<b>4.1</b>	<b>Formal Sign-off of Assessment Findings</b>
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p><b>PT Windu Nabatindo Abadi</b> Management Representative</p>  <p><b><u>Jonnes Daulay</u></b> Thursday, 24 November 2022</p> </div> <div style="text-align: center;"> <p><b>MUTU International</b> Lead Auditor</p>  <p><b><u>Moh Arif Yusni</u></b> Thursday, 24 November 2022</p> </div> </div>

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

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Land Office	Kotawaringin Timur Regency	-	Via Phone	11 October 2022	✓	
2	Plantation Agency	Kotawaringin Timur Regency	-	Via Phone	11 October 2022	✓	
3	Environmental Agency	Kotawaringin Timur Regency	-	Via Phone	11 October 2022	✓	
4	Manpower Agency	Kotawaringin Timur Regency	-	Via Phone	11 October 2022		
5	Sehati Pundu Cooperative	Kotawaringin Timur Regency	-	Via Phone	11 October 2022	✓	
6	Selucing Village	Kotawaringin Timur Regency	-	Via Phone	11 October 2022	✓	
7	Cempaga Hulu District Head	Kotawaringin Timur Regency	-	Via Phone	11 October 2022	✓	
8	Local Elder of Dayak (Demang) Cempaga Hulu Subdistrict	Kotawaringin Timur Regency	-	Via Phone	11 October 2022	✓	
10	Local Contrators (CV Borneo Mulia Abadi	Kotawaringin Timur Regency	-	Via Phone	11 October 2022	✓	
11	Tumbang Sana Hamlet Head	Kotawaringin Timur Regency	-	Via Phone	11 October 2022		✓
12	Gender Committee (PT WNA)	Kotawaringin Timur Regency	-	Via Phone	11 October 2022	✓	
13	Gender Committee (PT NKU)	Kotawaringin Timur Regency	-	Via Phone	11 October 2022	✓	
14	Bipartite Institute (PT WNA)	Kotawaringin Timur Regency	-	Via Phone	11 October 2022	✓	
15	Bipartite Institute (PT NKU)	Kotawaringin Timur Regency	-	Via Phone	11 October 2022	✓	
16	Sungai Cempaga Mill (18 Workers)	Kotawaringin Timur Regency		Observation and Interview	11 October 2022	✓	
17	Sungai Bahaur Estate (23 workers)	Kotawaringin Timur Regency		Observation and Interview	12 October 2022	✓	
18	Bangun Koling Estate (19 worker)	Kotawaringin Timur Regency		Observation and Interview	12 October 2022	✓	
19	Sungai Mirah Minting (23 Workers)	Kotawaringin Timur Regency		Observation and Interview	12 October 2022	✓	
20	Banama Haring Estate (17 Workers)	Kotawaringin Timur Regency		Observation and Interview	12 October 2022	✓	
21	Sungai Cempaga Estate (1 Workers)	Kotawaringin Timur Regency		Observation and Interview	05 October 2022	✓	
22	World Wide Fund	-	<a href="mailto:wwf-indonesia@wwf.or.id">wwf- indonesia @wwf.or.id</a>	Via email	05 October 2022		✓
23	Wahana Lingkungan Hidup Indonesia	-	<a href="mailto:informasi@walhi.or.id">informasi@ walhi.or.id</a>	Via email	05 October 2022		✓
24	Sawit Watch	-	<a href="mailto:info@sawit">info@sawit</a>	Via email	05 October 2022		✓

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
25	Aliansi Masyarakat Adat Nusantara	-	<a href="http://watch.or.id">watch.or.id</a> <a href="mailto:rumahaman@cbn.net.id">rumahaman@cbn.net.id</a>	Via email	05 October 2022		✓

**Appendix 2. Assessment Program**

DATE /	10 – 15 October 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
MONDAY, 10 OCTOBER 2022		
11.00 – 13.00	JAKARTA → PALANGKARAYA	All Auditor
14.00 – 17.00	PALANGKARAYA → PT WINDU NABATINDO ABADI	
TUESDAY, 11 OCTOBER 2022		
08.00 – 09.00	<b>Opening meeting</b> <ul style="list-style-type: none"><li>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li><li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li></ul>	All Auditor
09.00 – 12.00	<b>Verification of Basic Information Mill and Estate</b>  <b>Confirmation of Time Bound Plan</b>  <b>Review of Partial Certification</b>  <b>Stakeholder Consultation</b> <ul style="list-style-type: none"><li>Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier and scheme smallholders</li><li>public consultation with stakeholder to relevant agency in Kotawaringin Timur Regency (by Phone)</li><li>Stakeholder consultation to affected communities surrounding the plantations and previous land owner</li></ul>	YYT
09.00 – 12.00	<b>Field observation to SUNGAI CEMPAGA MILL :</b> <ul style="list-style-type: none"><li>Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Dispatch CPO)</li><li>Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond)</li><li>Implementation of Employment Procedure and Mechanism Aspect</li></ul>	MAY / ERL / HRW
12.00 – 14.00	<ul style="list-style-type: none"><li><b>Break</b></li></ul>	All Auditor
14.00 – 16.15	<ul style="list-style-type: none"><li><b>Verification of stakeholder consultation result and field visit.</b></li><li><b>Document review and completing audit checklist.</b></li></ul>	All Auditor
16.15 – 17.00	<ul style="list-style-type: none"><li>Presentation of Daily Progress</li></ul>	
WEDNESDAY, 12 OCTOBER 2022		
08.00 – 12.00	<b>Field Observation to Sungai Bahaur Estate, Bangun Koling Estate</b> Aspect to be verified : <ul style="list-style-type: none"><li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li></ul>	All Auditor

DATE /	10 – 15 October 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	<ul style="list-style-type: none"><li>• Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li><li>• Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li><li>• Implementation of Occupational Health &amp; Safety Aspect</li><li>• Implementation of Employment Procedure and Mechanism Aspect</li></ul>	
12.00 – 14.00	<b>Break</b>	
14.00 – 16.15	<ul style="list-style-type: none"><li>• <b>Verification of stakeholder consultation result and field visit.</b></li><li>• <b>Document review and completing audit checklist.</b></li></ul>	<b>All Auditor</b>
16.15 – 17.00	<ul style="list-style-type: none"><li>• Presentation of Daily Progress</li></ul>	
<b>THURSDAY, 13 OCTOBER 2022</b>		
08.00 – 12.00	<b>Field Observation to Banama Haring Estate &amp; Sungai Mirah Minting Estate</b> Aspect to be verified : <ul style="list-style-type: none"><li>• Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li><li>• Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li><li>• Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li><li>• Implementation of Occupational Health &amp; Safety Aspect</li><li>• Implementation of Employment Procedure and Mechanism Aspect</li></ul>	<b>All Auditor</b>
12.00 – 14.00	<ul style="list-style-type: none"><li>• <b>Break</b></li></ul>	
14.00 – 16.15	<ul style="list-style-type: none"><li>• <b>Verification of stakeholder consultation result and field visit.</b></li><li>• <b>Document review and completing audit checklist.</b></li></ul>	<b>All Auditor</b>
16.15 – 17.00	<ul style="list-style-type: none"><li>• Presentation of Daily Progress</li></ul>	
<b>FRIDAY, 14 OCTOBER 2022</b>		
08.00 – 12.00	<ul style="list-style-type: none"><li>• Continued field observation and Public Consultation if needed)</li><li>• Document review and completing audit checklist.</li></ul>	<b>All Auditor</b>
12.00 – 14.00	<b>Break</b>	
14.00 – 16.00	Internal discussion by auditor team preparing for Closing Meeting	<b>All Auditor</b>
16.00 – 17.00	<b>Closing Meeting</b> <ul style="list-style-type: none"><li>• Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, TimeLine of CAR's, Conclusion)/</li></ul>	



DATE <i>L</i>	10 – 15 October 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	<ul style="list-style-type: none"> <li>Comments, Responses and Questions</li> </ul>	
17.30 – 20.30	PT WINDU NABATINDO ABADI → PALANGKARAYA	
<b>SATURDAY, 15 OCTOBER 2022</b>		
11.00 – 12.00	PALANGKARAYA → JAKARTA	All Auditor