

*Roundtable on Sustainable Palm Oil Certification  
RSPO*

**[ ✓ ] Surveillance**

Name of Management Organisation : Bukit Tunggal Jaya Mill PT Ladang Sawit Mas subsidiary of Bumitama Agri Ltd

Plantation Name : Bukit Tunggal Jaya Estate and Hamparan Jaya Estate (PT Ladang Sawit Mas); Natai Jaya Estate and Bengkirai Jaya Estate (PT Nabati Agro Subur and PT Lestari Gemilang Intisawit); Cemara Jaya Estate (PT Gemilang Makmur Subur)

Location : Village of Simpang Tiga Sembelangaan, Sub District of Nanga Tayap, District of Ketapang, Province of Kalimantan Barat, Indonesia

Certificate Code : **MUTU-RSPO/150**

Date of Certificate Issue : 11 December 2020      Date of License Issue : 15 February 2023

Date of Certificate Expiry : 10 December 2025      Date of License Expiry : 10 December 2023

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1 (Remote Audit)	15 to 16 November 2021	Hasiholan Sihombing (Lead Auditor), Rahmat Abdiansyah, Septian Maulana, Darwin Simatupang	Briyogi Shadiwa	Leonada
ASA-1 & ASA-2 (Onsite Audit)	21 to 26 November 2022	Moh Arif Yusni (Lead Auditor), Yudhi Yuniarto T, Benli Manurung, and Harry Wahyudi		

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1 & ASA-2	15 February 2023

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on March 12<sup>th</sup>, 2014 with registration number *ASI-ACC-055*

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**Figure 1. Location Map of Bukit Tunggal Jaya Mill - PT Ladang Sawit Mas**

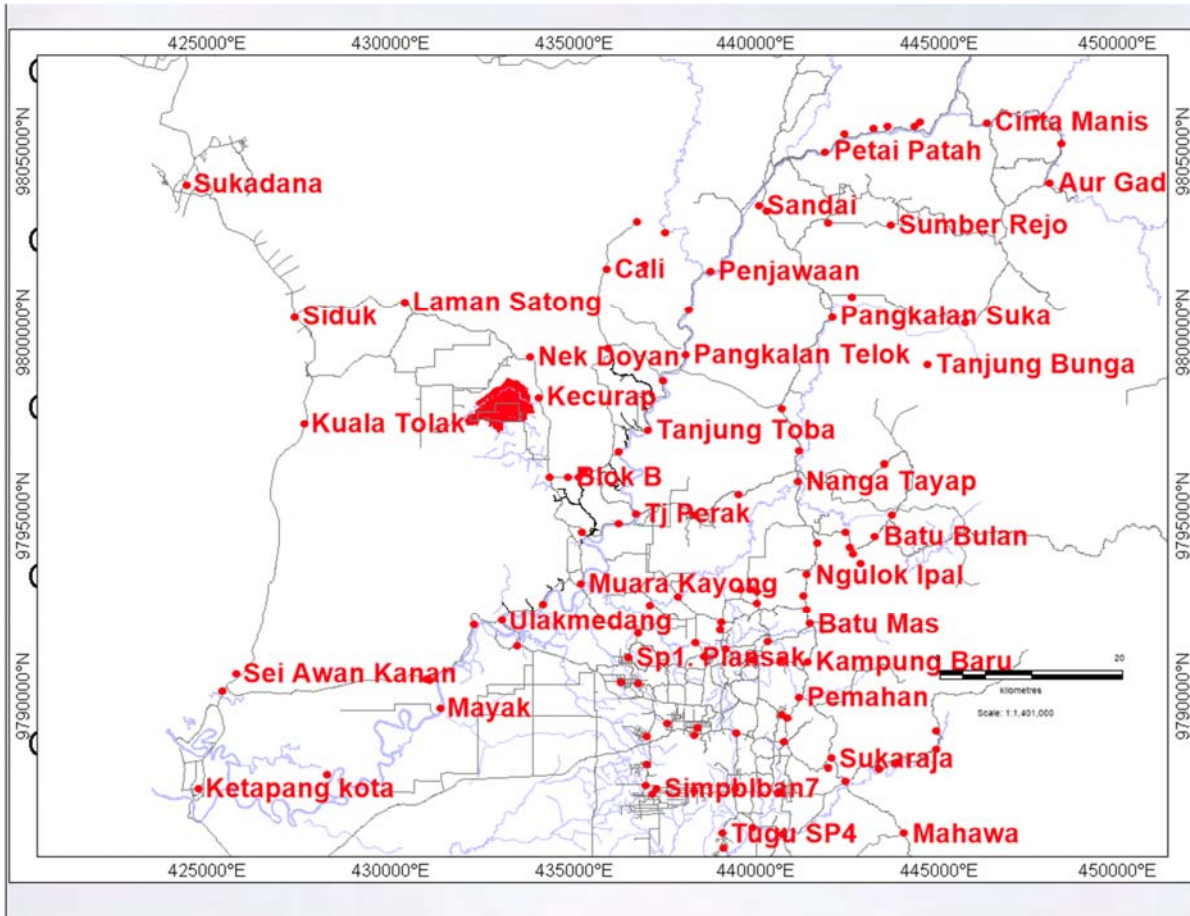
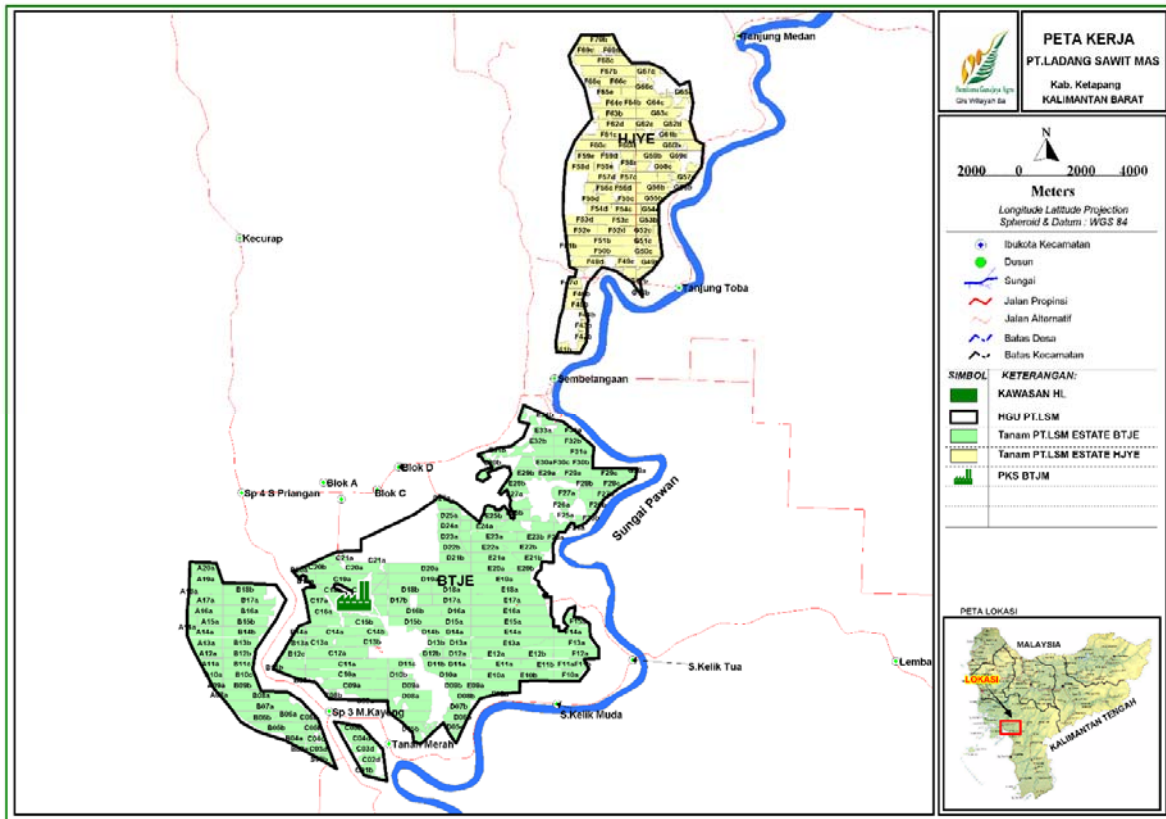
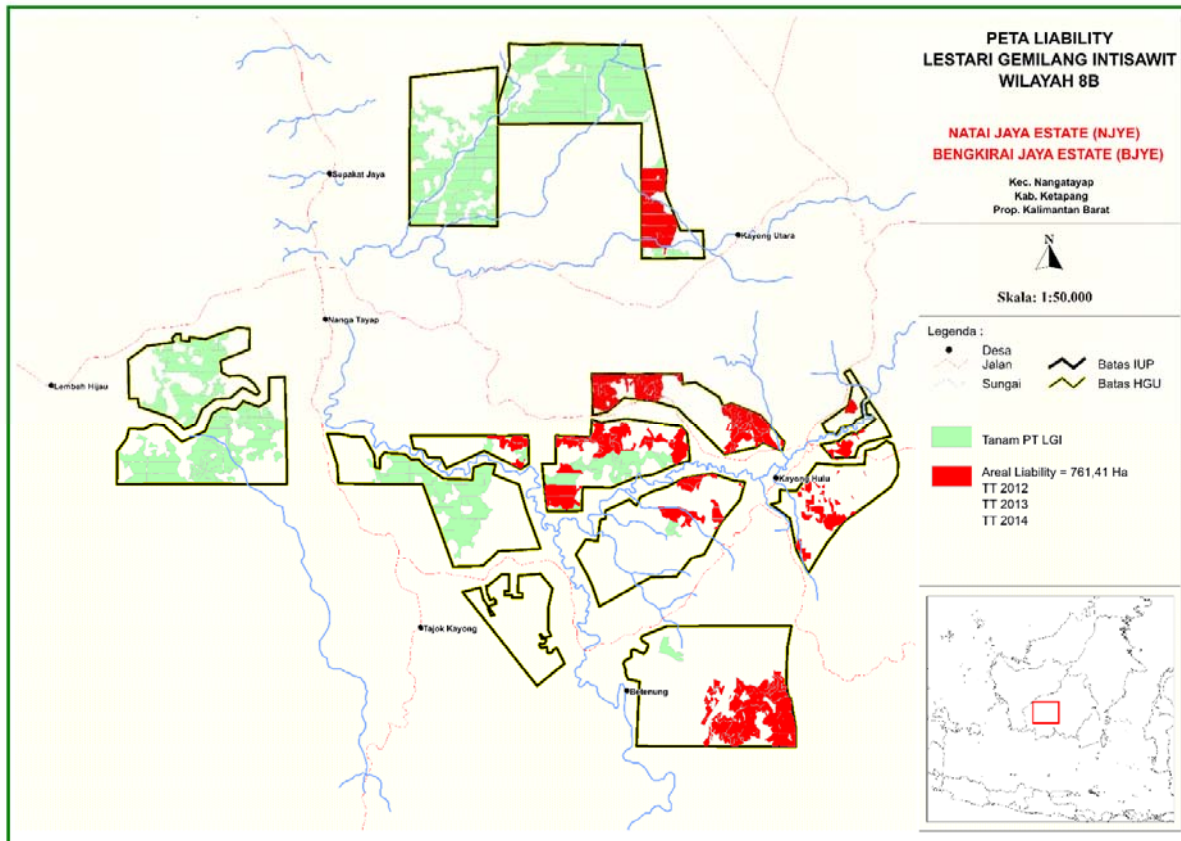


Figure 2. Operational Map of PT Ladang Sawit Mas – Bukit Tunggal Jaya Mill



**Figure 3. Operational Map of PT Lestari Gemilang Inti Sawit**



**Figure 4. Operational Map of PT Nabati Agro Subur**

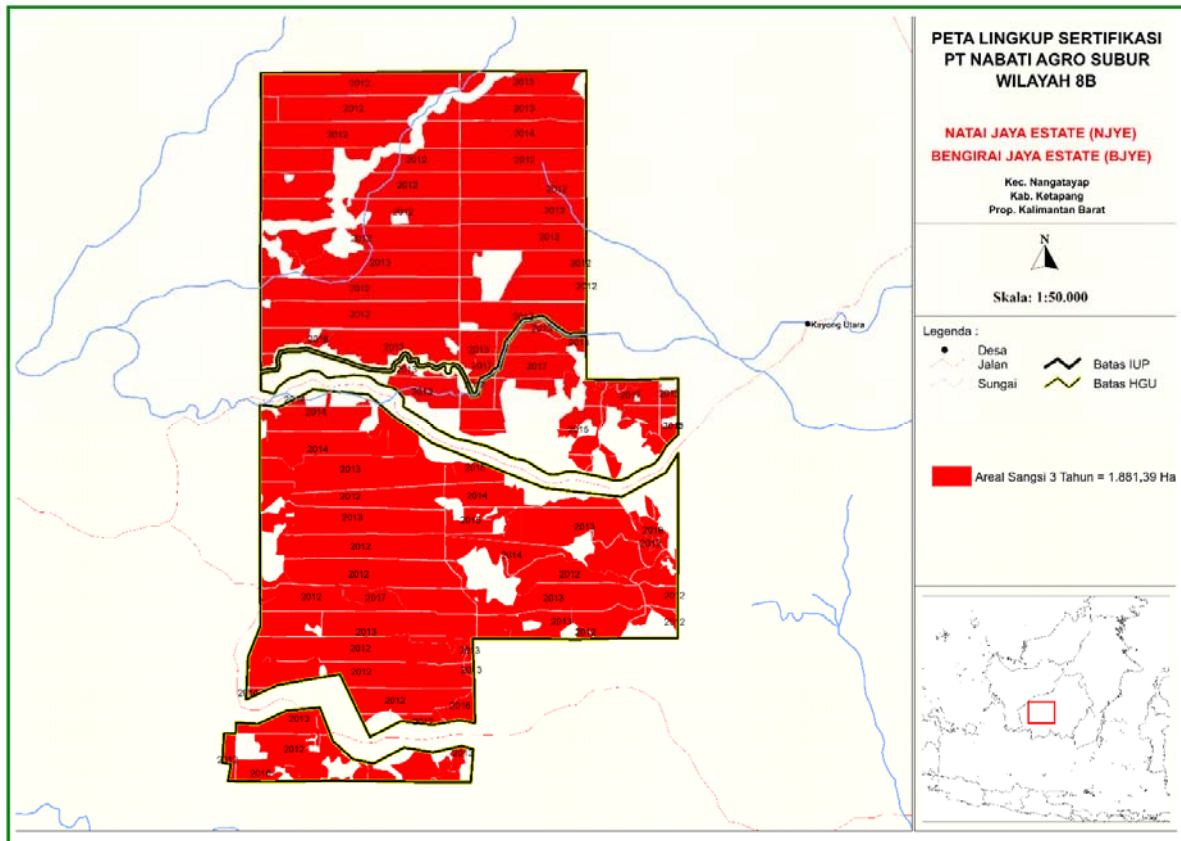
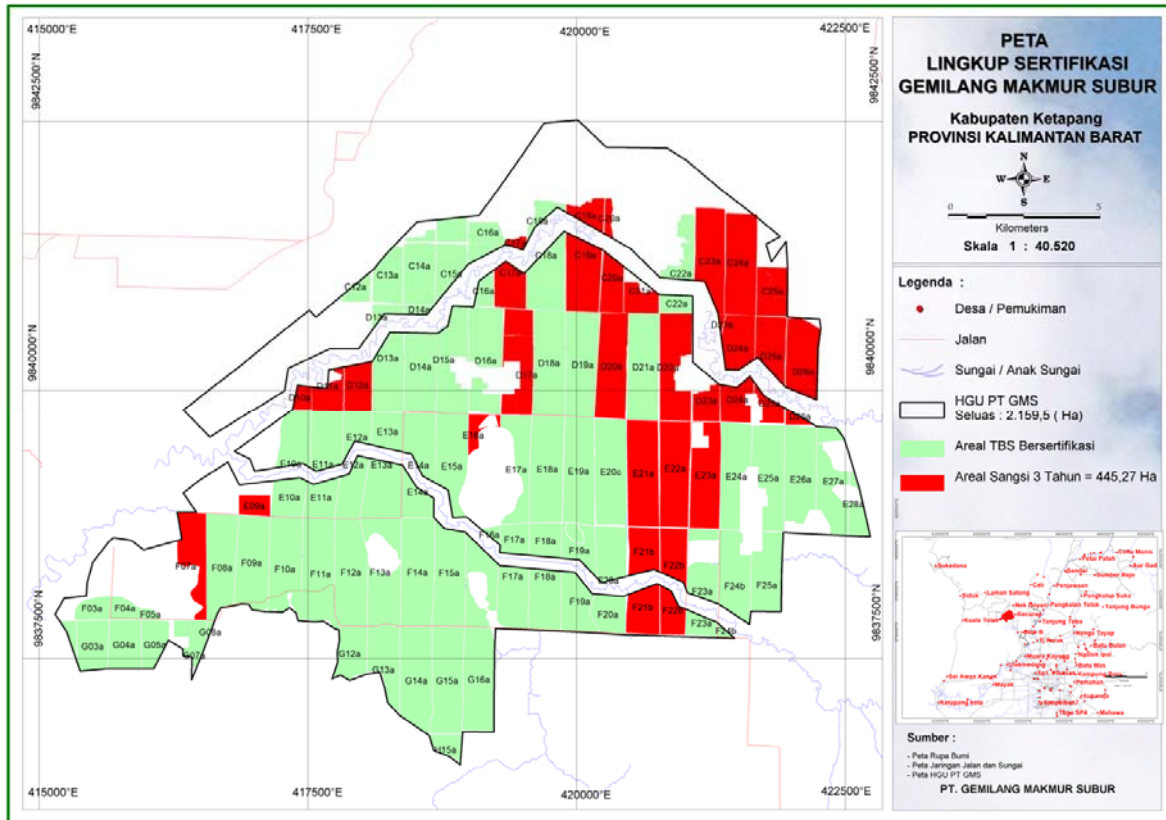




Figure 5. Operational Map of PT PT Gemilang Makmur Subur



**Abbreviations Used**

BJYE	:	Bengkirai Jaya Estate
BMS	:	BGA Manuring System
BOD	:	Biochemical oxygen demand
BPJS	:	Badan Penyelenggara Jaminan Sosial / Social Security Agency
BSS	:	BGA Spraying System
BTJE	:	Bukit Tunggul Jaya Estate
BTJM	:	Bukit Tunggul Jaya Mill
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
DWL	:	Decent Living Wage
EFB	:	Empty Fruit Bunch
FFB	:	Fresh Fruit Bunch
FR	:	Frequency Rate
HCV	:	High Conservation Value
HIRAC	:	Hazard Identification Risk Assessment and Control
HJYE	:	Hamparan Jaya Estate
IOM	:	Internal Office Memorandum
IPM	:	Integrated Pest Management
ISPO	:	Indonesian Sustainable Palm Oil
KER	:	Kernel Extraction Rate
LGI	:	Lestari Gemilang Intisawit
LKS	:	<i>Lembaga Kerja Sama</i> / cooperation agency
LSM	:	Ladang Sawit Mas
LSU	:	Leaf Sampling Unit
MSDS	:	Material Safety Data Sheet
NAS	:	Nabati Agro Subur
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> /OHS Committee
PK	:	Palm Kernel
POM	:	Palm Oil Mill
PPE	:	Protective Personal Equipment
PT LGI	:	PT Lestari Gemilang Intisawit
PT LSM	:	PT Ladang Sawit Mas
RSPO	:	Roundtable on Sustainable Palm Oil
RTE	:	Rare, Threatened, & Endangered
SCCS	:	Supply Chain Certification
SIA	:	Social Impact Assessment
SK	:	<i>Surat Keputusan</i> / decree
SKP	:	<i>Surat Keterangan Penunjukkan</i> / appointment statement letter
SOP	:	Standard Operating Procedure
SR	:	Severity Rate
SSU	:	Soil Sampling Unit
WHO	:	World Health Organization



<b>1.0</b>	<b>SCOPE of the CERTIFICATION ASSESSMENT</b>		
<b>1.1</b>	<b>Assessment Standard Used</b>	<ul style="list-style-type: none"> <li>Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSP0 Board of Governors on 20 April 2020.</li> <li>RSP0 Certification Systems for Principles &amp; Criteria and RSP0 Independent Smallholder Standard Endorsed by the RSP0 Board of Governors on 12 November 2020</li> </ul>	
<b>1.2</b>	<b>Organisation Information</b>		
1.2.1	Organisation name listed in the certificate	PT Ladang Sawit Mas subsidiary of Bumitama Agri Ltd	
1.2.2	Contact person	Jonnes Daulay	
1.2.3	Organisation address and site address	<u>RSP0 registered company:</u> 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 RSP0 member	1-0043-07-000-00 – 07 October 2007	
<b>1.3</b>	<b>Type of Assessment</b>		
1.3.1	Scope of Assessment and Number of Management Unit	On ASA-1+ASA-2, there is ext.scope 3 estates. Palm Oil Mill and supply base Bukit Tunggul Jaya Mill) and 5 estate (Bukit Tunggul Jaya Estate, Hamparan Jaya Estate, Natai Jaya Estate, Bengkirai Jaya Estate, and Cemara Jaya Estate)	
1.3.2	Type of certificate	Single	
<b>1.4</b>	<b>Locations of Mill and Plantation</b>		
1.4.1	Location of Mill		
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Bukit Tunggul Jaya Mill	Sungai Kelik Village, Nanga Tayap Sub District, Ketapang District, Kalimantan Barat Province, Indonesia	S 01° 32' 47"      S 110° 20' 38"
1.4.2	Location of Certification Scope of Supply Base		
	<b>Name of Supply Base</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Bukit Tunggul Jaya Estate	Simpang Tiga Sembelangaan Village, Nanga Tayap Sub District, Ketapang District, Kalimantan Barat Province,	S 01° 31' 45"      E 110° 22' 57"

	Indonesia		
Hamparan Jaya Estate	Simpang Tiga Sembelangan Village, Nanga Tayap Sub District, Ketapang District, Kalimantan Barat Province, Indonesia	S 01° 27' 24"	E 110° 24' 11"
Cemara Jaya Estate	Laman Satong Village, Matan Hilir Utara Sub District, Ketapang District, Kalimantan Barat Province, Indonesia	S 01° 27' 27"	E 110° 17' 23"
Bengkirai Jaya Estate	Nanga Tayap Village, Nanga Tayap Sub District, Ketapang District, Kalimantan Barat Province, Indonesia	S 01° 33' 42"	E 110° 35' 17"
Natai Jaya Estate	Nek Doyan Village, Nanga Tayap Sub District, Ketapang District, Kalimantan Barat Province, Indonesia	S 01° 30' 37"	E 110° 34' 52"

**1.5 Description of Area Statement**

1.5.1	Tenure	
	• State	16,408.91 Ha
	• Community	- Ha

**1.5.2 Area Statement**

Description	PT LSM	PT LGI	PT NAS	PT GMS	Total	
• Total area	5,718.63	5,504.84	2,227.50	2,119.78	15,570.75	Ha
• Mature area	4,742.71	2,403.51	1,881.39	1,633.60	10,661.21	Ha
• Road	285.63	239.14	88.28	42.21	655.26	Ha
• Building	42.44	5.58	16.68	7.46	72.16	Ha
• Mill	22.59	-	-	-	22.59	Ha
• River, Swamp Ditch	18.68	-	-	-	18.68	Ha
• Reserve Area	200.04	-	-	360.29	560.33	Ha
• Occupation Area	90.94	548.93	194.28	-	834.15	Ha
• HCV / Conservation Area	315.60	2,307.68	46.87	76.22	2,746.37	Ha

\*There are area covering 39.75 Ha at PT GMS, 761.41 Ha at PT LGI, 37.00 Ha at PT NAS exclude from the scope of certifications

**1.6 Planting Year and Cycles**

1.6.1	Age profile of planting year						
		<b>Hectarage (Ha)</b>					
	<b>Planting Year</b>	Bukit Tunggal Jaya Estate	Hamparan Jaya Estate	Bengkirai Jaya Estate	Natai Jaya Estate	Cemara Jaya Estate	<b>Total</b>
	2006	-	-	-	-	5.18	5.18
	2007	-	-	-	-	386.13	386.13
	2008	-	-	-	-	613.19	613.19
	2012	1309.84	467.16	700.51	992.29	321.66	3791.46
	2013	1508.06	489.59	698.31	590.1	-	3286.06
	2014	235.78	-	419.69	79.26	-	734.73
	2015	-	-	508.16	130.41	-	638.57

	2016	235.78	-	68.23	8.2	123.61	435.82	
	2017	70.38	122.34	26.32	60.16	167.18	446.38	
	2018	215.03	88.75	3.26	-	16.65	323.69	
	<b>TOTAL</b>	<b>3,574.87</b>	<b>1,167.84</b>	<b>2,424.48</b>	<b>1,860.42</b>	<b>1,633.60</b>	<b>10,661.21</b>	
1.6.2	New Planting area after January 2010		9,656.71				Ha	
1.6.3	Planting Cycle		1 <sup>st</sup> Cycle					
<b>1.7</b>	<b>Description of Mill and Supply Base</b>							
1.7.1	Description of Mill							
	<b>Name of Mill</b>	<b>Capacity (tonnes/ hour)</b>	<b>FFB Processed (tonnes/year)</b>	<b>CPO</b>		<b>Palm Kernel</b>		
				<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	
	Bukit Tunggal jaya	60	576,493.00	127,330.25	22.09	25,413.99	4.41	
	<i>*Production data source from December 2020 – October 2022</i>							
1.7.2	Description of Certification Scope of Supply Base							
	<b>Name of Estates</b>	<b>Total Area (Ha)</b>	<b>Production Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/h a/year)</b>	<b>Supplied to Mill</b>		
						<b>FFB (tonnes/year)</b>	<b>%</b>	
	Bukit Tunggal Jaya Estate	4,208.54	3,574.87	115,116.65	17.56	115,116.65	100.00	
	Hamparan Jaya Estate	1,510.09	1,167.84	36,344.13	16.97	36,344.13	100.00	
	<b>TOTAL</b>	<b>5,718.63</b>	<b>4,742.71</b>	<b>151,460.78</b>	<b>16.66</b>	<b>151,460.78</b>	<b>100.00</b>	
	<i>*Production data source from December 2020 – October 2022</i>							
	<i>* the rest of FFB delivered to others mill under subsidiary of Bumitama Agri Ltd.</i>							
1.7.3	FFB description from other source							
	<b>Name of sources/Organisation (RSP0 non-certified)</b>	<b>Type of Organisation</b>	<b>number of smallholders</b>	<b>Production Area (Ha)</b>	<b>Supplied to Mill FFB (tonnes/year)</b>			
	Bengkirai Jaya Estate	PT Lestari Gemilang Intisawit	-	2,394.90	46,224.27			
	Bengkirai Jaya (Liability Area)	PT Lestari Gemilang Intisawit	-	-	11,798.18			
	Natai Jaya Estate	PT Lestari Gemilang Intisawit	-	1,800.26	66,466.21			
	Natai Jaya Estate -Liability Area	PT Lestari Gemilang Intisawit	-	-	2,185.01			
	Cemara Jaya Estate	PT Gemilang Makmur Subur	-	1,449.77	65,014.58			
	Cemara Jaya Estate (Liability Area)	PT Gemilang Makmur Subur	-	-	819.94			
	Padang Harapan Jaya Estate	PT. Sejahtera Sawit Lestari)	-	-	16,665.35			
	Seladan Jaya Estate	PT. Agro Manunggal Sawitindo)	-	-	45,923.17			
	Sumber Mas Jaya Estate	PT Karya Makmur Langgeng	-	-	29,840.24			
	Plasma Bengkirai Jaya	PT Lestari Gemilang	-	-	13,039.78			

Estate	Intisawit -			
Plasma Natai Jaya Estate	PT Lestari Gemilang Intisawit	-	-	17,922.42
Plasma Cemara Jaya Estate	PT Gemilang Makmur Subur	-	-	107,432.66
PT Sandai Makmur Sawit	Outgrowers	-	-	477.04
CV. Mora Jaya	Outgrowers	-	-	2.13
CV. Garuda Mas Jaya	Outgrowers	-	-	21.98
Koperasi Sejahtera Baru	Outgrowers	-	-	673.82
Kel. Tani Sumber Rezeki	Outgrowers	-	-	762.97
<b>TOTAL</b>				<b>425,269.75</b>
<i>*Production data source from December 2020 – October 2022</i>				
1.7.4	Product categories	FFB, CPO, PK		
<b>1.8</b>	<b>Tonnage of Product</b>			
1.8.1	Past Annual Claim Certified Product	Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (December 2020 to October 2022) (MT)	
	FFB Processed	106,000	131,869.01	
	CPO Production	21,349	28,956.31	
	Palm Kernel (PK) Production	4,225	5,805.33	
1.8.2	Product selling	Actual selling product for last year (December 2020 to October 2022) (MT)		
	Type of selling product			
	CSPO sold as RSPO certified product	0		
	CSPK sold as RSPO certified product	3,200		
	CSPO sold under other scheme	0		
	CSPK sold under other scheme	0		
	CSPO sold as conventional	28,548.75		
	CSPK sold as conventional	0		
1.8.3	Estimate of Certified FFB Claim			
	<b>Name of Estate(s)</b>	<b>Total Area (Ha)</b>	<b>Production Area (Ha)</b>	<b>FFB (tonnes/year)</b>
	Bukit Tunggul Jaya Estate	4,208.54	3,574.87	68,000
	Hamparan Jaya Estate	1,510.09	1,167.84	21,000
	Cemara Jaya Estate	2,119.78	1,449.77	25,000
	Bengkirai Jaya Estate	5,106.54	2,394.90	19,000
	Natai Jaya Estate	2,625.80	1,800.26	21,000
	<b>TOTAL</b>	<b>15,570.75</b>	<b>10,661.21</b>	<b>154,000</b>
	<i>*Projected FFB production for 12 months of certificate</i>			
	<i>** there are area subjected to sanctions due to new planting after January 2010 without NPP covering 445.27 Ha in PT Gemilang Makmur Subur; 1881.39 Ha in PT Nabatindo Agro Subur</i>			
1.8.4	Estimate of Certified Palm Product Claim			
	<b>Name of Mill</b>	<b>Capacity</b>	<b>FFB</b>	<b>CPO</b>
				<b>Palm Kernel</b>
				<b>Supply Chain</b>

	(tonnes/ hour)	Processed (tonnes/year)	Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	Module
Bukit Tunggal Jaya	60	154,000	34,650	22.5	6,930	4.5	MB
<i>*Projected FFB production for 12 months of certificate</i> <i>**There is area subjected to sanctions due to new planting after January 2010 without NPP covering 445.27 Ha in PT Gemilang Makmur Subur; 1881.39 Ha in PT Nabatindo Agro Subur</i>							
<b>1.9</b>	<b>Other Certifications</b>						
	ISO 9001:2015		-				
	ISO 14001:2015		-				
	ISO 45001:2018		-				
	ISCC		-				
	Others		-				
<b>1.10</b>	<b>Time Bound Plan</b>						
<b>1.10.1</b>	<b>Time Bound Plan for Other Management Units</b>						
	<b>Management Unit</b>		<b>Estate (Supply Base)</b>	<b>Time Bound Plan</b>	<b>Location</b>	<b>Status</b>	
	<b>MILL</b>	<b>Time Bound Plan</b>					
	Pundu Nabatindo (PT Windu Nabatindo Lestari)	2014	Pundu Nabatindo	2014	Kotawaringin Timur 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)	2023	(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 Pulai Sejahtera	2023	Kotawaringin Barat Regency, Kalimantan Tengah	-
Kendawangan Mill (PT. Gunajaya Karya Gemilang)	2015	Mekar Utama	2015	Ketapang Regency, Kalimantan Barat	Certified 2015
		Kendawangan			
		Banjar Sari			
		Seriam Jaya			
		Membuluh Jaya			
	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	2020	Ketapang Regency,	Certified

		Ha		Kalimantan Barat	2020
		Kelompok Tani Sawit Maju Sejahtera (1,427.09 Ha)	2022	Ketapang Regency, Kalimantan Barat	-
		PT Gunajaya Harapan Lestari	2023	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	Certified 2022
		PT Nabatindo Karya Utama	2022	Kalimantan Tengah	Certified 2022
		KSU Sehati Pundu	2023	Kalimantan Tengah	-
		Koperasi Koling Hapakat	2023	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 Mill (PT Ladang Sawit Mas)	2022	PT Ladang Sawit Mas	2022	Ketapang Regency, Kalimantan Barat	Certified
		KopBun Bukit Tunggal Sejahtera	2023	Ketapang Regency, Kalimantan Barat	-
		KopBun Mitra Perjalanan Permai	2023	Ketapang Regency, Kalimantan Barat	-
		PT Lestari Gemilang Intisawit (LGI) - 5548,32 Ha	2022	Ketapang Regency, Kalimantan Barat	-
		PT Lestari Gemilang Intisawit (LGI) - 761,41 Ha the area which suspect into liability mechanism	2023	Ketapang Regency, Kalimantan Barat	-
		PT Ago Manunggal Sawitindo	2023	Ketapang Regency, Kalimantan Barat	
		PT Nabati Agro Subur (NAS) -		Ketapang Regency, Kalimantan Barat	-

		2227,5 Ha			
		PT Nabati Agro Subur (NAS) - 37 Ha the area which suspect into liability mechanism	2023	Ketapang Regency, Kalimantan Barat	-
		PT Sejahtera Sawit Lestari	2023	Ketapang Regency, Kalimantan Barat	-
		PT Karya Makmur Langgeng	2023	Ketapang Regency, Kalimantan Barat	-
		PT Gemilang Makmur Subur (GMS) - 2119,75 Ha	2022	Ketapang Regency, Kalimantan Barat	-
		PT Gemilang Makmur Subur (GMS) - 39,75 Ha the area which suspect into liability	2023	Ketapang Regency, Kalimantan Barat	-
		Koperasi Istana Pawan Mandiri	2023	Ketapang Regency, Kalimantan Barat	-
		Koperasi Rungau Sejahtera	2023	Ketapang Regency, Kalimantan Barat	-
		PT Damai Agro Sejahtera (DAS)	2023	Ketapang Regency, Kalimantan Barat	
	Bukit Belaban Mill (PT Sentosa Prima Agro) **Replanting from Acquisition	PT Sentosa Prima Agro	2023	Ketapang Regency, Kalimantan Barat	-
		PT Raya Sawit Manunggal	2023		-
		PT Wahana Hijau Indah	2023		-
		PT Hungarindo Persada	2023		-
	<i>Time Bound Plan updated on 19 December 2022</i>				
1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>				
	There are two scheme smallholders under the scope of certifications and based on verifications of Time Bound Plan and interview with managements both cooperative planned to be certified in 2023				

2.0	<b>ASSESSMENT PROCESS</b>
2.1	<b>Assessment Team</b>
ASA-1 Remote Audit	<ol style="list-style-type: none"> <li><b>1. Hasiholan Sihombing (Lead Auditor).</b> Indonesian citizen. Bachelor of Agriculture Majoring in Agronomy, Agriculture Faculty. He has working experienced for 7 (seven) years since 2009 as an Operational Staff in an Oil Palm Plantation Company in Indonesia. The training he has followed namely: Lead Auditor ISPO, RSP0 P&amp;C Lead Auditor Course, RSP0 Supply Chain Certification Lead Auditor Course, SA 8000 Awareness, Quality Management Systems (ISO 9001:2015), Environmental Management Systems (ISO 14001:2015), OHS General Expert, OHSAS 18001:2007, ISO 19011:2018, ISO 17021:2011 and ISO 17065:2012. During this audit, he assigned to verify transparency, legal aspect, land dispute, environmental/conservation and SCCS.</li> <li><b>2. Rahmat Abdiansyah (Auditor).</b> Indonesian citizen. Bachelor of Forestry from IPB University, with major in Forest Resources Conservation and Ecotourism. Has experience working in the Indonesian Palm Oil Farmers Organization and Indonesian private oil palm plantation companies. Participate in ISPO and RSP0 Internal Auditor training in 2018, ISPO and P&amp;C Certification Systems IHT in 2019, IHT ISO 19011, ISPO Auditor Training in 2020, RSP0 Lead Auditor Training in 2020, ISO 14001 and ISO 9001 Lead Auditor Training in 2020, and awareness of the RSP0 Certification System and the RSP0 P&amp;C in 2019 and 2020. During this assessment, he verified the aspects of environment, conservation and GHG aspect.</li> <li><b>3. Septian Maulana (Auditor).</b> Indonesian Citizen, Bachelor of Economic, Pamulang University. Have experience as sustainability staff on oil palm plantation. Training have been followed including Occupational Health and Safety Expert Candidate certification by Ministry of Manpower and Transmigration of Indonesia; Awareness Integrated Management Systems (ISO 9001:2015, ISO 14001:2015, ISO 45001:2018); Basic Fire Fighting; Basic First Aid; Understanding the regulations and technical aspects of environmental management; Training of Immobilization after a venomous snake bite; Awareness ISO 19011:2011; Awareness ISO 17065:2012; Awareness ISO 17021:2015; ISO 14001:2015; and ISO 45001:2018; ISO 9001:2015 Lead Auditor, ISPO Lead Auditor, and RSP0 Lead Auditor. In this audit activity was verified OHS and Best Management Practices Aspect.</li> <li><b>4. Darwin Simatupang (Auditor Trainee).</b> Indonesian citizen. Bachelor of Agriculture, majoring in Soil Science and Land Resource from IPB University. Has one year experience as agronomist in palm oil plantation company. Training has been attended including Indonesian Sustainable Palm Oil (ISPO), Lead Auditor of ISO 9001: 2015, Awareness ISO 17021: 2015, Awareness ISO 17065: 2012, Awareness ISO 14001: 2015, Awareness ISO 45001: 2018, Awareness ISO 19011: 2018. During this assessment has verified Worker Welfare and Social supervised by Lead Auditor.</li> </ol>
ASA-1 & ASA-2 Onsite Audit	<ol style="list-style-type: none"> <li><b>1. 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, RSP0 lead auditor, ISPO lead auditor, OHS expert, OHS auditor based on National Government No. 50/2012, SCCS, etc. Has conducting ISPO, RSP0 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, TBP, Partial certification, best management practices and safety aspect.</li> <li><b>2. 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, RSP0 P&amp;C Lead Auditor Training Course, RSP0 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 RSP0 scheme since 2017 for BMP, OHS, labor, social and legal aspects. In this audit activity performs the assessment of environment aspect, waste management, GHG, conservation aspect and SCCS.</li> <li><b>3. Benli Manurung (Auditor).</b> Bachelor of Agriculture Majoring in Soil Science. He has more than 4 years of experience as a plantation operations staff in a private oil palm plantation company in Indonesia. The trainings he has attended include: ISPO, RSP0, Lead auditor of ISO 9001: 2015; ISO 14001; 2015, IHT Health &amp; Safety</li> </ol>

Aspect and Best Management Practice. Has participated in several audit activities since 2016 in the field of Best Management Practice, Health & Safety Aspect and Worker Welfare. During the audit, he verified worker welfare and social aspect

- 4. Harry Wahyudi (Auditor Trainee).** 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.

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

<b>2.2</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>ASA-1 Remote Audit</b>	Number of auditors: 3 auditors & 1 Auditor Trainee Number of days for Remote <b>ASA-1</b> : 2 days Number of working days for Remote <b>ASA-1</b> : 6 Working days
<b>ASA-1 &amp; ASA-2 Onsite Audit</b>	Number of auditors: 3 auditors & 1 Auditor Trainee Number of days for Remote <b>ASA-1 &amp; ASA 2</b> : 5 days Number of working days for Remote <b>ASA-1 and ASA 2</b> : 15 Working days
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA-1 Remote Audit</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Ladang Sawit Mas to the requirements of <b>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 System for Principles and Criteria and RSPo Independent Smallholder Standards, Endorsed by the RSPo Board of Governors on 12 November 2020.</b></p> <p>For this section (Remote Audit ASA-1) The assessment was conducted in One method: document review, aiming to observe the sufficiency of types or substances from required documents. Some opportunities for improvement of the results ASA-1 Remote Audit by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase ASA-1 Onsite Audit. Improvement of findings from IA findings were observed by auditors at this ASA-1 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU).</p> <p>The opening meeting was held on Monday 15 November 2021 at 08 am through a teleconference (zoom meeting). As for the participants who attended the opening meeting included the Mill Manager, Estate Manager, Supported Team from sustainability department and other relevant staff. While the closing meeting will take place on Tuesday 16 November 2021 at 16 pm. attended by the same participants as the opening meeting.</p> <p>The assessment program please find Appendix 2</p>
<b>ASA-1 &amp; ASA-2 Onsite Audit</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Ladang Sawit Mas 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>Additional Documents:</p> <ul style="list-style-type: none"> <li>• Contingency RSPo Audit Procedure (This procedure is applicable when force majeure (such as pandemics,</li> </ul>

natural disasters, civil unrest, etc) preventing the audit team from conducting field verifications) 25 August 2020 Formerly the scope of certifications are one mill (Bukit Tunggal Jaya Mill) and two estate (Bukit Tunggal Jaya Estate and Hampanan Jaya Estate). However, during this assessment there are additional scope of certifications consist of three Estate namely Cemara Jaya Estate and Bengkirai Jaya Estate ( PT Nabati Agro Subur and PT Lestari Gemilang Intisawit) ; Cemara jaya Estate (PT Gemilang Makmur Subur)

During pandemic covid -19 situation PT Ladang Sawit Mas applying Scenario 4 in accordance with Contingency RSPO Audit Procedure 25 August 2020. Remote audit Recertification has been carried out on 15 – November 2021 and until next following year (12 Months since remote audit), there is no field visit due to group safety policy, travel restriction, extended lockdown, restrictive quarantine procedures.

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

The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.

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

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates through teleconference. Fieldworkers were interviewed informally in small groups in the field. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix III.

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

Some opportunities for improvement of the results Recertification delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase ASA 4. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of Recertification reports.

License palmtrace has been expired on 10 October 2022. The license cannot be extension time because the license period has exceeded 33 months. So the period from 11 October 2022 to 14 February 2023, the FFB, CPO and PK produced were declared not certified.



	The assessment program please find Appendix 2
<b>2.2.3</b>	<b>Locations of Assessment</b>
<b>ASA-1 Remote Audit</b>	<i>Will be completed during the onsite audit</i>
<b>ASA-1 &amp; ASA-2 Onsite Audit</b>	<p>The sampling location consider the issue arose from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p> <p><b>Bukit Tunggal Jaya Mill (BTJM)</b></p> <ul style="list-style-type: none"> <li>• <b>Security Post.</b> 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.</li> <li>• <b>Weighbridge station.</b> Observations and interviews related to workers welfare, training, FFB traceability and supply chain system.</li> <li>• <b>Sorting Station.</b> Observation of FFB sorting work practices according to SOPs, implementation of OHS and environmental aspects</li> <li>• <b>Sterilizer Station.</b> Observation of the FFB boiling process according to SOPs, implementation of OHS and environmental aspects</li> <li>• <b>Station Threshing.</b> Observation of FFB removal process according to the SOP, the application of OHS and environmental aspects</li> <li>• <b>Press Station.</b> Observation of the pulp compression process according to the SOP, the application of OHS and environmental aspects</li> <li>• <b>Boiler Station.</b> Observation of boiler work process according to SOP, implementation of OHS and environmental aspects</li> <li>• <b>Engine Room Station.</b> Observation of work processes in the Engine Room according to SOPs, implementation of OHS and environmental aspects</li> <li>• <b>Clarification Station.</b> Observation of the oil refining process according to SOP, implementation of OHS and environmental aspects</li> <li>• <b>Workshop.</b> Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.</li> <li>• <b>Central Warehouse.</b> Observations and interviews with officers related to the work system, OHS warnings, MSDS, emergency response systems, first aid kits, and safe work practices.</li> <li>• <b>Fuel or Gasoline Store.</b> Observation to OSH and environment aspect implementation in the work place</li> <li>• <b>Hazardous Waste Temporary Warehouse.</b> Observation to OSH and environment aspect implementation in the work place, as well as type of hazardous waste stored and facilities of the store.</li> <li>• <b>WWTP.</b> Field observations related to Ban to entry to WWTP, run off, testing of effluent.</li> <li>• <b>Land application.</b> Observation for wastewater management and nutrient cycle strategy</li> <li>• <b>WTP.</b> Observations and interviews related to water management, recording of water use, health checks, PPE and waste management.</li> <li>• <b>Empty Bunch Area.</b> Observation of the management of EFB to composting management the production process of mill.</li> </ul> <p><b>Cemara Jaya Estate (CMJE)</b></p> <ul style="list-style-type: none"> <li>• <b>Harvest, Block C17 Division 2, Block E15 Division 1.</b> Technical observation of work according to SOP and implementation of OHS aspects</li> <li>• <b>Manuring, Block E10 Division 1.</b> Technical observation of work according to SOP and implementation of OHS aspects.</li> <li>• <b>Spraying, Block D17 Division 2.</b> Observations and interviews with workers related to implementation of procedure, OHS and environmental aspect.</li> <li>• <b>Owl Cage, Block F8 Division 1.</b> Observations regarding the condition of the owl cage, the effectiveness of the</li> </ul>

owl cage for rat control.

- **General Material Storage.** Observation and interview with worker related to OHS, environmental and worker welfare aspect
- **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.
- **Schedule Waste Storage.** Observation related to hazardous waste management, OHS and environmental aspect.
- **BGA Harvesting System,** Observation related works tools for harvesting activity and OHS aspect
- **Daycare.** Observations and interviews related to the facilities provided to workers such as employee housing, clean water, daycares, school, employment and interview related complaint mechanism.
- **BGA Manuring System,** Observation related works tools for Manuring activity, PPE Storage, Rinse House, environmental and OHS aspect
- **BGA Spraying System,** Observation related works tools for spraying activity, PPE Storage, Rinse House, environmental and OHS aspect
- **Housing Complex.** Observation the availability of infrastructure such as housing, water and electricity facilities, fire extinguisher, education facilities, religious facilities, health facilities, daycare domestic waste management, childcare and sports facilities.

#### Natai Jaya Estate (NJYE)

- **Harvest, Block G47 Division 4.** Technical observation of work according to SOP and implementation of OHS aspects
- **Manuring, Block G53 Division 3.** Technical observation of work according to SOP and implementation of OHS aspects.
- **Spraying, Block E50 Division 2.** Observations and interviews with workers related to implementation of procedure, OHS and environmental aspect.
- **Land fill, Block G46 Division 4.** Observation regarding the condition of land fill, the effectiveness of using land fill for disposal of domestic waste.
- **Schedule Waste Storage.** Observation related to hazardous waste management, OHS and environmental aspect.
- **BGA Harvesting System,** Observation related works tools for harvesting activity and OHS aspect
- **Daycare.** Observations and interviews related to the facilities provided to workers such as employee housing, clean water, daycares, school, employment and interview related complaint mechanism.
- **BGA Manuring System,** Observation related works tools for Manuring activity, PPE Storage, Rinse House, environmental and OHS aspect
- **BGA Spraying System,** Observation related works tools for spraying activity, PPE Storage, Rinse House, environmental and OHS aspect
- **Housing Complex.** Observation the availability of infrastructure such as housing, water and electricity facilities, fire extinguisher, education facilities, religious facilities, health facilities, daycare domestic waste management, childcare and sports facilities.
- **Boundaries pole No 2,3,4 and 5.** Observations regarding Observation the conditions and position of legal boundary.

#### Bangkirai Jaya Estate

- **Harvesting, Block F36a Div III.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **Racking Path Manual, Block Div III.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **Burn Owl Box, Block G35 Div III.** Observations the box condition whether it is active or not.
- **Harvesting, Block F41 Div II.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.

- **Racking Path Manual, Block F31 Div III.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **Chemical storage.** Observation related to management of agrochemical material and waste, MSDS, emergency response facilities and the types of pesticides used
- **Fertilizer Store.** Observation to OSH and environment aspect implementation in the work place, as well as type of fertilizers stored and facilities of the store
- **Fuel or Gasoline Store.** Observation to OSH and environment aspect implementation in the work place.
- **Harvesting, Block F69 Div I.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices
- **Harvesting, Block Div II.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices
- **Pesticide Worker, Block F51 Div I.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **Manuring Worker, Block G63 Div II.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **Daycare.** Observations and interviews on facilities, access to clean water, sanitation and building feasibility
- **Pesticide Mixing Area.** Observation to OSH and environment aspect implementation in the work place, as well as type of pesticides stored and facilities of the store.
- **Schedule Waste Storage.** Observation related to hazardous waste management, OHS and environmental aspect.
- **BGA Harvesting System,** Observation related works tools for harvesting activity and OHS aspect
- **Daycare.** Observations and interviews related to the facilities provided to workers such as employee housing, clean water, daycares, school, employment and interview related complaint mechanism.
- **BGA Manuring System,** Observation related works tools for Manuring activity, PPE Storage, Rinse House, environmental and OHS aspect
- **BGA Spraying System,** Observation related works tools for spraying activity, PPE Storage, Rinse House, environmental and OHS aspect
- **Housing Complex.** Observation the availability of infrastructure such as housing, water and electricity facilities, fire extinguisher, education facilities, religious facilities, health facilities, daycare domestic waste management, childcare and sports facilities.
- **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.
- **Occupation area block 48,** Observation related occupation area and potential land dispute
- **Boundaries pole No 30, 31, 32 and 49.** Observations regarding Observation the conditions and position of legal boundary.

#### Hamparan Jaya Estate

- **BGA Harvesting System,** Observation related works tools for harvesting activity and OHS aspect
- **Daycare.** Observations and interviews related to the facilities provided to workers such as employee housing, clean water, daycares, school, employment and interview related complaint mechanism.
- **BGA Manuring System,** Observation related works tools for Manuring activity, PPE Storage, Rinse House, environmental and OHS aspect
- **BGA Spraying System,** Observation related works tools for spraying activity, PPE Storage, Rinse House, environmental and OHS aspect
- **Housing Complex.** Observation the availability of infrastructure such as housing, water and electricity facilities, fire extinguisher, education facilities, religious facilities, health facilities, daycare domestic waste management, childcare and sports facilities.
- **Watergate Block G56,** Observation regarding water managements
- **Boundaries pole No 14, 15, 16 and 17 .** Observations regarding Observation the conditions and position of legal boundary.

- **HCV Area Peninjauan River.** Observation the implementation of management in HCV of riparian area
- **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.
- **Occupation area block G58,** Observation related occupation area and potential land dispute
- **Harvesting, Block F69 Div I.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **Harvesting, Block F63 Div II.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **Fronk stacking workers, Block F53 Div I.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **Fronk stacking workers, Block G53 Div II.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **General storage.** Observation related to management of goods in the warehouse.
- **Fire fighting equipment warehouse.** Observation of the condition of land and building fire facilities and infrastructure and interviews with officers

<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
	<p>Summary of stakeholder consultation process            Consultation of stakeholders for Bukit Tunggal Jaya Mill was held by:</p> <ul style="list-style-type: none"> <li>• Public consultation on PT Mutuagung Lestari Website on 07 November 2022</li> <li>• Public consultation with NGOs (by email) such as WALHI, WWF, and Sawit Watch on 15 November 2022</li> <li>• Public consultation meeting with government institution on 16 November 2022</li> <li>• Public consultation meeting with communities as well previous land owner on 17 November 2022</li> <li>• Public consultation meeting with internal stakeholders and contractor on 17 November 2022</li> </ul> <p>Numbers of input from stakeholders were clarified by the company as part of this report</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	Please find appendix 1
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit ( <b>ASA-3</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 Bukit Tunggal Jaya Mill, PT Ladang Sawit Mas subsidiary of Bumitama Agri Ltd operation consisting of one (1) mill and five (5) oil palm estates.

During the assessment, there were one (1) Nonconformity was assigned against Major Compliance Indicators; one (1) nonconformity 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 Bukit Tunggal Jaya Mill, PT Ladang Sawit Mas, 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 BEHAVE ETHICALLY AND TRANSPARENTLY</b>		
<b>1.1</b>	<b>The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>	
<b>1.1.1</b>	<p>The certification unit has types of documents and information that can be accessed by the public listed in the SOP of Communication No. BGA-SUST-SOP-09 Rev. 00 was approved by Regional Head 2 dated 08<sup>th</sup> February 2017. In the procedure stated that documents that can be accessed by the public include:</p> <ol style="list-style-type: none"> <li>a. Land Use Tittle, Environmental Permit, and Environmental Management and Monitoring Plan.</li> <li>b. Company Policies and Manuals.</li> <li>c. HSE and social improvement programs.</li> <li>d. HCV documents and SIA documents.</li> <li>e. Details of grievance and complaints</li> <li>f. Summary of general reports on the results of certification assessments.</li> <li>g. Etc.</li> </ol> <p>The document contains a list of accessible information covering relevant legal, social and environmental aspects related to the sustainability system. This document includes land certificates, OSH plans, environmental and social impact plans and assessments, HCV documentation, pollution prevention and reduction plans, complaints, negotiation procedures, continuous improvement plans, public summary reports on certification assessments, and human rights policies. The certification unit has shown documents related to mandatory reports that are carried out regularly and sent to government agencies, for example: Environment Management and Monitoring (<i>RKL-RPL</i>), Report of PT LSM for Semester 1 of 2022, POME &amp; Hazardous waste management and monitoring quarterly 2 years 2022 submitted to Environment Agency of Ketapang Regency on 22 November 2022.</p>	



Based on interviews with local communities (Nanga Tayap Village, Nek Doyan Village, Simpang Tiga Sembelangaan Village, Sungai Kelik Village, Kayung Utara Village, Regional Dayak Customary Leader, , local contractors (Bukit Tunggal Sejahtera Cooperative), and internal stakeholders, it is known that the certification unit has conducted socialization regarding the procedures for requesting information and has assigned a person in charge to respond to requests for information. Each party also knows the types of general information that can be accessed. It was further explained that publicly accessible documents are specific documents for each operational unit.

#### **1.1.2**

The certification unit has a list of documents that are publicly available. The types of information provided to the public are contained in the Document Master List, for example: land use title certificate, environment document, monitoring and management plan of environment, OHS document, HCV document, complaint document, and others. The list of documents that can be accessed by the public is available in *bahasa*.

Based on the verification document and interviews with agencies, such as the Ketapang Regency the Environment Service, Land Office and Manpower Office, it is known that the information presented by the certification unit has been presented in an appropriate language and can be accessed by the agency.

#### **1.1.3**

The certification unit has an Information Service SOP which is contained in procedure of Communication (LSM-SUST-SOP-09) ratified on 1 March 2018. The procedure informed us that some documents relevant to RSPO Criteria can be accessed by stakeholders. The objective of this procedure is to provide practical guidance for handling communications in the field of Occupational Safety, Health and Environmental Protection (OHS & environment) and RSPO both internally and with external parties with a maximum response of 15 days after information request letter received by certificate holder. The PIC appointed to take care of this matter is the CSR Staff.

The certification unit has documented incoming letters from external stakeholder in "Incoming Letter Logbook". Based on that document, the letter is mostly about assistance requests and meeting invitations. The certification unit also records the response of incoming letters, for example letter on June 27, 2022, from Plantation Agency of Kalimantan Barat Province related requests for CSR data from 2021 to 2022. The letter was responded to on July 5, 2022.

#### **1.1.4**

The Company has a procedure for communication which is written in Communication Procedure (SOP-LSM-KOM-01). The objective of this procedure is to provide practical guidance for handling communications in the field of Occupational Safety, Health and Environmental Protection (*K3L*) and RSPO both internally and with external parties with a maximum response of 15 days after information request letter received by certificate holder. The PIC appointed to take care of this matter is the CSR Staff.

Records of communication with stakeholders are in minutes of meeting of regular/ incidental meeting, as well as logbook of communication. Based on interviews with local communities (Nanga Tayap Village, Nek Doyan Village, Simpang Tiga Sembelangaan Village, Sungai Kelik Village, Kayung Utara Village, Regional Dayak Customary Leader, , local contractors (Bukit Tunggal Sejahtera Cooperative) labor union, gender committee, etc) it is known that the stakeholders have understood the mechanism and PIC of communication and consultation to the company. There are no obstacles in communicating with the person in charge.

#### **1.1.5**

Based on the results of the verification of the stakeholder list document, updated on July 11, 2022, compiled by the CSR staff, it is known that there are several stakeholders, namely, District/ Provincial Office 12 stakeholders, *Muspika* 6 stakeholders, Village Heads 8 stakeholders, community leaders 22 stakeholders, oil palm cooperatives 7 stakeholders, suppliers of stock 8 stakeholder, FFB suppliers 4 stakeholders, local contractor 3 stakeholders, NGOs 3 stakeholders, testing vendor and hazardous waste transporter 7 stakeholders, mass media 6 stakeholders, nearest company 3 stakeholders, schools 3 stakeholders, gender committees, and employee organizations.

Based on the document verification and interviews, the certification unit already has information on stakeholders, and all has



been included in the list stakeholder period 2022.

The PIC for consultation and communication with the community is CSR Officer. The PIC is assigned to accommodate the implementation of social impact analysis, responsible for top management for communication and consultation with stakeholders.

Based on random checked with stakeholder list, in example community surrounding the company (Nanga Tayap Village, Nek Doyan Village, Simpang Tiga Sembelangan Village, Sungai Kelik Village, Kayung Utara Village, Regional Dayak Customary Leader) the stakeholder can be contacted and provide information's to auditors.

**Status: Comply**

**1.2**

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

**1.2.1**

Company has ethical conduct document on BGA Code of Conduct, No. BGA-COC-HC-333.1-R0. This document explains several things about company ethics with shareholders, ethics of corporate relations to BGA group employees, ethics of corporate relations to the community and the surrounding environment, government, business partners, suppliers / contractors, mass media. Company ethics include the following.

- Prioritize the principle of benefits by choosing business partners that provide the best synergy to the company and are free of corruption, collusion and nepotism.
- Avoid cooperation with business partners who carry out business practices that do not carry out good business ethics.
- Maintain good relations, transparency, and mutual benefits at work.

**1.2.1**

The certification unit 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 certification unit. 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 has been developed the mechanism and system to monitor compliance and the implementation of policies and ethical business practices through internal audit of RSPO, field monitoring and evaluation of the contractor's performance.

Based on interviews with management representatives, the method of monitoring compliance with the code of ethics is through the internal audit. The Company shows the results of RSPO internal audit conducted in July 2022. In addition, the Company also monitors through complaints submitted through the whistleblowing system, and it is known that there were no complaints received during 2022.

**Status: Comply**

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

**2.1**

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

**2.1.1**

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

**OHS Aspects**

The company in general has complied with OHS regulation, including:

- OHS Committee: has a OHS committee organizational structure and emergency response that has been approved by the *Dinas Tenaga Kerja Kabupaten Ketapang* has a P2OHS program, organizes Occupational Health and Safety training programs, quarterly P2OHS reports, has procedures related to Health, Security and environment (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, rontgen 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, hyperkes, 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.

#### **Best Management Aspects**

- Using oil palm seeds from seed-producing companies that are recognized and certified by the authorized agency
- Do not use the active ingredients of prohibited pesticides and limited pesticides listed in the Regulation of the Minister of Agriculture No.01/Permentan/OT.140/1/2007 regarding the List of Prohibited and Limited Pesticides Active Ingredients.
- Have a zero burning policy related to land clearing activities and other field operational activities.

#### **Labour Aspect**

- The employment procedures have been regulated in BGA Group Company Regulations for the period 2021 – 2023 which have been ratified by the Ministry of Manpower in accordance with Decree number KEP.4/HI.00.00/00.0000.210714014//B/VII/2021 on July 27, 2021.
- Decree of the Governor of Kalimantan Barat number 1462/Disnakertrans/2021 dated 29 November 2021 concerning the Minimum Wage for Ketapang Regency in 2022 is set at IDR 2,876,252.79.
- BGA Group Company Regulations for the period 2021 – 2023 which have been ratified by the Ministry of Manpower in accordance with SK number KEP.4/HI.00.00/00.0000.210714014//B/VII/2021 on 27 July 2021
- Proof of mandatory employment reporting of Bukit Tunggul Jaya Mill on June 22, 2022
- Proof of mandatory employment reporting of Hamparan Jaya Estate on June 22, 2022
- Proof of mandatory employment reporting of Lestari Gemilang Initsawit on June 23, 2022

#### **Environmental Aspects**

- a. PT Ladang Sawit Mas already has an Environmental Permit based on the Decree of the Ketapang Regent No. 027/DPMPSTP-D.B/2019 dated 19 February 2019 regarding an environmental permit for oil palm plantation activities covering an area of 8300 Ha and changes to an increase in the palm oil processing mill to 60 tonnes of FFB/ hour by PT Ladang Sawit Mas located in Nanga Tayap District, Ketapang Regency. The scope of the environmental permit includes a palm oil processing mill with a capacity of 60 tons of FFB/ hour and oil palm plantation activities covering an area of 8300 Ha (based on SKKL No. 49/BLHD/2010 dated 27 January 2010).
- b. PT Lestari Gemilang Intisawit already has an environmental permit based on the Decree of the Kalimantan Barat Governor No. 284 of 2009 dated 20 May 2009 concerning the environmental feasibility of plantation activities (area 12677 Ha) and palm oil processing mill (capacity of 60 tons of FFB/ hour) by PT Sawit Jaya Makmur (now PT Lestari Gemilang Intisawit) in Nanga Tayap District, Ketapang Regency, Province Kalimantan Barat. The scope of the environmental permit covers a plantation area of 12,677 Ha and a palm oil processing mill with a capacity of 60 tonnes of FFB/ hour.
- c. PT Nabati Agro Subur already has an environmental permit based on the Decree of the Ketapang Regent No. 47/KLH-B/2015 dated 12 January 2015 concerning environmental permits for oil palm plantation development activities and supporting facilities by PT Nabati Agro Subur in Nanga Tayap District. The scope of oil palm plantation activities is 2390 Ha.
- d. PT Gemilang Makmur Subur already has an environmental permit based on Decree of the Ketapang Regent No. 743/KLH-B/2015 dated 3 November 2015 concerning environmental permits for oil palm plantation activities and processing mill by PT Gemilang Makmur Subur located in North Matan Hilir District, Ketapang Regency. The scope of the environmental permit covers 5,190 Ha for nursery areas (15 Ha), oil palm plantation areas (4,690 Ha), inclave areas (450 Ha) and mill (20 Ha).
- e. PT Ladang Sawit Mas already has a permit for the use of wastewater on the ground in accordance with the Decree of the

Ketapang Regent Number 035/DPMPTSP-D/2020 concerning the permit for the use of wastewater from the palm oil industry on the land in the oil palm plantation of PT Ladang Sawit Mas covering an area of 196.15 hectares located in Nanga Tayap District, Ketapang Regency on February 20, 2020 with a validity period of 5 years.

- f. The certification unit already has a water resource exploitation permit numbered 503/04/SDA/DPMPTSP-C.1/2019 in accordance with the Decree of the Head of the Kalimantan Barat Province One Stop Integrated Service and Investment Service regarding the Granting of a Water Resources Concession Permit to PT. Mas Sawit Field in Ketapang Regency, Kalimantan Barat Province on May 31, 2019 with a validity period of 5 years.

**Land legality**

The company shown evidences over its compliance toward the applicable regulation related to the aspects of land legality (HGU and IUP), As for the land cultivation permit, PT LSM has owned the Plantation Business Permit, which was issued by the Regent of Ketapang on 28 July 2010 (No. 420 Tahun 2010) for the Oil Palm Plantation area of 6,450 Ha and its Processing Mill with capacity 35 MT/Hour. There is a recommendation from the Department of Agriculture, Livestock and Plantation of Ketapang Regency No: 525/344/Distanakbun-F dated March 2, 2021 which contains recommendations for increasing the capacity of the oil palm plantation processing industry of PT Ladang Sawit Mas from the original 35 tons of FFB/hour to 60 tons of FFB/hour in Nanga Tayap District, Ketapang Regency, Kalimantan Barat Province.

**2.1.2**

Procedure of legal requirement which presented in document No: BGA-SOP-CCS-1102.1-R0, dated 9 Mei 2012 which mentioned that sustainability officer has responsibility to arranged and monitored legal related laws and/or regulation.. 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 – 08 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.

**2.1.3**

Procedure of legal boundary poles monitoring, and maintenance is presented in document No. LSM-GIS-SOP-01, dated 27 July 2017. 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.

based on documents verifications it was known there are:

- PT LGI there are 341 boundaries poles
- PT GMS there are 196 boundaries poles
- PT LSM there are 198 boundaries poles

Last boundaries monitoring was done in October 2022 and based monitoring result all boundaries pole are in good conditions and well maintained. During assessment auditor verifies and visited several boundaries poles No 2,3,4 and 5 Natai Jaya Estate; No 30, 31, 32 and 49 Bangkirai Jaya Estate and No 14, 15, 16 and 17 Hamparan Jaya Estate 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

	<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 12 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.

**2.2.3; 2.2.3**

Based on verification to several work agreements with local contractors, for example through agreement number 001/SPKL/BTJM-TBS/IV/2022 dated 01 April 2022 concerning the Local FFB Sale and Purchase Agreement between Bukit Tunggal Jaya Mill and Koptan Sumber Rejeki which is valid until 01 March 2023. The agreement has explained the rights and obligations of both parties such as the price of FFB, payment, PPE, *BPJS*, minimum wage, prohibition on hiring workers under the age of 18, maintaining work ethics, decency, security and order, do not perform forced labor, illegal labor and do not perform forced labor as stipulated in the applicable laws and regulations.

Based on interview with FFB suppliers, it was known that socialization towards pursuance regulation on safety and manpower has delivered during contract agreement. Monitoring of law or regulation pursuance by contractors is presented in document of evaluation of contractor and form of evaluation and contractor, for example the evaluation of Poktan Sumber Rezeki which was held on 25 July 2022.

In additions, 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. Company has also included its employees in the *BPJS Kesehatan* program.

**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 Bukit Tunggal Mill are originally from:

1. Estate under scope of certifications
2. Estate or company under subsidiary of Bumitama Gunajaya Agro
  - PT Ladang Sawit Mas Bukit Tunggal Jaya Estate (sanction Area)
  - PT Ladang Sawit Mas Hamparan Jaya Estate (Sanction area)
  - PT Lestari Gemilang Intisawit Bengkirai Jaya Estate
  - PT Nabati Agro Subur Bengkirai Jaya Estate
  - PT Lestari Gemilang Intisawit Natai Jaya Estate
  - PT Nabati Agro Subur Natai Jaya Estate
  - PT. GMS (Gemilang Makmur Subur) CMJE (Cemara Jaya Estate )
  - PT. SSL (Sejahtera Sawit Lestari) PHJE (Padang Harapan Jaya Estate)
  - PT. AMS ( Agro Manunggal Sawitindo) SLJE (Seladan Jaya Estate )
  - PT. KML (Karya Makmur Langgeng) SMJE (Sumber Mas Jaya Estate)
3. Scheme of Smallholders under Bumitama Agri Ltd
  - Plasma Bengkirai Jaya Estate
  - Plasma Natai Jaya Estate
  - Plasma CJAE( Cemata Jaya Estate )
4. Outgrowers that supply FFB to, where based on data acceptance of FFB the suppliers are:
  - PT Sandai Makmur Sawit,
  - CV Mora Jaya,
  - CV. Garuda Mas Jaya
  - CV Mantab Bersama,
  - Koperasi Sejahtera Baru
  - Kel. Tani Sumber Rezeki

**2.3.2**

Based on documents verifications the company can presented traceability from outgrowers, in example Kelompok Tani Sumber Rezeki:

- Address: Dusun Sumber Priangan, Desa Simpang Tiga Sembelangaan, Kecamatan Nanga Tayap, Kabupaten Ketapang, Provinsi Kalimantan Barat.
- Coordinate : Longitude 110,3241958 and Latitude -1,53319501
- Deed of establishment : Deed No 16 dated 05 November 2022
- Land ownerships documents : Land Certificate Letter (SKT)
- Numbers of farmers : 25 farmers
- Total Area : 761 ha

Based on documents verifications and interview with management it was known the FFB that supply by indirect supplier the data presented is in accordance with the area of the supplier, where for Kelompok Tani Sumber Makmur in the period January – October 2022 delivered FFB covering 763 MT

**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 long-term planning records in the 5 Years Financial Projection document of PT Ladang Sawit Mas, Bukit Tunggal Jaya Mill 2022-2027 which has been approved by the Regional Head Administration. The document contains plantation business information including projected production of FFB, CPO, Kernel Oil, projections of CPO and Kernel extraction, CPO prices, kernel prices, FFB purchases from plasma and also from external.

	2022	2023	2024	2025	2026	2027
Production (ton)	95,864	103,659	117,180	121,687	126,194	130,701
CPO (ton)	23,007	24,878	28,123	29,205	30,287	31,368
OER (%)	24.0	24,0	24,0	24,0	24,0	24,0
PK (ton)	4,314	4,665	5,273	5,476	5,679	5,882
KER (%)	4.5	4.5	4.5	4,5	4.5	4.5
CPO Price (Rp/Kg)	11,000	11,000	11,000	11,000	11,000	11,000
PK Price (Rp/Kg)	9,000	9,000	9,000	9,000	9,000	9,000
FFB <i>Plasma Price</i> (Rp/Kg)	2,150	2,200	2,250	2,300	2,350	2,400
FFB Price external (Rp/Kg)	2,150	2,200	2,250	2,300	2,350	2,400

Based on the description above, it can be concluded that the company already has long-term planning documents covering the feasibility of a jointly developed business for plasma farmers through the purchase of FFB from plasma farmers.

**3.1.2**

Based on a review of the Long Term Forecasting document, interviews with management representatives and field observations it is known that the company has not had any replanting activities and has not planned any replanting activities until 2027, because the age of the plants in the operational area of the certified unit has not yet entered a period of rejuvenation. The age of the oldest plant within the scope of this certification is 16 years (2006).

**3.1.3**

The company shows the recording of the management review implementation to conduct periodic evaluations contained in the Minutes of the RSPO – SCCS Management Review Meeting PT LSM, PT GMS, PT LGI, and PT NAS which was ratified on November 11, 2022 by the Regional Head Nanga Tayap. In the Minutes of the Results of the Management Review Meeting there are topics of problems discussed, corrective & preventive actions, PIC, Due Date, status, and closed date. Some of the topics discussed in the Management Review Meeting Results document include the follow-up to the Previous Management Review, External and Internal Audit Results, status of corrective & preventive actions, Process performance & product



conformity, feedback from customers, Complaints from stakeholders, performance of external FFB suppliers, Performance contractors, environmental monitoring management, peatland management, Review of HCV Management Plan 2021/2022, program to increase understanding of smallholder/independent farmers, replanting program, and corrective recommendation.

**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:

- Records of the implementation of management reviews to conduct periodic evaluations contained in the Minutes of the RSPO – SCCS Management Review Meeting PT LSM, PT GMS, PT LGI, and PT NAS which was ratified on November 11, 2022 by the Regional Head Nanga Tayap. In the Minutes of the Results of the Management Review Meeting there are topics of problems discussed, corrective & preventive actions, PIC, Due Date, status, and closed date. Some of the topics discussed in the Management Review Meeting Results document include the follow-up to the Previous Management Review, External and Internal Audit Results, status of corrective & preventive actions, Process performance & product conformity, feedback from customers, Complaints from stakeholders, performance of external FFB suppliers, Performance contractors, environmental monitoring management, peatland management, Review of HCV Management Plan 2021/2022, program to increase understanding of smallholder/independent farmers, replanting program, and corrective recommendation.
- Records of the results of PT LSM ISPO, RSPO internal audit conducted on 5 – 8 July 2022. With seven non-conformities. Then the document of proof of improvement against the non-conformance is also shown, all non-conformities have been fulfilled on November 18, 2022
- PT LSM HJYE Quality Assurance Report dated 20 May 2021, which discusses process performance, findings, root causes, and end corrective action.

**BMP Aspects:**

- 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
- Arrange alternate midrib to prevent run off
- Application of focal feeders as a place fertilizer, increase nutrient and water uptake, improve soil aeration and infiltration, source of organic matter for plants and increase the activity of soil microorganisms.
- Pruning Nephrolepis biserrate as a source of soil organic matter.

**Environmental Aspects**

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

- Management and monitoring of fires in company border areas that benefit the community.
- The 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
- Air quality management and monitoring through road maintenance, air quality testing and reporting to the Environmental Agency
- Management and monitoring of groundwater through testing ground water quality and reporting it to the Environmental Agency
- Hazardous waste management through Hazardous Waste Storage in permitted, management and monitoring of Hazardous waste also reported to the Environmental Agency.
- Greenhouse Gas (GHG) Management. Implement a zero-burning policy, utilization of EFB, shells and fibre as renewable energy, regular engine maintenance, and regular emission quality tests.

**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 company shows the recorded SOP for Plant Cultivation contained in the Standard Operational Procedure (Oil Palm Agronomy) document which 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 Factory 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 dispatch. 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. LSM-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, including contractor performance in PT LSM 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 monitoring and follow-up records to check the consistent implementation of procedures, for example:

- Records of the implementation of management reviews to conduct periodic evaluations contained in the Minutes of the RSPO – SCCS Management Review Meeting PT LSM, PT GMS, PT LGI and PT NAS which were ratified on 11 November 2022 by the Regional Nanga Tayap. In the Minutes of the Results of the Management Review Meeting there are topics of problems discussed, corrective & preventive actions, PIC, Due Date, status, and Closed Date. Some of the topics discussed in the Management Review Meeting Results document include the follow-up to the Previous Management Review, External and Internal Audit Results, status of corrective & preventive actions, Process performance & product conformity, feedback from customers, Complaints from stakeholders, performance of external FFB suppliers, Performance contractors, environmental monitoring management, peatland management, Review of HCV Management Plan 2021/2022, program to increase understanding of smallholder/independent farmers, replanting program, corrective recommendation.
- Records of the results of PT LSM ISPO, RSPO internal audit conducted on 5 – 8 July 2022. With seven non-conformities.

Then the document of proof of improvement against the non-conformance is also shown, all non-conformities have been fulfilled on November 18, 2022

- PT LSM HJYE Quality Assurance Report dated 20 May 2021, which discusses process performance, findings, root causes, and end corrective action.

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

The certification unit has several documents related to social and environmental impact assessments which are carried out independently and in a participatory manner, involving affected stakeholders. The document covers the pre-construction activities, the operation stage and the post-operation stage. Some of the documents held by the certification unit include:

**1. Environmental Aspect**

The certification unit already has an environmental impact analysis contained in several documents, including:

- PT Ladang Sawit Mas has an AMDAL Addendum document consisting of ANDAL, RKL and RPL documents for 2019 for activities to increase plant processing capacity from 35 tons/ hour to 60 tons/ hour. The addendum document has received Environmental Feasibility from the Regent of Ketapang on February 19, 2019 with Number: 026/DPMPTSP-D.B/2019 concerning Environmental Feasibility of Plantation Activities and Palm Oil Processing Factory of PT Ladang Sawit Mas, which is located in Nanga Tayap District, Ketapang Regency. In addition, the company has obtained an Environmental Permit Number 027/DPMPTSP-DB/2019 for Oil Palm Plantation Activities of ± 8,300 Ha and Changes in the Improvement of Palm Oil Processing Plants to 60 Tons of FFB/ Hour by PT Ladang Sawit Mas which is located in Nanga Tayap District, Ketapang Regency.
- PT Gemilang Makmur Subur has AMDAL documents consisting of ANDAL, RKL and RPL documents for 2015 for plantation activities with an area of ± 5190 Ha and a palm oil processing factory with a capacity of 60 tons of FFB/ hour. The AMDAL document has received Environmental Feasibility from the Regent of Ketapang on October 28, 2015 with No. 716/KLH-B/2015 concerning the Environmental Feasibility of PT Gemilang Makmur Subur's Palm Oil Plantation and Processing Mill which is located in North Matan Hilir District, Ketapang Regency
- PT Sawit Jaya Makmur (now PT Lestari Gemilang Intisawit) has AMDAL documents consisting of ANDAL, RKL and RPL documents for 2009 for plantation activities with an area of 12677 Ha and a palm oil processing mill with a capacity of 60 tons of FFB/ hour. The AMDAL document has received Environmental Feasibility from the Governor of Kalimantan Barat on May 20 2009 with No. 284 of 2009 concerning Environmental Feasibility of PT Sawit Jaya Makmur's Palm Oil Plantation and Processing Factory (now PT Lestari Gemilang Intisawit) located in Nanga Tayap District, Ketapang Regency.
- PT Nabati Agro Subur already has UKLIUPL documents for Oil Palm Plantation Cultivation activities located in Nanga Tayap District, Ketapang Regency for an area of 2390 Ha referring to the Decree of the Regent of Ketapang Number 456/PEM/2014 dated 1 September 2014 concerning Granting of Development Location Permits Oil Palm Plantation in the Name of PT Nabati Agro Subur. The UKLIUPL document was made in October 2014.

**2. Social Aspect**

- PT LSM has carried out the SIA assessment contained in the report on the Social Impact Assessment of Oil Palm Plantation of PT Ladang Sawit Mas November 2013 conducted by Sonokeling akreditasi Nusantara, the field visit was conducted on 26 April – 3 May 2013 conducted with interviews and FGDs to 3 villages around the certification unit, namely Kelik Village, Simpang Tiga Semblangaan Village, Pangkalan Telok Village. It consists of 7 hamlets, namely Tanah Merah, Kelik Tua, Tanjung Perak, Sumber Priangan, Semblangaan, Tanjung Toba, and Tanjung Medan. As for the results of the SIA assessment, it is known that several social impacts that have the potential to arise and need to be managed include:
  - Damage to inter-village roads and connecting roads that are prone to damage and dust (resulting in ARI) need to be managed to avoid conflicts.
  - Workers brought in from outside the region have the potential to cause jealousy

- Information on wages and promotion mechanisms that are not conveyed has the potential to lead to dissatisfaction and protests
  - Confusion of plasma development information
  - Unresolved inter-village land claims
  - The weak bargaining position of the community to become employees in the company can lead to vertical and horizontal conflicts
  - Weak health services for employees
- b. PT GMS has carried out the SIA assessment contained in the document Social Impact Assessment of PT Gemilang Makmur Subur conducted by Meganesia Tirta Foresta, the field visit was conducted on 30 November – 4 December 2021 conducted with interviews and FGDs to 3 villages around the company, namely Laman Satong Village, Nek Doyan Village, Manjau Village. As for the results of the SIA assessment, it is known that several social impacts that have the potential to arise and need to be managed include:
- Reduction of forest area.
  - Decreased hunting.
  - The minimal contribution of PT GMS to the village forest program.
  - Competition for labor with immigrants.
  - The lack of CSR from PT GMS.
  - Social capital related to reduced mutual cooperation and the existence of casual daily worker and permanent worker status.
  - Negative perceptions of recommendation letters from villages, KEE areas, and dimly lit stalls and drunken harvesters.
- c. PT LGI and PT NAS have carried out the SIA assessment contained in the document Social Impact Assessment of PT Lestari Gemilang Intisawit and PT Nabati Agro Subur conducted by COTROP, the field visit was conducted on 19 - 23 February 2022 conducted with interviews and FGDs to 7 villages around the company, namely Betenung Village, Kayong Hulu Village, Kayong Utara Village, Kayong Tuhe, Nanga Tayap Village, Sepakat Jaya Village and Tajok Kayong Village. As for the results of the SIA assessment, it is known that several social impacts that have the potential to arise and need to be managed include:
- Overlapping certification unit areas with community land.
  - The high rate of FFB theft.
  - Land disputes between communities and communities with certification unit.
  - Lack of transparency regarding the boundaries of certification unit and *plasma* areas.
  - Lack of knowledge and information related to the company's CSR program.
  - Management of *plasma* plantations is not optimal.

### 3.4.2

SEIA document (AMDAL & SIA) has stated its management plan and social and environmental monitoring plan. as for several management plans such as:

#### Environment:

- Increased Job Opportunities
- Increase in Community Income
- Public Perception
- Decreasing Water Quality
- Air Quality Deterioration
- Increased Noise
- The emergence of disease patterns
- Decreasing Biota Diversity

#### Social:

- Resolving tenure issues around the company
- Socialization and formation of cooperative partnerships with stakeholders
- Improvement of the community economy
- Increasing public education
- Quality of public health
- The preservation of the local community's local culture
- Availability of clean water
- Manpower sector

The SEIA assessment document (AMDAL & SIA) has gone through a consultation process with affected parties. Evidence from the implementation of consultations can be seen in the AMDAL or SIA documents. as an example, stakeholder consultation was conducted from 26 April - 3 May 2013 in three villages, namely Sungai Kelik Village, Simpang Tiga Semblangaan Village & Pangkalan Telok Village which consisted of 7 hamlets. minutes and list of attendance for consultation are attached.

Based on the interviews with community representatives (Nanga Tayap Village, Nek Doyan Village, Simpang Tiga Sembelangaan Village, Sungai Kelik Village, Kayung Utara Village, Regional Dayak Customary Leader, local contractors (Bukit Tunggal Sejahtera Cooperative )\_, it was informed that the certification unit had engaged the community through FGDs during the SEIA document assessment. From the social environmental monitoring management plan that is owned, all aspects have been covered according to operational activities in the field. Furthermore, it was known that SIA, management and monitoring plan has been conducted in an involved manner with affected Village with a Forum Group Discussion (FGD) and no issue raised by the community.

The companies has been develop a comprehensive social management and monitoring plan by integrating between sections/ departments covering all impacts and representative samples of the parties established.

### 3.4.3

The certification unit environmental management and monitoring activities are contained in the semi-annual environmental management and monitoring implementation reports that have been reported to the relevant agencies. For example, reports on the implementation and management of the environment for the period of semester 1 of 2022 have been reported to the government with evidence shown as follows, for example minutes documents to environmental agency of Ketapang Regency and Kalimantan Barat Province.

Based on the document of the Environmental Management and Monitoring Plan, which has been prepared previously, there the significant impacts that are managed and monitored, namely:

- Work accident
- Water quality
- Toxic and hazardous waste
- Community anxiety
- Air quality
- Noise and Public Health.
- Public perception of increasing workforce
- Increased work accidents
- Air quality & noise reduction
- Water pollution
- Solid waste pollution
- WTP clean water
- Pollution of water & soil and Utilization of waste water on the ground.

The certification unit is consistently done the environmental management and monitoring as outlined in the Report of the Environmental Management and Monitoring per the sixth month regularly. This report described the realization of monitoring and management of the environment in accordance with environmental parameters in the *RKLI RPL* based on document verification semester 2 year 2021 dan semester 1 year 2022 no negative effect arising from the monitoring result. Public consultation with the Environmental agency of Ketapang indicates that the certification unit has made environmental management and there is no issue of pollution caused by the company's operational activities.

The impact identified in SIA has been managed and monitored through SIA Management and Monitoring Plan. The plan describes monitoring indicator, monitoring method, PIC and frequency. The compiled based on the results of reviews of

management plan on 8 December 2021, which conducted in a participatory manner. The SIA Management and Monitoring implementation on 2021 has been evaluated and updated, document namely “public consultation of social management plan” on 21 to 22 February 2022.

Regarding the social management and monitoring plan owned by the certification unit, the certification unit has carried out a review that is carried out every two years and monitoring every year the last December 2021 the certification unit carried out a review of impact management for the period 2020 - 2021 and the development of a social management plan for the period 2020 - 2023, in which the process was participatory by involving relevant stakeholders.

Based on the results of the study of the document, the company distributes mapping of external stakeholders by paying attention to women, migrants, local residents, youth leaders, contractors and for internal stakeholders by taking into account the wider representation of workers such as local workers, layoffs of employees, migrants, land compensation, women and new workers.

The companies has been develop a comprehensive social management and monitoring plan by integrating between sections/ departments covering all impacts and representative samples of the parties established.

Based on an interview via telephone with the surrounding communities known that SIA, management and monitoring plan has been conducted in an involved manner with affected Village with a Forum Group Discussion (FGD) and no issue raised by the community.

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

**3.5.1**  
The employment procedures have been regulated in BGA Group Company Regulations for the period 2021 – 2023 which have been ratified by the Ministry of Manpower in accordance with Decree number KEP.4/HI.00.00/00.0000.210714014//B/VII/2021 on July 27, 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 of dispute resolution, and other provisions.

In addition, the company has employment SOPs such as:

- BGA-SOP-HC-304.01-R1 concerning Employee Recruitment and Selection Process
- BGA-SOP-HC-307.01-R1 regarding Promotion
- BGA-SOP-HC-307.02-R1 concerning Employee Movements
- BGA-SOP-HC-315.02-R0 regarding BPJS Operational Unit Insurance Payments

**3.5.2**  
The company shows the implementation documents for the 2022 employment procedure as follows:

1. Estate Manager letter Hamparan Jaya Estate number 182/SK-PRS/HJYE-LSML/X/2022 dated 01 October 2022 concerning the appointment of SM as a permanent employee worker. Agreement No 182/PT.LSM-HJYE/SPK-PTH/X/2022 concerning probationary work agreement for 3 months and an evaluation will be carried out until determined to be a permanent employee. This agreement has explained the rights and obligations of both parties including the wages received OHS Aspects.
2. Employee appraisal documents, for example the 2021 performance appraisal document for workers with the initials MI with a total score of 90.08
3. Promotional documents for employees with the initials FS in January 2022 with a total score of 81.06 so that they are promoted from Permanent Daily Workers to Permanent Monthly Workers.
4. Based on the document review, it is known that there are workers who have retired in August 2022 on behalf of JLD. Based on a review of pension documents number 326/LSM-CHJT/PB/VIII/2022 dated August 6, 2022, pension compensation has been paid according to the Group Company Regulations and the amount of compensation has been agreed upon by both parties.

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

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

**3.6.1**

The company shows the results of risk identification for the 2022 period which have been approved by the Regional Head which explains about Work, Hazard, Risk (Effect), Risk Control and PIC. The identified activities cover all Estate and Mill activities at PT LSM.

Examples from HIRAC on Estate include Harvesting Activities with FFB cutting sub-activities, potentially injured by falling fruit and falling litter, current controls are in the form of safe briefings on how to harvest safely, providing the contents of the first aid kit brought by the foreman, routine maintenance of tools work and wear a safety helmet. Examples of HIRAC at the Mill include working in boiling areas which have an impact on breathing problems and work comfort. Current controls are in the form of implementing preventive maintenance, closing all conveyors, using masks and gloves, periodically implementing medical checkup. HIRAC was socialized to all CMJE employees on March 15 2022 and HJYE workers on October 17 2022 in the form of posting warnings, morning briefings before work, and other socializations.

Observations at the Mill show that the Mill area is equipped with evacuation routes and OHS warnings, and workers understand safe work practices.

**3.6.2**

PT LSM Bukit Tunggal Jaya Estate, Bukit Cemara Estate, Natai Jaya Estate, and Bukit Tunggal Jaya Mill has environmental and protection OHS programs and realizations, such as:

- Socialization of company policies on 7 November 2022 at PT LSM.
- OHS training with a valid license, such as: training for *operator pesawat uap kelas 1* (6 operators), training for *pesawat angkut angkut* (2 operator), and OHS electricians.
- OHS inspections, such as:
  - Monthly PPE inspections
  - Monthly fire extinguisher inspections
  - Periodic inspections of tools and machines at the Mill every years, testing carried out on 16 Augustus 2022 by PT Biro Klasifikasi Indonesia (Persero) and known by *Pengawasan Ketenagakerjaan Dinas Tenaga Kerja dan Transmigrasi Provinsi Kalimantan Barat* with the results of compliance levels being met.
  - Conducting testing and controlling vibration at several stations in the Mill (press station, engine room, nut & kernel station) which was carried out on October 10, 2022 by PT Sucofindo, with the result of The vibration within non destructive Impact zone.
  - Routine inspection of noise levels at the Mill (press station, engine room, nut & kernel station) which was carried out on 10 October 2022 by PT Sucofindo with the results, namely:

Location Of Sampling	Unit	Result (Noise)
Stasiun engine room BTJM	dB(A)	92.3
Stasiun Nut & Kernel BTJM	dB(A)	80.6
Stasiun Press BTJM	dB(A)	78.3

Based on the regulation of the Minister of Manpower no. 13 of 2011 the standard set for noise intensity against exposure time for 8 hours in the engine room is 85 dBA, this means that the results of the noise test in the engine room are above the standard threshold, but the company has anticipated this by providing PPE such as ear muffs to each operator.

- Safety campaign carried out on 17 October 2022 at PT LSM.
- OHS committee meetings held every month.
- Employee medical check-up carried out in July 2022.

The OHS work program is evaluated every month through regular OHS committee meetings, which include Issue, action plan, current status, action taken by and target date, for example contained in the OHS committee quarterly report, recap of discussions at the OHS committee meeting in July – September 2022, among others related to:



- Work accidents in January – September 2022, by emphasizing the application of HIRAC and continuous PPE discipline.
- PPE inspection, having done PPE inspection
- Socialization and training first aid.

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, outgrowers, and contract workers are appropriately trained.**

**3.7.1**

Company had training identification and program for 2022 in order to improve the competence and expertise of all workers including contractors. The company had identified the needs of competence standard and the proposed training for each worker including contractor worker, for example:

- Training of Maintenance POM
- Training of ISO, ISPO, RSPO, SCSS, and ISCC.
- Training of First aid
- Training of Employment Law

**3.7.2**

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

- a. Training on handling and using pesticides for all Smallholders, such as Plasma CJAE (Cemara Jaya Estate) on September 23, 2022. The company can show the materials, documentation and attendance list for the activity.
- b. First aid training on July 19, 2022 for first aid workers at work. The company can show the materials, documentation and attendance list for the activity.

Based interviews with management revealed that the company compiled a training program based on work units. Based on field observations and interviews with Mill and Estate employees show that the company always provides regular training to employees to maintain and improve employee competencies in their respective jobs. In addition, based on interviews with contractors, it is known that contractor workers are also included in training organized by the company.

**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 on 05 November 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 (for FFB receiving verification), weighbridge operator (for dividing the amount of certified and uncertified sourced), and Administration Head (for recording and monitoring the MB data), 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 as well as adding stamp 'FFB certified" in consignment letter of FFB from 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. Actual certified produced has been verified during this assessment. The estimates of certified production for the next license period also have been set, in reasonable amount considering the last year's production. The data are shown in the following table:

Products	Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (December 2020 – October 2022)
FFB	106,000	131,869.01
CSPO	21,349	28,956.31
CSPK	4,225	5,805.33

Based on table above the productions is exceed the projections, the unit of certification cannot request of additional quota due to the license was expired

**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: Bukit Tunggal Jaya Mill – PT Ladang Sawit Mas
- License ID: CB111396
- Core Product: Palm Oil
- Member ID: RSPO\_PO1000004316
- RSPO Membership Number: 1-0043-07-000-00 (BUMITAMA AGRI LTD)
- Type of Business: Oil Mill
- Supply chain model: Mass Balance

All transaction has been announced to RSPO IT Platform and confirmed shipped. During license it was known there is product sold as RSPO certified and non-certified/conventional as described in indicator 3.8.8 and 3.8.16.

**3.8.5**

The Mill has had procedures related supply chain, such as SOP of RSPO Supply Chain (No. SUST-LSM-SOP-43, revision R2 dated 1 November 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.

**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 18 August 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 verified and documented the volumes of certified and non-certified FFBs received. Certified and non-certified FFB received period of December 2020 – October 2022:

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
Dec-20	5,485.91	14,008.43	19,494.34
Jan-21	4,309.18	11,987.30	16,296.48
Feb-21	3,562.77	15,680.88	19,243.65
Mar-21	5,433.02	27,107.38	32,540.40
Apr-21	4,903.08	25,462.98	30,366.06
May-21	4,244.29	20,808.70	25,052.99
Jun-21	4,242.06	21,765.67	26,007.73
Jul-21	4,410.56	20,719.55	25,130.11
Aug-21	5,253.68	21,980.19	27,233.87
Sep-21	3,918.78	13,678.68	17,597.46
Oct-21	4,045.14	17,739.92	21,785.06
Nov-21	5,867.20	14,031.36	19,898.56
Dec-21	6,266.97	19,330.74	25,597.71
Jan-22	5,417.92	19,010.42	24,428.34
Feb-22	6,201.02	20,539.65	26,740.67
Mar-22	6,277.63	23,320.68	29,598.31
Apr-22	8,629.46	24,949.60	33,579.06
May-22	7,368.08	17,544.49	24,912.57
Jun-22	8,985.53	20,396.95	29,382.48
Jul-22	8,043.99	19,077.19	27,121.18
Aug-22	9,035.12	23,043.49	32,078.61
Sep-22	7,783.91	19,498.86	27,282.77
Oct-22	2,183.70	13,280.03	15,463.73
<b>Total</b>	<b>131,869.01</b>	<b>444,963.14</b>	<b>576,832.15</b>

Estimated certified product recorded in the last assessment report (IC). Actual certified produced has been verified during this assessment. The data are shown in the following table:

Products	Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume
FFB	106,000	131,869.01
CSPO	21,349	28956.31
CSPK	4,225	5805.33

Based on table above the productions is exceed the projections, the unit of certification cannot request of additional quota due to the license was expired

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**

Documentation for the Sustainable Certified Product (CSPO and CSPK) consists of a daily record of the FFB acceptance, a daily record of certified production, which is classified as the CSPO and CSPK, a sales record, a stock record that has been reconciled with the FFB acceptance, monthly production and sale and annual recapitulation. Based on documents verifications and interviews with management units obtained information since December 2020 – October 2022 it was known all CSPO sold as conventional however for PK there are 3200.00 MT CSPK sold as certified products

Documents verification and interview during an audit it was known the claimed RSPO product of CSPO and CSPK is no longer than 3 months since the product delivered. Those documents cover information's of delivery date, description of product and supply chain model, product quantity, identification number, certificate number, sender's name, and address of the seller, for example selling document for shipping announcement with transaction id TR-2eeb822c-a771 for CSPK model MB with the volume 200.13 MT on 21 June 2022 with the buyer are PT Sumber Indah Perkasa, the unit can present several document as follows:

- The name and address of the buyer PT Sumber Indah Perkasa
- The loading or shipment / delivery date during period 18 – 23 May 2022 2022 as presented in the document weighbridge ticket and Consignment letter
- Minutes of delivery of 200 kg of products on 20 May with contract number as well as unique identify numbers 040/LSML/PK/V/2022
- A description of the product supply chain model (Mass Balance)
- The quantity of the products delivered (200,000 Kg);
- Any related transport documentation (transport Kopbun Bukit Tunggal Sejahtera);
- RSPO certificate number (MUTU-RSPO/150);

### **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) are outsourced to the third parties, as shows through several Work Agreement as follows:

- Agreement with CPO Transporter of PT Garyber Link Group No. 001-WIL 8A/LSM/SPK/I/2021 dated 06 August 2022, valid thru August 2023.
- Agreement with PK Transporter of Koperasi Bukit Tunggal Sejahtera No. 002-WIL 8A/LSM/SPK/I/2021 dated 04 August 2022, valid thru August 2023.
- Agreement with PK Transporter of Koperasi Mitra Penjualan Permai No. 002-WIL 8A/LSM/SPK/I/2021 dated 06 August 2022, valid thru August 2023.

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 Bukit Tunggal Jaya Mill, as well as the willingness to observe by Certification Body and the company internal audit in order to verify the compliance. One of the mechanisms to ensure that the products delivered only from the Mill, in the vehicle is mounted on a seal that can only be opened at the buyer's location. This clause has been confirmed by auditor where during audit team auditor has been contacted contractors to verify the willing ness to observed by certification body

### **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 Garyber Link Group	CPO	-
2	Koperasi Bukit Tunggal Sejahtera	CPO	PK
3	Koperasi Mitra Penjalaan Permai	CPO	PK

In the works agreement stated that transporter will provide access to CB to their respective operations, systems, and etc. this clausal has been verify during audit where auditor has been contacted and interview Koperari Bukit Tunggal Sejahtera and Koperasi Mitra Penjalaan Permai regarding the fulfillment of SCSS.

Based on documents verifications, it was known since previous assessment there is no new contractors which handling certified products.

### 3.8.12

The company has had the up-to-date record and report that are kept in mill office, complete, accurate and up-to date. All the record can be accessed by the auditor, such as record of certified product shipping, sales contract, delivery order/invoice, production report and product sales.

The Mill has SOP of Supply Chain RSPO No. SUST-WNL-SOP-43, revision R2 dated 23 July 2021, stated that all records shall be kept minimum for 5 (five) years. To the auditors the company can show all the required documents covering all aspects of this RSPO Supply Chain Certification Standard requirements such as record of certified product shipping, sales contract, delivery order / invoice, production report and product sales.

Based on document review known that the mill still kept the document according to the procedure, while the records variable cover FFB received from certified and uncertified sources, production of CPO and PK (certified, noncertified, total), products dispatch (as RSPO certified, sold in another certified scheme, sold as non-certified, total sold), as well as balance/stock of certified products. The summary of Mass Balance data 12 months previous the audit can be seen on the table below:

#### Mass Balance record of CPO

Period	CPO production (MT)		Total	Cert CPO Dispatch (MT)			Total
	Cert	Non Cert		RSPO	Other scheme	Non Cert	
Total December 2020 – October 2022	28956.31	98373.95	12,7330.26			28,548.75	28548.75

#### Mass Balance record of PK

Period	PK production (MT)		Total	PK Dispatch (MT)			Total
	Cert	Non Cert		RSPO	Other scheme	Non Cert	
Total December 2020 – October 2022	5805.33	19608.67	25414.00	3200.00			3200.00

### 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 BTJM POM is Mass Balance (MB), because the mill receives FFB from the estate and from third party that non-certified RSPO.

**3.8.16**

Documentation for the Sustainable Certified Product (CSPO and CSPK) consists of a daily record of the FFB acceptance, a daily record of certified production, which is classified as the CSPO and CSPK, a sales record, a stock record that has been reconciled with the FFB acceptance, monthly production and sale and annual recapitulation. Based on documents verifications and interviews with management units obtained information since December 2020 – October 2022 it was known all CSPK sold as conventional however for PK there are 3200 MT CSPK sold as certified products

Documents verification and interview during an audit it was known the claimed RSPO product of CSPK is no longer than 3 months since the product delivered. Those documents cover information's of delivery date, description of product and supply chain model, product quantity, identification number, certificate number, sender's name, and address of the seller, for example selling document for shipping announcement with transaction id TR-2eeb822c-a771 for CSPK model MB with the volume 200.13 MT on 21 June 2022 with product have been delivered on 20 May 2022. Furthermore, For CSPK sold as conventional during this period has been allocated to credit in Palm Trace. The unit of certification can present credit allocation in palm trace, as presented table below:

Stock Transaction ID	Date	Product	Supply Chain Model	Transaction Type	Volume
ST-TR-7e347307-204f	22-12-2021	CSPO	Mass Balance	Credit Allocation	3,000
ST-TR-ff5d10ea-6745	24-02-2022	CSPO	Mass Balance	Credit Allocation	2,000
ST-TR-7b82aa30-e2cc	31-03-2022	CSPO	Mass Balance	Credit Allocation	500
ST-TR-c7a9bb78-c149	13-05-2022	CSPO	Mass Balance	Credit Allocation	1,000
ST-TR-41abdfed-ffad	13-05-2022	CSPO	Mass Balance	Credit Allocation	1,000
ST-TR-750e31bb-3689	18-07-2022	CSPO	Mass Balance	Credit Allocation	1,500
ST-TR-35d9bd96-eafe	18-07-2022	CSPO	Mass Balance	Credit Allocation	500

\*Volume in MT

**3.8.17**

The company has made claim of RSPO certified product in the off product such as WB ticket, sale contract, and delivery order and its has been meet with RSPO marketing and communication however there is no RSPO logo or trademark used in those documents.

**Status: Comply**

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

**4.1**

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

**4.1.1**

The Company has policy Company Responsibility to Employee, this document was contained of Human Right Protection. This document was approved by Regional Head. This policy has been socialized to the workers on each Estate and Mill. There was also shown documentation of Human Rights Policy Socialization for several levels of workers in each division.

Consultation with internal stakeholder (workers and representative of *Bipartite* Cooperative) and the external stakeholder from surrounding community, there was no information related to Human Right abuse cause by company.

**4.1.2**

The Company has policy Company Responsibility to Employee, this document was contained of Human Right Protection. This document was approved by Regional Head.

Based on field visits and and interviews with local communities (Nanga Tayap Village, Nek Doyan Village, Simpang Tiga Sembelangaan Village, Sungai Kelik Village, Kayung Utara Village, Regional Dayak Customary Leader, local contractors (Bukit Tunggal Sejahtera Cooperative), it is known that there was no intimidation or use of mercenaries in maintaining peace and order in the company's area. Until this assessment, 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>	
<b>4.2</b>		
<b>There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.</b>		
<b>4.2.1</b>		
<p>Procedure of complaint and grievance delivery was presented in document No. WNL-SUST-SOP-10. The procedure has guaranteed the anonymously and whistle-blower. Procedure is available in Bahasa Indonesia and if there are any complaints/grievances that the resolution that has not found mutually, the complainants can bring that compliance to RSPO Complaints System.</p> <p>Complaints and grievances are recorded in the Logbook, where during 2022 there were only complaints from workers related to damage that occurred in housing which had all been followed up by the company. In addition, the results of interviews with representatives of contractors (Transporting CPO, PK &amp; FFB) and representatives of surrounding villages (Nanga Tayap Village, Nek Doyan Village, Simpang Tiga Sembelangaan Village, Sungai Kelik Village, Kayung Utara Village, Regional Dayak Customary Leader, local contractors (Bukit Tunggal Sejahtera Cooperative), revealed that so far the company's relationship with stakeholders has been going well and no complaints have been submitted to the company.</p>		
<b>4.2.2</b>		
<p>The unit of certification has established a complaint and complaint handling system for all affected parties which is documented in the Grievance and Complaint Handling Procedure with document number WNL-SUST-SOP-10. There are additional provisions regarding the implementation of communication and consultation procedures to stakeholders, in which 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 procedures state that all complaints must be registered in a Complaint Form in clear and easy-to-understand language. All complaint forms will be collected and registered monthly in the Complaint Registration Book. The unit of certification will respond to each complaint within 14 days from the date the complaint was received.</p> <p>However, illiterate people can submit their complaints through company representative from the stakeholder and also recorded in the grievance logbook. Based on interviews with government agencies, surrounding communities, and workers, it is known that they have understood the person responsible and the grievance mechanism in which complainant's identity is protected.</p>		
<b>4.2.3</b>		
<p>Complaints and grievances are recorded in the Logbook, where during 2022 there were only complaints from workers related to damage that occurred in housing which had all been followed up by the company. In addition, the results of interviews with representatives of contractors (Transporting CPO, PK &amp; FFB) and representatives of surrounding villages (Nanga Tayap Village, Nek Doyan Village, Simpang Tiga Sembelangaan Village, Sungai Kelik Village, Kayung Utara Village, Regional Dayak Customary Leader, local contractors (Bukit Tunggal Sejahtera Cooperative), revealed that so far the company's relationship with stakeholders has been going well and no complaints have been submitted to the company.</p>		
<b>4.2.4</b>		
<p>Procedure of complaint and grievance delivery was presented in document No. WNL-SUST-SOP-10. The procedure has guaranteed the anonymously and whistle-blower. Procedure is available in Bahasa Indonesia and if there are any complaints/grievances that the resolution that has not found mutually, the complainants can bring that compliance to RSPO Complaints System.</p> <p>Complaints and grievances are recorded in the Logbook, where during 2022 there were only complaints from workers related to damage that occurred in housing which had all been followed up by the company. In addition, the results of interviews with representatives of contractors (Transporting CPO, PK &amp; FFB) and representatives of surrounding villages (Nanga Tayap Village, Nek Doyan Village, Simpang Tiga Sembelangaan Village, Sungai Kelik Village, Kayung Utara Village, Regional Dayak Customary Leader, local contractors (Bukit Tunggal Sejahtera Cooperative), revealed that so far the company's relationship with stakeholders has been going well and no complaints have been submitted to the company.</p>		
	<b>Status: Comply</b>	
<b>4.3</b>		

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

**4.3.1**

From the results of meetings with the community, a CSR program was prepared in 2022. For the CSR program in 2022, 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 on
- 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
- Etc.

Based on interview results with representative of nearest community, (Nanga Tayap Village, Nek Doyan Village, Simpang Tiga Sembelangaan Village, Sungai Kelik Village, Kayung Utara Village, Regional Dayak Customary Leader, local contractors (Bukit Tunggal Sejahtera Cooperative), it was conveyed that the company had provided CSR assistance to the surrounding community in accordance with the identification needs.

**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**

Certificate holder has shown the legal document for land right. Based on document review, the certificate holder has two documents regarding to land right as follows:

**1. PT LMS 5718.63 Ha**

**HGU**

- Land Use Right (HGU) through Decree of Minister of Agraria and Chief of National Land Agency No. 93/HGU/KEM-ATR/BPN/2017 dated 29 August 2017 for **5,696.46 Ha**.

**HGB**

- HGB Decree by Head of Kalimantan Barat land agency No. 23/HGB/BPN.61/2020 dated 18 August 2020 to PT Ladang Sawit Mas for **13.38 Ha**.
- HGB Decree by Head of Kalimantan Barat land agency No. 24/HGB/BPN.61/2020 dated 18 August 2020 to PT Ladang Sawit Mas for **8.79 Ha**.

**2. PT. NAS (Nabati Agro Subur) 2.264,50 Ha**

- HGU Certificate No 187 dated 10 November 2017 covering 108.15 Ha
- HGU Certificate No 186 dated 10 November 2017 covering 284.44 Ha
- HGU Certificate No 185 dated 10 November 2017 covering **953.41 Ha**
- HGU Certificate No 184 dated 10 November 2017 covering 918.50 Ha

**3. PT. LGI (Lestari Gemilang Intisawit) 6,266.25 Ha**

- HGU Certificate No 193 dated 14 February 2018 covering 828.79 Ha
- HGU Certificate No 194 dated 14 February 2018 covering 700.19 Ha
- HGU Certificate No 195 dated 14 February 2018 covering 385.51 Ha
- HGU Certificate No 196 dated 14 February 2018 covering 587.39 Ha
- HGU Certificate No 197 dated 14 February 2018 covering 343.70 Ha
- HGU Certificate No 198 dated 14 February 2018 covering 432.00 Ha
- HGU Certificate No 199 dated 14 February 2018 covering 140.63 Ha
- HGU Certificate No 200 dated 14 February 2018 covering 918.64 Ha
- HGU Certificate No 201 dated 14 February 2018 covering 564.76 Ha

- HGU Certificate No 202 dated 14 February 2018 covering 278.38 Ha
- HGU Certificate No 203 dated 14 February 2018 covering 607.13 Ha
- HGU Certificate No 204 dated 14 February 2018 covering 53.37 Ha
- HGU Certificate No 205 dated 14 February 2018 covering 66.12 Ha
- HGU Certificate No 206 dated 14 February 2018 covering 359.64 Ha

### **3. PT. Gemilang Makmur Subur) 2159.53 Ha**

- HGU Certificate No 292 dated 14 October 2019 covering 453.6577 Ha
- HGU Certificate No 293 dated 14 October 2019 covering 1016.94951 Ha
- HGU Certificate No 294 dated 14 October 2019 covering 688.9273 Ha

Based on explanation above total land title owned by the company are 16,408.91 Ha, however, there are area covering 838.16 Ha that excluded from scope of certifications. The area distributed 39.75 Ha at PT GMS, 761.41 Ha at PT LGI, 37.00 Ha at PT NAS exclude from the scope of certifications. Based on explanations above the scope of certification are 15,570.75 Ha

#### **4.4.2, 4.4.4, 4.4.5**

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 unit certifications area there was no land under customary right. The evidence of compensation to landowner 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 landowner and included of government in village and sub district level.

Based on the results of interviews with previous land owner and representative village of surrounding communities ((Nanga Tayap Village, Nek Doyan Village, Simpang Tiga Sembelangaan Village, Sungai Kelik Village, Kayung Utara Village, Regional Dayak Customary Leader, local contractors (Bukit Tunggul Sejahtera Cooperative), as well as scheme smallholder cooperative obtained id 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 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:

- Minutes of land payments
- Land release agreement letter
- 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
- 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

**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. Land measurement maps during land acquisition were made in a participatory manner involving direct land owners and local village heads.

**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, development of scheme smallholders and CSR assistance. There are no land conflicts between the community and 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 with previous land owner and representative village of surrounding communities (Nanga Tayap Village, Nek Doyan Village, Simpang Tiga Sembelangaan Village, Sungai Kelik Village, Kayung Utara Village, Regional Dayak Customary Leader, local contractors (Bukit Tunggal Sejahtera Cooperative) as well as scheme smallholder cooperative obtained id 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 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
- 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 (

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 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:

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- Statement Letter of Land Ownership of Ex-Land from the owner / cultivator of the land known by the Village Head
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- 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

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.

Status: Comply

**4.8**

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

**4.8.1 - 4.8.4**

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 Village Head; Cooperative Officials (scheme smallholder); *Demang* (traditional leader) 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 the unit of certification 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 ± 834.15 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 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**

Based on the Bukit Tunggal Sejahtera Cooperative agreement for the development of scheme smallholders that made between PT. LSM with cooperative, the determination of the purchase price of FFB from the scheme smallholders follows the determination of the price of FFB by the Provincial Government of Kalimantan Barat. The determination is carried out every week by the Palm Oil FFB Purchase Determination Team in Kalimantan Barat Province. For independent smallholders and



third-party supplier following the company's internal pricing mechanism.

Based on interviews with scheme smallholders and FFB suppliers, it is known that information on FFB prices for outside suppliers is conveyed via short message applications and FFB price announcement boards in the factory area or delivery at regular monthly meetings.

#### **5.1.2**

Based on an interview with Mitra Sejati Cooperative and Bukit Tunggal Sejahtera Cooperative known that the price of FFB from kemitraan was in accordance with prices set by the Plantation Agency and in accordance with the agreement of both parties and there are no complaints regarding the payment of FFB. The regular updating of FFB prices to cooperation via WhatsApp group and directly short message send to member. The certification unit explains that FFB prices are routinely conveyed to farmers, such as the minutes of a routine meeting with farmers on 24 October 2022.

#### **5.1.3**

Based on document verification on the agreement letter between the certification unit and Kayong Sekayok Cooperative has been known and signed by representatives of both parties and is known by the Regional Government. Based on interviews with cooperation members (Mitra Sejati Cooperative and Bukit Tunggal Sejahtera Cooperative) revealed that the FFB price for smallholders was in accordance with prices set by the Plantation Agency and in accordance with the agreement of both parties and there are no complaints regarding the payment of FFB. Based on interview, it was also conveyed that every payment as well as in the activity/ meeting for revenue sharing was always attached with a price list that issued by Plantation Agency. Furthermore, for independent smallholders and third-party supplier following the company's internal pricing mechanism.

#### **5.1.4**

The certification unit has an agreement contract with the cooperative and FFB Supplier Each contract document, signed by both parties as evidence that a work agreement has been agreed. Contract agreement documents are kept by both parties, which will be used as legal references. Based on document verification on the agreement letter between the certification unit and Mitra Sejati Cooperative has been known and signed by representatives of both parties and one is a woman who is a member.

#### **5.1.5**

In developing community plantation, the certification unit has cooperation with six cooperatives from surrounding plantation areas using KKPA or Cooperative Premier Credit Scheme. Time of cooperation was valid for 25 years, as stated on the following agreements:

- a. Agreement No. 001/SPK-BTS/IX/2015 dated 8 September 2015, with Cooperative of Bukit Tunggal Sejahtera in area covers about 728 Ha.
- b. Agreement No. 01/SPK-IPM/IX/2015 dated 8 September 2015, with Cooperative of Istana Pawan Mandiri in area covers about 1060 Ha.
- c. Agreement No. 001/SPK-KSK/III/2016 dated 16 Maret 2015, with Cooperative of Kayong Sekayok in area covers about 449 Ha.
- d. Agreement No. 001/SPK-MPP/IX/2015 dated 8 September 2015, with Cooperative of Mitra Penjualan Permai in area covers about 630 Ha.
- e. Agreement No. 001/SPK-MST/II/2016 dated 8 September 2015, with Cooperative of Mitra Sejati in area covers about 553 Ha.
- f. Agreement No. 01/SPK-KOPRS/IX/2015 dated 15 September 2015, with Cooperative of Rungau Sejahtera in area covers about 735 Ha.

#### **Independent Smallholders**

Agreement with independent smallholders of FFB suppliers has been made annually, for example in 2022 as shows in the following agreement: Agreement No. 001/SPKL/BTJM-TBS/IV/2022 dated 01 April 2022 with FFB supplier namely Koptan Sumber Rezeki. Agreement valid until 1 March 2023.

Document verification and public consultation with community representatives Full Managed Smallholders (cooperative), independent smallholder and contractors during the audit showed that the contracts made between the certification unit and the

FFB suppliers and local contractors were made fairly, legally and transparently. The scheme smallholder, independent smallholder and local FFB suppliers have understood the contract agreement they have made as evidenced by the agreement signed by both parties (the certification unit and the scheme smallholder or the supplier). In the document, there is a statement that the price set to determine the FFB selling price is the price set by the Kalimantan Barat Provincial Plantation Agency Price Fixing Team, so the parties hereby declare that they will obey and obey the price fixing so that one party and the other party are not entitled to request an increase or decrease in price. The agreement (MoU) or contract regulates completely and clearly the rights and obligations of the two parties, the technical provisions of the agreement/ work to a fair payment method agreed by both parties. There are also specifications and implementation requirements as well as sanctions that must be met by the second party.

**5.1.6**

Has been verified of the FFB Payment and Minutes of handing over the remaining money from the plasma plantation from PT LSM to the Bengkirai Jaya Cooperative for period September and October 2022. The minutes describe pricing and pricing periods, FFB amount, reduction/ cost, and total paid. The payment was conducted within a month. The payment for the period September and October 2022 for cooperative Mekar Jaya dated 31 October 2022.

**5.1.7**

Based on field observation, interview with managements and document verifications it was known there two weighbridge in Bukit Tunggal Jaya Mill. The certification unit has tested the electronic weigh bridge, which was carried out on May 30, 2022 and ratified on June 6, 2022 by the Head of Integrated Legal Metrology Service Unit in Ketapang District and valid until May 30, 2023 with evidence, among others:

- a. Test result certificate number 058/SKHP/MET-TJE/V/2022 for serial number 141050338 with a maximum capacity of 40,000 Kg.
- b. Test result certificate number 059/SKHP/MET-TJE/V/2022 for serial number 144550496 with a maximum capacity of 40,000 Kg.

**5.1.8**

The certification unit has carried out socialization related to RSPO Certification to cooperatives/ plasma farmers through annual meetings between the certification unit and the community. The certification unit shows the Minutes of the annual meeting on 9 January 2022 which was attended by the certification unit, village government, community representatives and plasma farmers.

**5.1.9**

The Certification unit also has procedures for communication contained in the Communication SOP Number LSM-SUST-SOP-09 revision on 3 December 2019 and applies to all activities and fields of the Operations Unit of PT. LSM which includes internal or external communication related to HSE, Labor, Social, RSPO & ISPO matters. The scope of external communication includes the delivery of HSE, employment, social information to or from third parties, including the Government, business partners, contractors and suppliers, families of employees of PT. LSM, community, Non-Governmental Organizations, media, and others.

Based on the verification document of 2022 internal and external complaint book, known that there was no complaint by cooperative nor farmer complaint.

**Status: Comply**

**5.2**

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

**5.2.1**

The certification unit has delivered socialization on RSPO matters included improvement on livelihoods through taking part in RSPO certification to smallholders and indirect FFB suppliers since 8 December 2021, took place in the Village of Simpang Tiga Sembelangan. Socialization has also included subjects on best management practices and safety aspects such as integrated pest management, land management, zero burning method, pesticide handling, etc.

As a support for independent smallholders to make their plantations RSPO certified, the certification unit of certification has facilitated farmers with some initial training such as the one that was held on 16-19 February 2022, training materials provided include: RSPO Certification System for independent smallholders, management and group dynamics, Internal Control System (ICS), functions and performance, internal audit system and documentation system. The result of this training is the formation of an ICS group/ team which will be maximized in conducting internal audits as well as providing outreach/ socialization related to the RSPO certification program.

**5.2.2**

As a support for independent smallholders to make their plantations RSPO certified, the unit of certification has facilitated farmers with some initial training such as the one that was held on 16-19 February 2022, training materials provided include: RSPO Certification System for independent smallholders, management and group dynamics, Internal Control System (ICS), functions and performance, internal audit system and documentation system. The result of this training is the formation of an ICS group/ team which will be maximized in conducting internal audits as well as providing outreach / socialization related to the RSPO certification program.

**5.2.3**

To ensure traceability of FFB received, the certification unit has conducting “Traceability to Plantation (TTP)” which aims to obtain several data through visiting FFB supplier areas owned by the independent smallholders, collectors (indirectly obtained) and plasma. Data collected is point of coordinates, then to checks and overlays the spatial layout to ensure the area is in the “APL area”. When location of FFB sources is not overlapping with conservation or forest areas, the contract agreement of FFB supply could be continued. Based on this explanation, it could be concluded that unit of certification has make selection of FFB sources through checking on its status of land ownership.

**5.2.4**

Small holders at PT Ladang Sawit Mas are full managed small holders, so workers who apply pesticides are company employees. However, the company has also conducted training on pesticides for small holders, for example training on pesticide handling at Division 3 Cemara Jaya Estate Block F26 which was attended by 32 participants.

**5.2.5**

The certification unit regularly review and publicly report on progress of the smallholder support programmed until 2022, based on partnership department review management report in 2022, for example for landowners (Cooperative Jasa Kayong Sekayok and Mitra Penjalaan) farmers has freehold title by government.

**Status: Comply**

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

**6.1**

**Any form of discrimination is prohibited.**

**6.1.1**

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

Based on interviews with workers in Estate and Mill, it is known that job vacancies have been published by the unit of certification, there are no requirements that refer to discrimination by gender, race or ethnicity, disability, sexual orientation, age or belief, so the unit of certification has implemented a policy of non-discrimination as well as equal opportunities. This is evidenced by the ethnic diversity that is accepted to work.

In addition, based on interviews with representatives of trade unions and representatives of the gender committee, information was also obtained that there was no indication of acts of discrimination based on religion, ethnicity, gender and regional origin in the process of hiring.

**6.1.2**

The company has a labor and human rights policy which was signed in June 2019 by the Director. The policy explains that the company is committed to providing equal employment opportunities regardless of race, religion, degree, ethnicity, gender, skin color, imperfection (disability), sexual orientation, political affiliation, organizational membership, and age. Based on the verification of the worker register document, the company's workers come from various regions, male and female, religion and race and there are no migrant workers in the company. In addition, based on interviews with workers, there is no discrimination between workers. All employees working at the Company come from local villages and other areas.

**6.1.3**

The employment procedures have been regulated in BGA Group Company Regulations for the period 2021 – 2023 which have been ratified by the Ministry of Manpower in accordance with SK number KEP.4/HI.00.00/00.0000.210714014//B/VII/2021 on July 27, 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 of dispute resolution, and other provisions.

In addition, the company has employment SOPs such as:

- BGA-SOP-HC-304.01-R1 concerning Employee Recruitment and Selection Process
- BGA-SOP-HC-307.01-R1 regarding Promotion
- BGA-SOP-HC-307.02-R1 concerning Employee Movements
- BGA-SOP-HC-315.02-R0 regarding BPJS Operational Unit Insurance Payments

As a form of implementation of these procedures and SoPs, companies can show documents, for example as follows:

- Estate Manager letter Hamparan Jaya Estate number 182/SK-PRS/HJYE-LSML/X/2022 dated 01 October 2022 concerning the appointment of SM as a permanent employee worker. Agreement No 182/PT.LSM-HJYE/SPK-PTH/X/2022 concerning probationary work agreement for 3 months and an evaluation will be carried out until determined to be a permanent employee. This agreement has explained the rights and obligations of both parties including the wages received OHS Aspects.
- Employee appraisal documents, for example the 2021 performance appraisal document for workers with the initials MI with a total score of 90.08
- Promotional documents for employees with the initials FS in January 2022 with a total score of 81.06 so that they are promoted from Permanent Daily Workers to Permanent Monthly Workers.

**6.1.4**

Based on a review of recruitment documents and interviews with a fertilizer worker with the initials SM (newly accepted woman) in block G53 Div II Hamparan Jaya Estate, it is known that at the time of admission only general MCU was carried out and there were no pregnancy checks. The worker added that pregnancy checks are carried out routinely every month to ensure that workers who have contact with chemicals are not pregnant

**6.1.5**

The gender committee has been established and is still active today at the Estate and Mill where a man is Protector and Counselor and a woman is chair of the gender committee. The structure of the gender committee consists of female and male workers. The main objective of establishing a gender committee is to provide a forum that can accommodate the aspirations or complaints of workers, especially women workers.

Based on interviews with several workers, they are also aware of the existence of a gender committee because the management has routinely socialized it, the latest socialization regarding sexual harassment and domestic violence against women. This activity is carried out twice a year and is attended by women workers and housing residents. The results of this socialization can be seen in the absence of sexual harassment in the company's operational activities and workers are given equal opportunities for all genders.

**6.1.6**

The certification unit does not discriminate against workers' rights, this is indicated by the payment of equal wages for workers in the same scope of work.

The certification unit issued a decision on the payment of salaries for permanent employees in 2022 based on the Decree of the Governor of Kalimantan Barat number 1462/Disnakertrans/2021 dated 29 November 2021 concerning the Minimum Wage for Ketapang Regency in 2022 is set at IDR 2,876,252.79.

The certification unit in this case shows proof of payment of salary that is equivalent to the scope of work by showing the salary slip for engine room operators and sterilizer operators for the period of October 2022 where overtime payments have been paid in accordance with applicable regulations and the working hours of employees, for example overtime for boiler operators with value of IDR 3,085,584.

Memo Human Capital Group Dept. Head 005/MEMO-BGA/HC-POP//2022 dated 07 January 2022 concerning Determination of Wages for Permanent Month Workers and Permanent Daily Workers Employees for 2022. Referring to the provisions of the District Minimum Wage in Kalimantan Barat Province for 2022 which was stipulated by Decree Governor of Kalimantan Barat No. 1462/DISNAKERTRANS/2021 concerning the Ketapang District Minimum Wage for 2022. Permanent Month Workers pay structure in 2022 with the highest class U1 with a wage of IDR 3,128,000 and the lowest class P8 with a wage of IDR 2,963,000

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**

Decree of the Governor of Kalimantan Barat number 1462/Disnakertrans/2021 dated 29 November 2021 concerning the Minimum Wage for Ketapang Regency in 2022 is set at IDR 2,876,252.79.

Memo Human Capital Group Dept. Head 005/MEMO-BGA/HC-POP//2022 dated 07 January 2022 concerning Determination of Permanent Monthly Wage for Permanent Workers and Permanent Daily Workers for 2022 which stipulates that the minimum wage for 2022 refers to the District Minimum Wage in Kalimantan Barat Province for 2022 as follows:

- Based on Government Regulation Number 36 of 2021 Article 25, companies pay wages in accordance with the provisions of the District Minimum Wage, no longer using the Regency Sectoral Minimum Wage.
- For Permanent Daily Workers with work entry dates before December 31, 2021, payment of fixed wages refers to Memo Number 042/MEMO-BGA/HC-POP/12/2020 (attached).
- Daily wages for permanent workers with work mask dates above January 1, 2022 are Rp. 2,876,252,- per month. If an employee is absent from work due to absence and personal permission, the wages for calculating wage deductions are calculated based on 1 month's wages divided by 25 working days.
- Permanent Month Workers pay structure in 2022 with the highest class U1 with a wage of IDR 3,128,000 and the lowest class P8 with a wage of IDR 2,963,000
- Workers' rice allowance is 0.5 kg/day, wife's rice allowance is 0.3 kg/day and children's rice allowance is 0.25 kg/day.

Based on review of harvester salary slip documents in Estate and processing workers in Mill, it is known that workers' wages have been paid in accordance with the appropriate minimum wages and overtime wage has paid in accordance with appropriate regulations.

**6.2.2**

The company has shown the BGA Group Company Regulations for the period 2021 – 2023 which have been ratified by the Ministry of Manpower according to SK number KEP.4/HI.00.00/00.0000.210714014//B/VII/2021 on 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.

Based on the verification of employee salary slips, it shows that the payslips provide accurate and good information regarding wages, compensation and deductions for each employee. Based on interviews with plantation and mill employees, it is shown



that the company always provides socialization related to item information on salary slips so that employees are not confused or misinterpreted.

### **6.2.3**

Based on document verification, it is known that the company already has a list of workers, work agreements and related documents that stipulate details of wages and work conditions, as well as documents detailing salaries that provide accurate information about compensation.

Then, the Certification Holder has IOM number 009/IOM/RH/REG 5 – BGA/VIII/2019 dated 26 August 2019 concerning Affirmation of Harvest Fines in Region 5 (Nanga Tayap). For example harvesting unripe bunches will be fined IDR 5,000/bunch, long stalk fines of IDR 500 per bunch.

Based on the results of interviews with harvesters in each estate, for example, interviews with harvesters in block G69 Div I Hampanan Jaya Estate it is known that workers have understood and accepted the harvest fines set by the company. The workers added that the harvest fines had been routinely socialized to the workers during the morning assembly before the harvest activities were carried out.

In Additions, based on the document review, it is known that there are workers who have retired in August 2022 on behalf of JLD. Based on a review of pension documents number 326/LSM-CHJT/PB/VIII/2022 dated August 6, 2022, pension compensation has been paid according to the Group Company Regulations and the amount of compensation has been agreed upon by both parties.

### **6.2.4**

Unit of certification has provided welfare facilities to occupants in the form of housing, water supply, educational facilities, mosque, transportation, and other facilities in each unit. Based on the field visit in Estate dan Mill housing area, it known that workers were provided with adequate housing facilities with 2 bedrooms, 1 bathroom and there was daycare for children. The house is inhabited by 1 family

In addition, the company also provided waste disposal sites for domestic waste management. For health services, the company provides clinics and paramedics. Based on field observations, it's known that the facilities and infrastructure provided for workers are still functioning properly.

### **6.2.5**

Based on field observations and interviews with plantation and factory employees, it was revealed that in the area of the certification unit there are 4 units grocery service (*Unit Pelayanan Sembako*), vegetable seller and stalls in employees' homes that provide daily needs at affordable prices.

### **6.2.6**

In Indonesia there was no living wage standard is established, so company still implemented the national minimum wages for all workers. In addition to the payment of minimum wages, certification unit has been assessing the prevailing wages and in-kind benefits provided to workers in the certification unit aligned with the RSPO Guidance for Implementing a Decent Living Wage.

Certification unit has the determination of assessment prevailing wage and all kinds of benefits for DLW simulation in 2022 based on local prices. DLW has been included in the calculation of food costs, housing facility costs, transportation, educational cost, daycare facility, sports facility, health cost, electricity, and other costs. The results of these calculations are known that the standard of DLW currently given / simulated by the certification unit is above the stipulation of the minimum wage (IDR 2,876,252.79).

### **6.2.7**

Based on document reviews and interviews with representatives of workers in Estate and Mill, it is known that all workers working in the certification unit are permanent workers. There are no longer contract workers, casual daily workers or migrant



workers. The work given to the contractor has met the regulated requirements such as work agreements, wages according to the minimum wage, provision of PPE, registered as BPJS members, contractors have business licenses (SIUP) and others.

Status: Comply

**6.3**

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

**6.3.1**

The company has an Internal Office Memo No: 05/IOM/Reg-Nanga Tayap/VI/2019 dated 16 June 2019 concerning Human Rights Policy in point 5 it is explained that the Management of the BGA Group Region Nanga Tayap gives freedom to all employees to form and or become a labor union. The policy is written in Bahasa and can be understood by workers. There is evidence of bipartite LKS socialization in companies, for example the socialization at Hamparan Jaya Estate on October 13, 2022 which was attended by 114 participants (photos and attendance attached)

The company shows documents for the formation of Bipartite cooperation for each unit, for example the Decree of the Head Manpower and Transmigration Office Ketapang Regency number 68 of 2021 dated March 26 2021 concerning the Registration of Bipartite cooperation PT Ladang Sawit Mas with the membership composition consisting of 8 employer representatives and 8 representatives worker. The results of interviews with representatives of the Bipartite cooperation known that the Management Representatives who represented workers were openly elected by the workers without any intervention from the company. In addition, Minutes of Bipartite cooperation meetings are available, for example the Minutes on 9 September 2022 discussed Work Accident Reporting and the Election of New Management which was attended by 12 participants.

**6.3.2**

The company shows the minutes of the meeting of the LKS Bipartite for example, the meeting of *LKS Bipartite* management on September 09, 2022 took place in Metro Nanga Tayap meeting room. The meeting agenda included discussing about reporting of work accidents and election of new management of LKS Bipartite administrators

Based on the above, it is known that the company already has good documentation regarding the internal meetings of the Labor Union.

**6.3.3**

Based on interviews with the Labour Union and *LKS Bipartite*, there were no interference in the selection or labour union operational activities. All process of selecting, decisions making and planning activities, member aspirations to their representatives run democratically. The employee who currently placed as the Chairman of the Labour Union is a worker at mill and estate, then there will be no conflict of interest that occurs with the company because there are no workers who have the authority as decision makers (staff class and above). The company also involved the labour union in formed Company Regulation.

The establishment of the Labour Union and *LKS Bipartite* is in accordance with the applicable laws and regulations and has been recorded at the Manpower Office. Company is giving freedom for worker to express their opinion and also, company did not give any intervention related to labour union activity.

Status: Comply

**6.4**

**Children are not employed or exploited.**

**6.4.1**

The company has an Internal Office Memo No: 05/IOM/Reg-Nanga Tayap/VI/2019 dated 16 June 2019 concerning Human Rights Policy in point 1 explaining that the Management of the BGA Group Region Nanga Tayap strictly prohibits children under the age of (less than 18 years) work and or be employed which may endanger the safety, health and morals of the child. This applies both to internal workers and contractors.

The results of interviews with CPO/PK transporter contractors, representatives of Bipartite cooperation and workers in Estate and Mill known that they understand the policy.

**6.4.2**

The company has employment and human rights policy signed by Regional Head in June 2019 which in point 4 states that the company will not employ children under 18 years old.

Based on the results of a review of the labor list documents and the results of interviews with workers in Estate and Mill, known that all workers were over 18 years old when they were hired. The company also explained that when workers are accepted, ID cards are one of the requirements to ensure that workers are over 18 years old.

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Based on the results of a review of the labor list documents and the results of interviews with workers in Estate and Mill, known that all workers were over 18 years old when they were hired. The company also explained that when workers are accepted, ID cards are one of the requirements to ensure that workers are over 18 years old.

**Status: Comply**

**6.5**

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

**6.5.1**

Company has policy to prohibit any form of sexual and all other forms of harassment and violence in Sexual Harassment Procedure No. BGA-SOP-HC-311.2-R0 and in Employment and human rights policy signed by Regional Head in June 2019. The Sexual Harassment procedure explains the mechanism for reporting if there is sexual harassment, victim handling and protection of victims, witnesses, and perpetrators, investigations, until giving sanctions. Based on interview with worker in Estate and Mill, representative of bipartite and gender committee, there was no complaint about harassment or abuse in workplace. Woman workers are understood about their reproductive rights. They also know how to report if there was a harassment or abuse in workplace.

**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 certification unit 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 committee gender was formed to provide support for female workers against sexual harassment and violence and to communicate and communicate the policy to all workers.

Companies can show the organizational structure of the Gender Committee where the management consists of men and women. There is evidence of the Socialization of the Gender Committee to workers, for example evidence of socialization on 07 June 2022 at Bangkirai Jaya Estate to 27 workers. Based on the results of interviews with representatives of the management of the gender committee and women workers at the Estate, it is known that the company has facilitated the establishment of gender committees and the protection of women's reproductive rights, such as routine monthly pregnancy tests for women workers who are associated with chemicals.

**6.5.3**

The company has shown documents on the list of mothers giving birth from 2021 to 2022, namely 36 people at PT LSM & PT GSM and 14 people at PT LGI & PT NAS. The company has assessed the needs of new mothers through questionnaires, for example the questionnaire on May 12 2022 which was carried out by the company's paramedics.

Based on the results of interviews with female workers in block F53 Div I Hamparan Jaya Estate, it is known that one of the workers who already has 10-month-old baby explains that the company has conducted an assessment of the needs of new mothers for her. Company also provides a breastfeeding corner at Day Care, giving workers time to breastfeed her babies in Day Care. In addition, the results of a field visit at the Hamparan Jaya Estate Day Care known that there were 2 babies aged around 10 months. Day Care officer explained that the baby's mother has the opportunity to breastfeed babies at 09.00 AM, 11.00 AM and 01.00 PM as well as the time she goes home.

**6.5.4**

For handling complaints, the company has SOP number BGA-SOP-HC-311.1.R0 regarding Procedure – Grievance Resolution which was approved by the director on 26 April 2012. The SOP has explained the mechanism for submitting complaints and the response time for these complaints has been determined by the company. In addition, company has an Employment and Human Rights Policy which was adopted by the Regional Head in June 2019. The policy states that the company will respect human rights as stipulated in Law No. 32 of 1999. The company is also committed to protecting whistle blowers related to human rights. The policy also states that the company is committed not to carry out acts of intimidation outside the law / violence in any form against human rights defenders, including the use of military / security forces. The company also protects whistle blowers related to human rights. It is written in Employment and Human Rights Policy which was adopted by the Regional Head in June 2019.

Based on the results of interviews with Mill and Estate workers, contractors, representatives of Bipartite cooperation and representatives of surrounding villages it is known that they have understood the mechanism for submitting complaints to the company.

**Status: Comply**

**6.6**

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

**6.6.1**

The certification unit showed that on each work agreement between the certification unit 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, anticorruption, and anti-forced labour.

Company shown agreement for worker such as Estate Manager letter Hamparan Jaya Estate number 182/SK-PRS/HJYE-LSML/X/2022 dated 01 October 2022 concerning the appointment of SM as permanent employee worker. Agreement No 182/PT.LSM-HJYE/SPK-PTH/X/2022 concerning probationary work agreement for 3 months and an evaluation will be carried out until determined to be a permanent employee. This agreement has explained the rights and obligations of both parties including the wages received OHS Aspects. Based on the results of interviews with SM in Block G53 Div II Hamparan Jaya Estate it is known that when the recruitment was carried out there was no fee collection or document retention by the company. In addition, workers explain that the type of work received is in accordance with what is described in the work agreement.

**6.6.2**

Based on a review of employee list documents, interviews with company representatives and workers at Bukit Tunggal Jaya Mill, Nata Jaya Estate, Bangkirai Jaya Estate, Cemara Jaya Estate and Hamparan Jaya Estate it is known that there are no temporary workers or migrant workers at the company. All workers are permanent workers where when the worker is accepted as an employee, they have become permanent workers with a probationary period of 3 months.

The company can show a new employee work agreement, for example Estate Manager letter Hamparan Jaya Estate number 182/SK-PRS/HJYE-LSML/X/2022 dated 01 October 2022 concerning the appointment of SM as permanent employee worker. Agreement No 182/PT.LSM-HJYE/SPK-PTH/X/2022 concerning probationary work agreement for 3 months and an evaluation will be carried out until determined to be a permanent employee. This agreement has explained the rights and obligations of both parties including the wages received OHS Aspects.

**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 OHS work program is evaluated every month through regular OHS committee meetings, which include Issue, action plan, current status, action taken by and target date, for example contained in the OHS committee quarterly report, recap of discussions at the OHS committee meeting in July – September 2022, among others related to:

- Work accidents in January – September 2022, by emphasizing the application of HIRAC and continuous PPE discipline.
- PPE inspection, having done PPE inspection
- Socialization and training first aid.

The company already has an OHS organization in the form of an OHS committee in each unit that has been approved by the local manpower office, namely:

- Decree of the Head of the Kalimantan Barat Province Manpower and Transmigration Office number 560/163/NAKER/2021 concerning Ratification of the OHS committee of PT Ladang Sawit Mas. Ratified on 8 November 2021. Organizational structure of the OHS committee consists of: Chairman, Chief Executive, Secretary, Chemicals & Environment, Fire Hazard Management & Emergency Response, Workshop & Transportation, OHS Supervisor, Workshop & Civil Engineering, Equipment & Archive Documentation, Members SKP AOHS General on behalf of Taufik Fardiman Chair Telaumbanua as Secretary with No Reg.58333/PK3/AJ/61/2021/P1 dated 17 December 2021 with status still valid until December 2024.
- Decree of the Head of the Kalimantan Barat Provincial Manpower and Transmigration Office number 560/165/NAKER/2021 concerning Ratification of the OHS committee of PT Gemilang Makmur Subur. Ratified on 8 November 2021. Organizational structure of the OHS committee consists of: Chairman, Chief Executive, Secretary, Chemicals & Environment, Fire Hazard Management & Emergency Response, Workshop & Transportation, OHS Supervisor, Workshop & Civil Engineering, Equipment & Archive Documentation, Members SKP AOHS General on behalf of Taufik Fardiman Chair Telaumbanua as Secretary with No Reg.58333/PK3/AJ/61/2021/P1 dated 17 December 2021 with status still valid until December 2024.
- Decree of the Head of the Kalimantan Barat Provincial Manpower and Transmigration Office number 560/143/NAKER/2021 concerning Ratification of the OHS committee of PT Lestari Gemilang Intisawit. Ratified on 9 September 2021. Organizational structure of the OHS committee consists of: Chairman, Chief Executive, Secretary, Chemicals & Environment, Fire Hazard Management & Emergency Response, Workshop & Transportation, OHS Supervisor, Workshop & Civil Engineering, Equipment & Archive Documentation, Members SKP AOHS General in the name of Soni Guruh Sasono as Secretary with No. Reg.71051/PK3/AJ/62/2019/P0 dated 13 June 2022 with the validity period expired. The company showed a Letter of Extension of the General AOHS SKP certificate from PT Lintas Pengembangan Manajemen Indonesia on April 12, 2022.
- Decree of the Head of the Office of Manpower and Transmigration of Kalimantan Barat Province number 560/144/NAKER/2021 concerning Ratification of the OHS committee of PT Nabati Agro Subur. Ratified on 9 September 2021. Organizational structure of the OHS committee consists of: Chairman, Chief Executive, Secretary, Chemicals & Environment, Fire Hazard Management & Emergency Response, Workshop & Transportation, OHS Supervisor, Workshop & Civil Engineering, Equipment & Archive Documentation, Members SKP AOHS General in the name of Soni Guruh Sasono as Secretary with No. Reg.71051/PK3/AJ/62/2019/P0 dated 13 June 2022 with the validity period expired. The company showed a Letter of Extension of the General AOHS SKP certificate from PT Lintas Pengembangan Manajemen Indonesia on April 12, 2022.

The OHS work program is evaluated every month through regular OHS committee meetings, which include Issue, action plan, current status, action taken by and target date, for example contained in the OHS committee quarterly report, recap of discussions at the OHS committee meeting in July – September 2022, among others related to:

- Work accidents in January – September 2022, by emphasizing the application of HIRAC and continuous PPE discipline.
- PPE inspection, having done PPE inspection
- Socialization and training first aid.

**6.7.2**

The company has Emergency Preparedness and Response procedures (Document No: LSM-SUST-SOP-23, January 1, 2019) regarding instructions for handling and preventing emergencies as well as recovery efforts that affect humans, the environment or work activities/processes, such as procedures land fire control, factory and office fire management, explosion prevention and prevention, B3 spill/leak management and prevention, earthquake handling, evacuation procedures, etc. These procedures are in a language easily understood by workers.

The company also shows the Structure of the Emergency Response Team which has been provided with training and has a First Aid certificate, totaling 2 people. The Emergency Response Team structure consists of Responsible Official Area, Emergency Response Manager, Emergency Response Commander, Head of Equipment and Logistics, Head of Management, Heavy Equipment and Transport, Administration and Investigation, Team.

Based on field observations and document review, it is known that the company has provided type A first aid kits at strategic and easily accessible places and provided supplies to the foreman in the form of first aid bags. The number of first aid types available include:

- NJYE, there are 19 first aid units available and approximately 442 employees.
- BJYE, there are 23 first aid units available and approximately 465 employees.
- CMJE, there are 17 first aid units available and approximately 264 employees.

Based on data on the number of first aid, it is known that this is in accordance with the regulatory standards of *Permenakertrans No 15 2008*, namely a minimum of 4 type A first aid kits for every 100 workers.

Each foreman, like the Spray Foreman, is equipped with a first aid bag and can explain how to use the contents of the first aid kit. The company has conducted first aid training in several units, including:

- First aid training at PT LGI and PT NAS on 24 August 2022 attended by 19 workers and foremen.
- First aid training at PT GMS and PT LSM on 23 August 2022 which was attended by 48 workers and foremen.

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

**6.7.3**

The company shows the PPE procedure record No.BGA-SOP-CCS-1106. 1-R0, which includes:

- Procurement for new PPE, one of which states that the amount of PPE stock/reserves in the Warehouse cannot be less than 10% of the existing needs.
- Delivery of PPE to employees, one of which states that if new PPE is replaced, then the old PPE must be handed over and then the damaged PPE is destroyed and accompanied by an event report on the destruction.
- Replacement of damaged or lost PPE, one of which states that if an employee's PPE is damaged, then the employee has the right to receive a new PPE, by handing in the damaged PPE and filling out the handover proof form (except earplugs).

The company has conducted socialization related to the PPE use policy, one of which was at PT LSM HJYE on October 17 2022 to 18 spray workers, 20 fertilizer workers and 18 harvest workers. The company also shows the PPE handover BA, including:

- CMJE, the distribution will be carried out in September 2022 in the form of boots to 8 workers
- NJYE, the distribution will be carried out in November 2022 in the form of boots and helmets to 23 workers.
- BJYE, the distribution will be carried out in August 2022 in the form of PPE to 16 harvest workers and 28 spray workers.
- HJYE, the distribution will be carried out in November 2022 in the form of boots to 18 harvest workers and 18 spray workers.



Based on field observations and worker interviews, Mill, harvest, spray and fertilizer it is known that workers have used appropriate PPE and have understood how to replace damaged PPE.

Based on observations at the CMJE materials warehouse, it was found that there were PPE stocks, especially boots and safety shoes as well as helmets and PPE for spray workers and fertilizer workers.

Based on interviews with spray and fertilizer workers as well as field observations at the BGS and BMS buildings in CMJE, it is known that the company already has sanitation facilities for workers who use chemicals (pesticides and fertilizers) in good condition and suitable for use, so workers can remove PPE, clean themselves. And put on his personal clothes.

Based on this evidences, it was concluded that the company has provided proper sanitation facilities for spray and fertilizer workers as well as appropriate PPE equipment, including replacement of damaged PPE in accordance with the existing procedures.

**6.7.4**

The certification unit has shown participation and letters of payment for Employment Assurance such as proof of payment for *BPJS Ketenagakerjaan* and *BPJS Kesehatan* for the period August – October 2022 for Bukit Tunggal Jaya Mill, Hamparan Jaya Estate, Bukit Tunggal Jaya Estate, Nata Jaya Estate, Bangkirai Jaya Estate and Cemara Jaya Estate. However, based on the recapitulation data of employees and data of *BPJS Kesehatan* participants, it is known that:

- Bukit Tunggal Jaya Mill: 104 employees where 29 people have registered for *BPJS Kesehatan* and the remaining 75 people have not registered.
- Hamparan Jaya Estate: 190 employees where 20 people have registered for *BPJS Kesehatan* and 170 people have not registered.
- Bukit Tunggal Jaya Estate: 500 employees where 129 people have registered for *BPJS Kesehatan* and 371 people have not registered.
- Nata Jaya Estate: 444 employees where 64 people have registered for *BPJS Kesehatan* and 380 people have not registered.
- Bangkirai Jaya Estate: 509 employees where 31 people have registered for *BPJS Kesehatan* and 478 people have not registered.
- Cemara Jaya Estate: 268 employees where 28 people have registered for *BPJS Kesehatan* and 240 people have not registered.

The company has not been able to show that all workers have been included in the *BPJS Kesehatan* program. **Based on that's explanations raised non-conformity No 2022.01**

In additions, based on document reviews and interviews with company representatives, it is known that during the past one year there were no work accident cases that were claimed on BPJS.

**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 January – December 2022 period are:

Unit	Work Hours	Case	LTI	FR	SR
PT GMS (CMJE)	436,065	4	4	9	23
PT LSM (BTJM)	180,203	6	1	5.5	12
PT NAS (NJYE)	725,277	18	18	25	32
PT LGI (BJYE)	879,228	40	40	45	48



Based on review of the document, the accident incident has been reported to the local Manpower and Transmigration Agency and also to the Social Health Insurance Administration Body (BJS). Workers who experience work accidents are entitled to medical expenses from the Social Health Insurance Administration Body (BJS).

6.7.4 Status: non-conformity No 2022.01 with Minor Category

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

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

**7.1.1**

The integrated pest control plan is contained in the annual budget document which refers to the procedures owned, including:

- Carry out periodic detection, census and monitoring of attacks by rats and leaf-eating caterpillars in accordance with procedures.
- Conducting biological pest control, namely using owls to control rat pest populations and planting beneficial plants as predators for leaf-eating caterpillars.

The company already has records of the implementation of integrated pest monitoring and control, showing evidence such as:

- Records of integrated pest control show that the company has carried out observations of pest attacks, including:
  - BTJE, implementation in September 2022 with no results found *Oryctes*, *Lymacodidae* and *Psychidae* attacks, rat pest attacks below the threshold of 2.0% (5% threshold).
  - BJYE, implementation in September 2022 with no results found *Oryctes*, *Lymacodidae* and *Psychidae* attacks, rat pest attacks below the threshold of 2.7% (5% threshold).
  - NJYE, implementation in September 2022 with no results found *Oryctes*, *Lymacodidae* and *Psychidae* attacks, rat pest attacks below the threshold of 3.4% (5% threshold).
- Planting *Lymacodidae* and *Psychidae* predator host plants, the company has planted beneficial plants by showing beneficial plant monitoring documents, namely *Turnera subulate*, *Antigonon leptopus* and *Nephrolepis*. The company shows documents on the realization of beneficial plant planting, including:
  - BTJE, until October 2022 the realization of planting *Turnera subulate* 15,000 M, *Antigonon leptopus* 40 stems, *Nephrolepis* 54 Ha.
  - HJYE, until October 2022 the realization of planting *Turnera subulate* 2,100 M, *Antigonon leptopus* 10 stems,
  - BJYE, until October 2022 the realization of planting *Turnera subulate* 15,000 M, *Antigonon leptopus* 40 stems, *Nephrolepis* 54 Ha.
  - HJYE, until October 2022 the realization of planting *Turnera subulate* 20,050 M, *Nephrolepis* 522 Ha.
  - NJYE, until October 2022 the realization of planting *Turnera subulate* 17,300 M, *Nephrolepis* 98 Ha.
  - CMJE, until October 2022 the realization of planting *Turnera subulate* 17,250 M, *Antigonon leptopus* 20 stems, *Nephrolepis* 9 Ha.

Based on field observations at NJYE Division 4 block G47, Division 2 block E51, E50, it is known that there are *Turnera subulate* and *Nephrolepis* plants. CMJE Division 2 blocks D17, D18, Division 1 block E15 are known to contain *Turnera subulate* and *Antigonon leptopus* plants.

- Development of owls as natural predators of rats. The results of a study report on the condition of owl cages for October 2022 found that the company has developed owl cages, such as: BJYE has 10 cages with conditions all cages are inactive, NJYE has 20 cages with conditions all drums are not active, CMJE has 32 cages with conditions 4 active cages, BTJE there are 60 cages with 11 active cages, HJYE there are 20 cages with 6 active cages. The results of field observations revealed that there were owl cages with inactive gupon status, such as in CMJE block F8.

From the results of field visits, interviews, and document reviews, it is known that the company already has and applies SOPs for pest observation and control.

**7.1.2**

Based on document review and interviews with relevant management, it is known that the company does not use the species mentioned in the Ministerial Regulation of Environment and Forestry No.P. 94/MENLHK/SEKJEN/KUM.1/12/2016 in integrated pest control.

The company has a record of the implementation of pest control, by showing evidence such as:

Planting beneficial plants, the company has planted beneficial plants by showing beneficial plant monitoring documents, namely *Turnera subulate*, *Antigonon leptopus* and *Nephrolepis*. The company shows documents on the realization of beneficial plant planting, including:

- BTJE, until October 2022 the realization of planting *Turnera subulate* 15,000 M, *Antigonon leptopus* 40 crops, *Nephrolepis* 54 Ha.
- HJYE, until October 2022 planting of *Turnera subulate* 2,100 M, *Antigonon leptopus* 10 crops,
- BJYE, until October 2022 the realization of planting *Turnera subulate* 15,000 M, *Antigonon leptopus* 40 crops, *Nephrolepis* 54 Ha.
- HJYE, until October 2022 the realization of planting *Turnera subulate* 20,050 M, *Nephrolepis* 522 Ha.
- NJYE, until October 2022 the realization of planting *Turnera subulate* 17,300 M, *Nephrolepis* 98 Ha.
- CMJE, until October 2022 the realization of planting *Turnera subulate* 17,250 M, *Antigonon leptopus* 20 crops, *Nephrolepis* 9 Ha.

Based on field observations at NJYE Division 4 block G47, Division 2 block E51, E50, it is known that there are *Turnera subulate* and *Nephrolepis* plants. CMJE Division 2 blocks D17, D18, Division 1 block E15 are known to contain *Turnera subulate* and *Antigonon leptopus* plants.

Based on document review and interviews with relevant management, it is known that the company does not use the species mentioned in the Ministerial Regulation of Environment and Forestry No.P. 94/MENLHK/SEKJEN/KUM.1/12/2016 in integrated pest control.

**7.1.3**

The company has shown its commitment to eco-friendly plantation management. Based on field observations at NJYE Division 4 block G47, Division 2 block E51, E50 it is known that there are *Turnera subulate* and *Nephrolepis* plants. CMJE Division 2 blocks D17, D18, Division 1 block E15 are known to contain *Turnera subulate* and *Antigonon leptopus* plants. Based on document review, as well as interviews with workers and external stakeholders, it is known that the company does not use fire for pest control.

Based on this evidences it can be concluded that the company does not use fire for pest control but uses biological pest control.

	<b>Status: Comply</b>	
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**7.2 Pesticides are used in ways that do not endanger health of workers, families, communities or the environment.**

**7.2.1**

The company has a commitment to reducing 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 the commitment to implement Integrated Pest Management to reduce pesticide use. Pesticides classified by WHO as class IA or IB registered 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 selectively use pesticides (for weeds) and develop biological control (for pests). The company shows a list of all types of pesticides used for the period 2022. Broken down as in the following table:

Pesticides	Active Ingredients	No. Registration	Objective
Starlon	<i>triclopyr active</i>	RI.01030120155320	Weed <i>stenochlaena palustris</i> , <i>dicranopteris linearis</i>

Basta	<i>Amonium Glufosinate</i>	RI.01030120155299	Broadleaf weeds Ageratum conyzoides, Clidemia hirta, Synedrella nodiflora
Metafuron	<i>metil metsulfuron</i>	RI. 01030120103786	Broadleaf weeds Ageratum conyzoides, Clidemia hirta, Synedrella nodiflora
Penta-up	<i>Glyphosate</i>	RI.01030120062456	Broadleaf weeds Borreria alata Mikania micrantha grass class Ottochloa nodosa Paspalum conjugatum

Based on observations and interviews conducted with spray workers in block E50 Division 2 NJYE and block D17 Division 2 CMJE it was concluded that workers know about the function of the chemicals used and are selective when carrying out spraying activities, as an example for Methyl and Glyphosate materials used for path spraying.

### 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, usage units, period of use and LD-50, and class WHO. For example in the PT. LSM HJYE on December 2021 as follows:

Pesticides	Active ingredients	LD50 (rat) (mg/kg)	Amount used (Ltr or Gr)	Area used (Ha)	Unit/Ha
Starlon (L)	<i>triclopyr active</i>	>2000	348.0	1,130.4	0.31
Basta (L)	<i>Amonium Glufosinate</i>	>5000	3.5	13.0	0.30
Metafuron (G)	<i>metil metsulfuron</i>	>2000	82.8	1,185	0.07
Penta Up (L)	<i>Glyphosate</i>	>5000	2,767	1,185	2.33

Based on field observations at the chemical/pesticide warehouse, it is known that the list of pesticide records is in accordance with the list of stocks in the warehouse.

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 5 trees along the river border, there should be no application of pesticide spraying.

### 7.2.3

The company shows records of pesticide use in period 2020 and 2021 at PT LSM HJYE and PT LGI NJYE which shows a decrease in pesticide use, such as:

Active ingredients	Unit/Ha	2020		2021	
		NJYE	HJYE	NJYE	HJYE
<i>triclopyr active</i>	L/Ha	107,685.0	405.7	61,979.0	348.0
<i>Amonium Glufosinate</i>	L/Ha	-	656.0	-	3.5
<i>metil metsulfuron</i>	G/Ha	154.0	200.4	135.4	82.8
<i>Glyphosate</i>	L/Ha	4,421.7	3,700	4,054.5	2,767

The company has also planted beneficial plants, such as *Turnera subulate*, *Antigonon leptopus* 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 Pest control activity plan document which consists of detection and census of rat pests. Leaf-eating caterpillars. Termites and biological control, such as planting beneficial plants and developing owl populations. The company monitors the effectiveness of biological pest control such as developing beneficial plants for oil palm leaf-eating caterpillars and developing owls for rats. The use of insecticides is carried out if the level of pest attack is above the threshold (> 5% caterpillars/midrib). The company shows the recorded documents from the results of the pest census in September 2022, such as:

- BTJE, carried out in September 2022 with no results found for *Oryctes*, *Lymacodidae* and *Psychidae* attacks, rat pest attacks below the threshold of 2.0% (5% threshold).
- BJYE, carried out in September 2022 with no results found *Oryctes*, *Lymacodidae* and *Psychidae* attacks, rat pest attacks below the threshold of 2.7% (5% threshold).
- NJYE, carried out in September 2022 with no results found *Oryctes*, *Lymacodidae* and *Psychidae* attacks, rat pest attacks below the threshold of 3.4% (5% threshold).

Based on the results of document reviews, interviews, field observations, and pest censuses, the company has not yet 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 OHSL Work Instruction on Pesticide Use & Control of Pesticides Number BGA / LSM-K3 / IK-01/03/2012 Revision number 0 approved by Area Controller 3 dated March 14, 2012.

The company shows records of training on the use of pesticides for spraying pests / weeds which are carried out simultaneously, including:

- HJYE was held on 11 November 2022 which was attended by 33 workers consisting of foremen and workers related to pesticides and spray techniques.
- NJYE was held on 11 November 2022 which was attended by 25 workers consisting of foremen and workers related to pesticides and spray techniques.

From the results of field observations, it is known that workers have carried out the work in a trained and procedural manner, use appropriate PPE, areas related to chemicals equipped with B3 warnings, limited area warnings, warnings on the use of PPE, emergency response facilities such as fire extinguisher, MSDS, HIRAC, rinsing bathrooms, spill control areas and cleaning supplies.

#### 7.2.7

The company already has an SOP for managing pesticide packaging waste, namely BGA/LSM-K3/IK-01/03/2012, ratified on March 12, 2012. The procedure states that all empty pesticide packages must be properly controlled and managed and may not be used for activities employee consumption, such as water containers, food. Used pesticide packaging that is not reused

must be immediately punched and sent to the hazardous and Toxic Material Waste storage area.

Based on field observations at the CMJE BGA Ground System (BGS), 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, and no pesticides were found stored in the building.

Based on field observations in the chemical/pesticide storage warehouse, it is known that the chemical storage area has been equipped with a closed and labeled container and has OHS warnings and hazard symbols, and there is an MSDS for each chemical, the fertilizer storage area is equipped with ventilation and lined with pallets

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

#### **7.2.8**

The certification unit already has the SOP for the management of pesticide packaging waste, namely the number GA/LSM-K3/IK-01/03/2012, ratified on March 12, 2012 and the SOP for the Management of Hazardous and Toxic waste, namely Number LSM-SUST-SOP-14 which was ratified on 19 July 2021. The procedure explains that all used pesticide packaging that is empty must be controlled and managed properly in circulation and cannot be used for employee needs, such as for water containers, food containers, and others. Used pesticide packages that are not reused must be immediately perforated at the bottom and sent to the Hazardous and Toxic Waste Warehouse.

The certification unit has an agreement letter for hazardous waste transporting with PT Semesta Langgeng Sentosa No. 021/MOU/LSM-SLS/VI/2022 dated 23 June 2022 valid until 23 June 2023. The transportation of hazardous waste used for pesticide packaging was last carried out on 14 June 2022 by licensed transportation of PT Semesta Langgeng Sentosa according to the KLHK-1647175549 manifest of 0.744 tons.

Based on field visits and interview with pesticide warehouse operator and the temporary storage area for hazardous and toxic waste in the estate, it was found that the pesticide storage area was well managed, oil traps were available, adequate and isolated airways so there was no potential for pesticide exposure to leave the warehouse. Pesticide waste, such as used pesticide packaging, which is classified as hazardous and toxic waste, was also found to be stored in a temporary storage warehouse for hazardous and toxic materials which were properly monitored and then collected to licensed collectors. Before being stored in a temporary storage place for hazardous and toxic waste, the used pesticide packaging in the form of jerry cans is shredded first, this is done by management to avoid reuse of pesticide packaging and make storage efficient.

Based on interviews with employees and foremen of pesticide application in estate, it was found that all containers used for pesticide packaging were returned and sent to temporary storage places for hazardous and toxic waste materials that were not used for purposes other than pesticide application activities. All used containers, work tools and work clothes are stored in a special storage area. Thus, there are no contaminated items to be taken home. The results of the employees' home observations show that it is not found that the used pesticide packaging is disposed of at the disposal site and is not used for other purposes such as trash cans, flowerpots and so on.

#### **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 ASA 1 & 2 the company did not apply aerial spraying.

#### **7.2.10**

The certification unit has conducted a special medical check-up (cholinesterase) for chemical operators and is carried out annually by an accredited certification unit clinic. The 2022 inspection has been carried out based on the report in July 2022. The results of the check are informed health to workers and all pesticide operators are in good health (normal results). In addition, based on interviews with workers, it is known that they have never had a work accident caused by chemicals such as irritants.

#### **7.2.11**

Based interviews with pesticide spraying workers in block F53 Div I Hamparan Jaya Estate and block F31 Div III Bangkirai Jaya Estate known that none of the workers were pregnant or breastfeeding. The worker added that to ensure that workers are not



pregnant while doing pesticide spraying, the company routinely checks for pregnancy every month. In addition, if a worker is detected to be pregnant, they will be transferred to another job, for example as a janitor at the emplacement.

Unit certifications has show monthly pregnancy test results for fertilizer application workers and pesticide spraying workers, for example routine pregnancy checks carried out at Bangkirai Jaya Estate for 88 workers on November 9, 2022 and pregnancy checks for 49 workers at Bukit Tunggal Jaya Estate Div 3 and 5 on November 10, 2022.

**Status: Comply**

**7.3**

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

**7.3.1**

The certification unit shows evidence that the waste has been identified based on toxicity and hazardous characteristics, and then managed in accordance with waste management procedure and government regulation. The waste identification and management plan stipulated in the document of Waste Source Identification and Management. Has been identified the source of waste and pollution from Mill and Estates. For example, engine rooms 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 mill 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 ≤ 5000 mg / l. Bukit Tunggal Jaya Mill has a permit for mill waste management, disposal or land application in accordance with stipulated requirements, accordance Permit to utilize palm oil industrial wastewater on the ground (Land Application) No. 035/DPMPSTSP-D/2020 which was legalized on February 20, 2020 and is valid for 5 years.

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

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

**Schedule Waste Storage**

- The certification unit also has a permit for the schedule waste storage based on the Decree of The Ketapang Regent No. 362/DPMPSTSP-D.B/2018. Futher explain that the permit is valid for 5 years and can be extended. The certification unit has an agreement letter for hazardous waste transporting with PT Semesta Langgeng Sentosa No. 021/MOU/LSM-SLS/VI/2022 dated 23 June 2022. The last transporting of the hazardous waste dated 12 November 2022 on Bukit Tunggal Jaya Mill, the following is proof of transportation documents:
  - a. Manifest number KLHK-1672550592 is used rags 0.05 ton.
  - b. Manifest number KLHK-1672550930 is used hazardous container 0.15 ton.
  - c. Manifest number KLHK-1672550048 is electronic waste 0.01 ton.
  - d. Manifest number KLHK-1672558670 is clinical waste 0.258 ton.
  - e. Manifest number KLHK-1672551397 is used lubricating oil 1.4 ton.

Regarding the schedule waste storage that PT Lestari Gemilang Intisawit, PT Nabati Agro Subur and PT Gemilang Makmur Subur do not yet have, the certification unit explained that the permit application process is still in progress, but evidence of the management has yet to be shown. This has become a discrepancy in indicator 2.1.1 with the Major category.

**7.3.2**

Based on interviews with the management and the Head of the Schedule Waste Storage, it is known that they understand the handling of waste disposal, especially hazardous waste and domestic waste and the management of hazardous waste in accordance with the procedures owned by the management unit. In addition, respondents also stated that these regulations are strictly enforced and there are sanctions for those who violate them. All waste disposal facilities have also been provided by the company such as organic and non-organic waste bins as well as domestic waste transportation which is carried out every 1-2 times a week. The respondent's understanding of the hazardous waste management is the result of routine and consistent socialization and training as evidenced by the minutes that were held on August 12, 2022, to all staff and employees of Hamparan Jaya Estate.



Based on the field observation to the schedule waste storage, information was obtained that the last transportation was carried out on 12 November 2022, so the condition of the warehouses during the visit was relatively empty. 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**

The certification unit does not carry out open burning for waste disposal. Base on field observation known waste separation is separated based on the type of wet and dry waste, garbage transportation is carried out routinely, waste separation organic and inorganic are adjusted to the appropriate tub then put into the final waste disposal and closed periodically. Based on field observation, both on land and in housing, there was no indication of open burning of hazardous and toxic waste or domestic waste.

**Status: Comply**

**7.4**

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

**7.4.1**

The company 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:

- BGA-AGR-KS-SOP-01 Volume 1 contains about soil and water conservation (SOP-05) and planting of legumes (SOP-06)
- BGA-AGR-KS-SOP-01 Volume 2 contains Fertilization (SOP-09)
- BGA-AGR-KS-SOP-01 Volume 3 contains Management of marginal lands (SOP-16)

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 the application of 33 tons of empty bunches on October 2022 at PT GMS.
- Compost application to increase soil fertility. For example, the application of compost at PT GMS for the period January – October 2022 is 535 tons.
- Maintenance of cover crops to reduce evaporation (maintain soil moisture). For example planting legumes (*Mucuna bracteate*) 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 Quality Assurance 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 every year based on the soil sampling unit (SSU) and leaf sampling unit (LSU) conducted by the Analytical Laboratory Research Department and aims to determine fertilizer recommendations for the following year. As for the implementation of taking soil samples and leaf samples, consisting of:

- Soil sampling was carried out on 4 August 2022 using the soil texture analysis method, soil pH, C-Org, N, P, Ca, Mg, K, and several other measured parameters. The number of samples analyzed were: BTJE 94 samples, CMJE 34 samples,

HJYE 18 samples, NJYE 48 samples, BJYE 51 samples.

- Leaf sampling was carried out on April 16, 2022 using the N, P, K, Mg, Ca, Cu and B Analysis method. The number of samples analyzed were: BTJE 94 samples, CMJE 6 samples, HJYE 6 samples, BJYE 6 samples.

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

#### 7.4.3

The company shows records of the use of empty bunch, POME and compost as a recycling strategy by the company for fertilizer, including:

Estates	Empty Bunch Application 2022 (Ton)	POME Application 2022 (M3)	Compos Application 2022 (Ton)
HJYE			3,515
CMJE	-		535
BJYE	6,818		673
BTJM		210,213	

Based on field observations on the Land Application and the application of empty bunches, it is known that the company has applied POME and empty bunches in accordance with the provisions and the workers have also been equipped with the appropriate PPE.

#### 7.4.4

The company shows the recording of the recommendation report and the realization of fertilization for the January – October 2022 period is in accordance with the dose. For example in the Fertilization Recommendation and Realization Report for the period January – December 2021 at CMJE and NJYE as follows:

Type of Fertilizer	Recommendation (Ton)		Realization (Ton)		Achievement (%)	
	CMJE	NJYE	CMJE	NJYE	CMJE	NJYE
Urea	9.07		9.37		97	
Rock Phospate	198.95		198.95		100	
MOP	6.07		5.85		96	
HGFB	21.66		21.66		100	
Dolomite	420.36	463.83	420.36	462.65	100	100
TSP	38.12	47,54	38.12	47,51	100	100

From the results of document verification of the realization of CMJE and NJYE fertilization, it was concluded that the realization of fertilization was in accordance with the recommendations and the fertilization plan for 2022 had been completed by the company as a whole based on the fertilizer recommendations set.

**Status: Comply**

### 7.5

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

##### 7.5.1

The company has conducted land mapping based on the land suitability class of 1:50,000 scale contained in the Soil and Land Suitability Report document prepared by the Nanga Tayap Area Research Department of PT Bumitama Gunajaya Agro. Based on the results of the mapping, it is known that the company has several land map units, namely:

- Soil Map Unit-1, land class S2 (moderately suitable) with typical paleudults soil types, namely deep saline, good drainage, clayey and acidic loam texture. Has undulating topography (15-25%).
- Soil Map Unit -2, land class S2 (moderately suitable) with typical dystrodepts soil types, namely deep saline, good

drainage, sandy loam texture, acidic. Has a flat topography (0-8%).

- Soil Map Unit -3, land class S2 (moderately suitable) with typical udifluvents soil types, namely deep saline, moderate drainage, sour loam texture. Has a flat topography (0-8%).
- Soil Map Unit-4, land class S3 (marginal suitable) with typical plinthudults soil types, namely deep saline, moderate drainage, clayey loam texture, acidic. Has a flat topography (0-8%).

### 7.5.2

At the time the RSPO ASA 1 + 2 audit was carried out, there were no land clearing and planting activities carried out by the company. Based on a review of the Long Term Forecasting document, interviews with management representatives and field observations it is known that the company has not had any replanting activities and has not planned any replanting activities until 2027, because the age of the plants in the operational area of the certified unit has not yet entered a period of rejuvenation. The age of the oldest plant within the scope of this certification is 16 years (2006).

### 7.5.3

At the time the RSPO ASA 1 + 2 audit was carried out, there were no land clearing and planting activities carried out by the company. Based on a review of the Long Term Forecasting document, interviews with management representatives and field observations it is known that the company has not had any replanting activities and has not planned any replanting activities until 2027, because the age of the plants in the operational area of the certified unit has not yet entered a period of rejuvenation. The age of the oldest plant within the scope of this certification is 16 years (2006).

Status: Comply

## 7.6

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

### 7.6.1

The company has conducted land mapping based on the land suitability class of 1:50,000 scale contained in the Soil and Land Suitability Report document prepared by the Nanga Tayap Area Research Department of PT Bumitama Gunajaya Agro. Based on the results of the mapping, it is known that the company has several land map units, namely:

- Soil Map Unit-1, land class S2 (moderately suitable) with typical paleudults soil types, namely deep saline, good drainage, clayey and acidic loam texture. Has undulating topography (15-25%).
- Soil Map Unit -2, land class S2 (moderately suitable) with typical dystrodepts soil types, namely deep saline, good drainage, sandy loam texture, acidic. Has a flat topography (0-8%).
- Soil Map Unit -3, land class S2 (moderately suitable) with typical udifluvents soil types, namely deep saline, moderate drainage, sour loam texture. Has a flat topography (0-8%).
- Soil Map Unit-4, land class S3 (marginal suitable) with typical plinthudults soil types, namely deep saline, moderate drainage, clayey loam texture, acidic. Has a flat topography (0-8%).

Based on field observations in CMJE and NTJE it is known that the topography in these areas is flat

### 7.6.2

At the time the RSPO ASA 1 + 2 audit was carried out, there were no land clearing and planting activities carried out by the company. Based on a review of the Long Term Forecasting document, interviews with management representatives and field observations it is known that the company has not had any replanting activities and has not planned any replanting activities until 2027, because the age of the plants in the operational area of the certified unit has not yet entered a period of rejuvenation. The age of the oldest plant within the scope of this certification is 10 years (2012).

Based on the 1:50,000 scale land suitability class contained in the Soil and Land Suitability Report document, it is known that the company area has a flat topography (0-8%) to undulating (15-25%). The company shows a map of the realization of making terraces and ditches as a form of soil conservation in areas planted with oil palm in undulating and low-lying areas, namely:

- Trench map, consisting of:
  - PT GMS scale 1:40,520, with details of the length of the trenches: 4x4 trenches with a length of 5,198 M, 2x2 trenches with a length of 19,780 M and 1x1 trenches with a length of 101,201 M.

- PT LSM scale 1:40,520, with details of the length of the trench: 4x4 trench length 102,100 M, 2x2 trench length 264,400 M and 1x1 trench length 410,800 M.
- PT NAS scale 1:40,520, with details of the length of the trench: 4x4 trench length 640 M, 2x2 trench length 119,629 M and 1x1 trench length 106,424 M.
- PT LGI scale 1:40,520, with details of the length of the ditches: 4x4 ditches 1,947 M long, 2x2 ditches 83,223 M long and 1x1 ditches 150,260 M long.
- Terrace map, consisting of:
  - PT LGI scale 1:40,520, with details of the terrace length of 636,870 M.
  - PT NAS scale 1:40,520, with details of the terrace length of 60,202 M

**7.6.3**

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

- PT LSM Concession Map with a scale of 1:80,000. The map explains block names, block roads, division boundaries, ditches, rivers, emplacements, mills, nurseries and offices.
- No. LSM Water Management Realization Map with a scale of 1:40,520. The map explains the data on the distribution of water management infrastructure facilities.
- Topographic map with a scale of 1:40,520, which describes the topographical conditions of PT LSM, PT GMS and PT LGI which are used by the company in the development of oil palm plantations which have now been carried out, such as the construction of road infrastructure, bridges, fire towers, terrace ditches and others.

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**

Based on a document review and interviews with the management of PT LSM, it is known that the company is no longer carrying out new plantings in existing plantation areas or new land clearing.

**7.7.2**

The company shows the recorded peatland inventory report document that was sent to the RSPO on March 29, 2021, which explains the area of peatland in the operational area of PT Ladang Sawit Mas company, the reported peat area is divided into two parts, namely certified and uncertified peat areas, namely:

Criteria peat land	Planted Peatlands (Ha)	Infra, Buildings, etc (Ha)	Conservation (Ha)
Certified Area	1,682.88	-	167.06
Uncertified Area	4.93	-	71.07
<b>Total</b>	<b>1,687.81</b>	<b>-</b>	<b>238.13</b>

The recording company of the peatland inventory document that was sent to the RSPO on 29 March 2021, which describes the area of peatland in the company's operational area of PT Ladang Sawit Mas, namely:

Company	Planted Peatlands (Ha)	Infra, Buildings, etc (Ha)	Conservation (Ha)	Remarks
PT LSM	1,682.88	-	167.06	Certified
PT GMS	4.93	-	71.07	Uncertified
<b>Total</b>	<b>1,687.81</b>	<b>-</b>	<b>238.13</b>	

**7.7.3**

The company shows the recorded results of measurements and observations of peat subsidence in HGU areas where oil palm

plantations are being planted, with the following explanation:

- The company has 14 subsidence poles (2 poles/240 Ha) with details of 4 installation units in 2020, 4 installation units in 2021 and 6 new installation units in 2022. Based on the document of peat subsidence measurements, it is known that subsidence measurements are carried out every month, and peat soil subsidence is obtained from 2020 – 2022 (2 years) from the average of 4 measuring instruments for peat subsidence, it is 5.85 Cm /2 years (still below the standard regulation of Minister of Environment Regulation No. 7 of 2006 which is < 35 Cm/5 years). The following are examples of some of the results of peat subsidence measurements in 2022:

Estates	Block	2021 (Cm)	2022 (Cm)	Subsidence 2021 – 2022 (cm)
BTJE	C10	2.95	2.95	5.90
BTJE	D12	3.00	2.80	5.80
HJYE	F55	3.25	3.15	6.4

- The results of field observations revealed that the subsidence pole in block F55 were installed according to the coordinates and the results of the measurement of peat subsidence in November 2022 were 6 cm (still the same as the last measurement in November 2022).

Based on the results of field visits, interviews, and document review, it is known that the company has documented records of the implementation of planting on peatlands in accordance with procedures and/or laws and regulations.

#### 7.7.4

The company has guidelines and measurements for water levels issued by the Deputy Head of Oil Palm Research on 5 May 2018 which explains how to manufacture a water level meter and how to measure it (water level is maintained at 60-70 cm). The company also has a documented program for water management such as routine water level monitoring and piezometer.

The company shows the recorded results of measurements and observations of peatland management in HGU areas where oil palm plantations are being planted, including:

- Documents resulting from the measurement of the water level of the canal in November 2022, namely BTJE with an average water level of 57.6 Cm below ground level, HJYE with an average water level of 46 Cm below ground level. Based on these documents, it is known that the average water level is still below the standard threshold, which is an average of 60-70 cm.
- Documents of measuring ground water level using a piezometer in November 2022, namely BTJE average ground water level 59 Cm, HJYE average groundwater level 59 Cm. Based on these documents, it is known that the average water level is still below the set standard, which is 60-70 cm.
- Based on field observations in the peat areas of HJYE in general, there are ground cover crops such as *legumes* and *Nephrolepis* in the dead trees of each crop path.

Based on the results of field visits, interviews, and document review, it is known that the company has documented the recording of the application of planting on peatlands by observing and adjusting the water level according to the standard threshold that has been set.

#### 7.7.5

Based on the document review, PT LSM, PT GMS, PT NAS and PT LGI have no replanting plans in the next 5 years. The oldest planting year in PT LSM, PT GMS, PT NAS and PT LGI was the 2006 planting year (16 years old).

#### 7.7.6

The company shows a map of the realization of water management at a scale of 1:40,520 which informs the number and distribution of water management facilities, such as 2 units of water gate, peat subsidence poles of 14 units (4 installation units in 2020, 4 installation units in 2021 and 6 new installation units in 2022) and a piezometer of 14 units, and water level pole of

14 unit. Based on the document, it is known that the company has fulfilled the number of subsidence poles of 2 poles/240 Ha (standard 1 pole/240 Ha) and the number of piezometers of 1 units/120 Ha (standard 1 unit/120 Ha).

The company shows recorded results of measurements and observations of water level in several locations, such as:

- Documents resulting from the measurement of the water level of the canal in November 2022, namely BTJE with an average water level of 57.6 Cm below ground level, HJYE with an average water level of 46 Cm below ground level. Based on these documents, it is known that the average water level is still below the standard threshold, which is an average of 60 cm.
- Documents of measuring ground water level using a piezometer in November 2022, namely BTJE average ground water level 59 Cm, HJYE average groundwater level 59 Cm. Based on these documents, it is known that the average water level is still below the set standard, which is 50 cm.
- Documents of measuring peat subsidence using a peat subsidence pole in November 2022, based on the document of peat subsidence measurements, it is known that subsidence measurements are carried out every month, and peat soil subsidence is obtained from 2020 – 2022 (2 years) from the average of 4 measuring instruments for peat subsidence, it is 5.85 Cm /2 years (still below the standard regulation of Minister of Environment Regulation No. 7 of 2006 which is < 35 Cm/5 years).

Based on the results of field visits, interviews, and document review, it is known that the company has documented the recording of the application of planting on peatlands by observing and adjusting the water level according to the standard threshold that has been set.

**7.7.7**

Based on the hectares of PT LSM statements shown, from the entire area of the company’s management, there are areas that are not planted with oil palm. The area consists of roads, buildings, Mill, lake borders, reserved areas, occupations and conservation areas. Of the areas not planted with palm oil, there is a peat area that is a conservation area and the company has managed the area to become HCV. Based on field observations to the company’s HCV area, it is known that everything planned has been planted, the areas that were not planted from the start become HCV areas.

**Status: Comply**

**7.8**

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

**7.8.1**

Based on environmental documents in each unit, document identification of high conservation value HCV area, as well as maps of river flows and water sources that have been mapped known that there are several water sources points in the operational area, namely:

- a. PT Nabati Agro Subur : Segagap River, and Kayong River.
- b. PT Ladang Sawit Mas : Duku River, Pawan River, and Putih River.
- c. PT Gemilang Makmur Subur : GMS 2 River, Pelaik Hitam River and Raye River,

Based on the document, it is also known that the management plan for water sources is to test the quality of surface water and monitor wells every 6 months. All tests are carried out by a KAN accredited laboratory (LP-024-IDN). Regarding this, the certification unit shows the results of surface water quality testing for all identified water sources contained in all *RKL-RPL* reports for the second semester of 2021 and first semester of 2022 and have been reported to the environmental service of Ketapang Regency on 11 August 2021 with evidence of news handover ceremony.

The certification unit also does not limit access to clean water, and workers also have adequate access to clean water. Based on the field observations in the housing area as well as interviews with estate and mill workers, information was obtained that clean water facilities for housing were obtained from drilled wells provided by the certification unit and for mill workers who lived in mill housing, the water source came from reservoirs which has been processed in WTP. The certification unit has consistently had a water management plan for mills and estate that is stated in the Environmental Management and Monitoring document as well as riverbank management programs and other water sources. Testing for drinking water is also carried out by the certification unit to see the quality and quantity of ground water taken from monitoring wells and drilled wells. The guidelines



used in measuring and testing drinking water quality use the Minister of Health Regulation Number 32 of 2017, concerning Environmental Health Quality Standards and Water Health Requirements and it appears that all parameters are below the standard quality standards.

The realization of water quality improvements that have been carried out by the certification unit include:

1. Conduct socialization to all employees and the surrounding community not to use the water for consumption activities.
2. Maintain a hygienic environment around water sources so that sources of pollutants can be minimized.
3. Create a program to improve water quality gradually with the provisions of the applicable laws.
4. Report the results of the examination in accordance with the provisions of the applicable laws.
5. Testing the quality of river water and boreholes listed in the RKL/RPL report
6. Management of surface water erosion and runoff, water management in low-lying areas and monitoring of surface water quality as stated in the implementation of the semester *RKL-RPL*
7. Management of riverbanks and water sources in the form of reservoirs.
8. Wastewater management using WWTP and utilizing it in licensed application areas as well as monitoring the quality of wastewater and monitoring wells
9. Monitoring the use of water for palm oil processing and evaluating its use.

**7.8.2**

Based on the field observation during audit, for examples on Kayong River Riparian Area and Segagap River Riparian Area, acquired information that certification unit shown proper ways for maintain and protect the catchment area for example manual weeding and marking the boundary riparian as sign in the form of red paint with a width of 20 until 30 meters and buffer zone pole according to the width of the river.

**7.8.3**

The POME quality testing document review shown for January to June 2022 all of POME testing parameters are compliant to the standards quality (for examples BOD on June 2022 are 2220 mg/l with threshold 5000 mg/l and pH 7.37 with threshold 6-9), and all of POME management and monitoring has been reported to related institutions for regular basis per 3 months. The POME quality testing still accordance minister environmental number 28-year 2003.

The waste treatment process in the mill 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 ≤ 5000 mg / l. Bukit Tunggal Jaya Mill has a permit for mill waste management, disposal or land application in accordance with stipulated requirements, accordance Permit to utilize palm oil industrial wastewater on the ground (Land Application) No. 035/DPMPPTSP-D/2020 which was legalized on February 20, 2020 and is valid for 5 years.

**7.8.4**

The Mill water use has been monitored and recorded in a document of Recapitulation of Water Usage and Distribution. The record covers the FFB process, detail of water usage for process and non-process, total water usage, and water usage per ton of FFB. For instance, the total water usage to date January - October 2022 was 392,656 m<sup>3</sup> Based on documents verifications and interview with managements it was known the water used for FFB processing still below the budget that set by the company

The unit of certification has a mechanism for measuring factory water use described in IOM No.: 048/IOM/EN-BGA/IX/2016 dated September 13, 2016, it is explained that the measurement uses a flowmeter (recording in the morning and evening).

Based on the field observation to the Water Treatment Plan (WTP) also showed that the flowmeter used was still functioning well, and the officer responsible for the WTP was very understanding about how the WTP works and recording flowmeter data. Officers can also show data in and out of water which is recorded every day.

	<b>Status: Comply</b>	
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**7.9**  
**Efficiency of fossil fuel use and the use of renewable energy is optimized.**

The certification unit is already maximizing the use of renewable energy (fiber & shell) as boiler fuel. For example, use of shells and fiber period November 2021 to October 2022 POM has produced 238,452 kWh of electricity from turbine. Renewable energy use per ton of palm product in the mill is 23.63 kwh/ ton CPO. Result Direct fossil fuel used is 1.45 kWh/ ton CPO.

**Status: Comply**

### 7.10

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

#### 7.10.1

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

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

Fossil fuel reducing on Bukit Tunggal Jaya POM have been implemented by fiber/ shell usage for boiler. POME has been monitored every month and monitoring periods November 2021 to October 2022 shown that all of wastewater testing parameters are compliant to the standards quality.

Based on document review for examples: pesticides usages monitoring, diesel fuel monitoring, HCV identification and etc. found that accurate data has been put into the RSPO palm GHG Calculator. Summary of net GHG emissions from PalmGHG calculator of the audit report which calculation option is applied "Apply full Version".

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

<b>Production</b>	<b>t/yr</b>
FFB processed	286,757.00
CPO produced	65500.28
PK produced	12850.67

<b>Extraction</b>	<b>%</b>
OER	22.84
KER	4.48

<b>Land use</b>	<b>Cemara Estate (Ha)</b>	<b>Jaya Estate (Ha)</b>	<b>Bukit Tunggal Jaya Estate (Ha)</b>	<b>Bengkirai Jaya Estate (Ha)</b>
Planted area on mineral	1863.93		2040.59	1598.91
Planted on peat	0.00		1298.50	0.00
Total area planted	1863.93		3339.09	1598.91
Conservation Area (Forested)	0.46		9.22	0.00
Conservation Area (Non-Forested)	77.41		131.78	190.51
FFB Production per hectare	16.58		16.43	22.02

#### Summary of field emission and Sinks

<b>Description</b>	<b>Cemara Jaya Estate</b>	<b>Bukit Tunggal Jaya Estate</b>	<b>Bengkirai Jaya Estate</b>
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Emissions Sources	tCO2e	tCO2e/ tFFB	tCO2e	tCO2e/ tFFB	tCO2e	tCO2e/ tFFB
Land conversion	22128.03	0.72	30909.09	0.56	11737.72	0.33
CO2 emissions from fertilizer	1529.67	0.05	2964.81	0.05	1805.59	0.05
N2O emissions from peat	0.00	0.00	9720.26	0.18	0.00	0.00
N2O from Fertilizer	810.35	0.03	1442.73	0.03	809.11	0.02
Fuel consumption	186.27	0.01	121.02	0.00	278.32	0.01
Peat oxidation	0.00	0.00	70898.09	1.29	0.00	0.00
Crop sequestration	-17449.62	-0.56	-31259.67	-0.57	-14968.57	-0.43
Sequestration in Conservation area	-4.22	-0.00	-84.55	-0.00	0.00	0.00
<b>Total</b>	<b>7200.49</b>	<b>0.23</b>	<b>84711.79</b>	<b>1.54</b>	<b>-337.83</b>	<b>-0.01</b>

**Summary Oil Mill Emissions and Credits**

Remarks	tCO2e	tCO2e/t FFB
Emissions sources		
POME	192844.08	0.58
Grid electricity	0	0
Export of grid electricity	-5.58	0
Sales of PKS	0	0
Sales of EFB	0	0

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

Divert to compost (%)	18
Divert to anaerobic digestion (%)	82

**POME Divert to Anaerobic Digestion**

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

**7.10.2**

Based on interviews with management and document verification, it is known that there has been no new land clearing since 2014.

The certification unit no longer undertakes new developments after 15 November 2018 so that the HCV document is still valid and does not require an HCS assessment.

**7.10.3**

The certification unit has identified pollution and emissions sources of Bukit Tunggul Jaya POM for the period 2022, such as CO2 (boiler, generator, transportation), CH4 (POME), hazardous waste (WTP, chemical storage), noise (machinery). The sources of pollution and emissions for the estate are listed on the identification documents and management plans for pollution sources for the period 2021 and 2022, such as emissions (CO2, CO), noise, chemical waste, organic and inorganic waste, and infectious waste.

Plans to reduce or minimize have been implemented and monitored as explained in *RKL-RPL* semester 2 of 2021 and semester 1 of 2022. Fossil fuel reduction on Bukit Tunggul Jaya POM have been implemented by fiber/ shell usage for the boiler.

<b>Status: Comply</b>
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**7.11**

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

**7.11.1**

The unit of certification already has no-burning policy in the Policy on Environment and Biodiversity and was approved by the Regional Head on June 1, 2016 which stated that the BGA Group in carrying out its business is committed to clearing land by 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 04 January 2011 regarding Land Preparation, where the procedure explains that land clearing is carried out mechanically and Zero Burning.

When the audit conducted, known that there was no replanting or new planting activity in the plantations. Based on the results of interviews with management representatives, Environmental Service and Agriculture Service, it was stated that the company is committed not to carry out burning activities in land clearing.

**7.11.2**

The unit of certification already has a no-burning policy in the Policy on Environment and Biodiversity and was approved by the Regional Head on June 1, 2016 which stated that PT BGA in carrying out its business is committed to clearing land by implementing a zero burning system in all plantation development activities and waste disposal.

In carrying out fire prevention and control activities, the company has carried out several activities such as forming an emergency response structure and marking fire-prone locations on a map and giving rating marks with different colors according to potential hazards based on the level of fire hazard and limiting factors in fire controlling.

**7.11.3**

The company has involved stakeholders in tackling fires, such as the surrounding community through the Memorandum of Understanding between the BGA Group Nanga Tayap and the Sungai Kelik Village Government in controlling Forest and Land Fires on August, 05 2022.

In addition, the company has conducted socialization on fire management with surrounding villages, for example the socialization *Desa Bebas Api* in Kayong Utara village by PT LGI and PT NAS on July 29, 2022.

**Status: Comply**

**7.12**

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

**7.12.1**

Regarding land clearing without an HCV assessment, the certification unit started planting in 2012 and a new HCV study was carried out in 2014. Based on this, it is known that the company has conducted a LUCA analysis that have been approved by RSPO for:

- a. PT LSM with Total Area Conservation Liability of 1628 Ha and Raw Liability of 3006 Ha.
- b. PT GMS with a Total Area Conservation Liability of 39.54 Ha and a Raw Liability of 4258.08 Ha.
- c. PT NAS with a Total Area Conservation Liability of 1027.82 Ha and a Raw Liability of 36.78 Ha.
- d. PT LGI with a Total Area Conservation Liability of 761.35 Ha and a Raw Liability of 345.66 Ha.

From the calculations, it is known that some of the cleared areas are part of secondary forest. "In this regard, further discussion is given in indicator 7.12.8 on RaCP".

**7.12.2**

PT LSM already has an HCV assessment document prepared by PT Sonokeling Akreditasi Nusantara in 2014, while the field data collection was carried out on 26 April – 8 May 2013 and the final report was in December 2013. The assessment was carried out by an RSPO accredited assessor, namely Kresno Dwi Santosa. The assessment study was conducted referring to the location permit owned by PT Ladang Sawit Mas on November 11, 2008 with an area of 8,300 Ha (Location Permit). Based on the results of the HCV study, it was found that an HCV area of 1,188.7 hectares consisted of River Borders, Scrub Areas, Forested Areas, and Peat Areas. The types of HCV found in PT LSM were HCV 1.2, 1.3, 1.4, 2.3, 4.1. And HCV 5. In the study

of HCV documents, it was found that several types of flora and fauna were found with details of 154 types of flora of which 6 belonged to RTE species such as Bengkapas (*Vatica oblongifolia*), Majau Air (*Shorea lepidota*), Meranti Merah (*Shorea smithiana*), Meranti Batu (*Shorea platyclados*), Ramin (*Gonytilus bancanus*), Tengawang (*Shorea stenoptera*). As for animal species, there were 95 bird species, 18 mammals, 6 reptile species, and 1 amphibian. Of all the fauna species found, some of them belong to RTE species such as, Banggat Lutung, Simpai Lutung, Orangutan, Kalawat Gibbon, Timor Deer, Turtle, Senyulong, Proboscis Monkey, Beaver, Storm Stork, Tongtong Stork, Swamp Cucak, Buffalo Egret, Big Punai, and Blue-necked King Shrimp. The HCV report was reviewed by Kunkun Jaya Gurmaya in August 2013. Refers to the company's HGU (manageable area) area of 5,718.63 Ha, the HCV area contained within it is 315.60 Ha.

PT NAS already has an HCV study document prepared by PT Sonokeling Accredited Nusantara in 2014, while field data collection was conducted on February - March 2013 and the final report was in March 2014. The assessment was carried out by an RSPO accredited Assessor, namely Kresno Dwi Santosa. The valuation study was carried out referring to Location Permits which is owned by PT NAS with an area of 2000 Ha. Based on the results of the HCV study, it was found that an HCV area of 115.60 Ha consisted of river banks, hills, forested areas and water ponds. The types of HCV found at PT NAS are HCV 1.1, 1.3, 1.4, 2.3, 4.1, 4.2. In the study of the HCV documents, it was discovered that several types of flora and fauna were found with details of 21 types of flora, of which 2 of them belong to RTE types such as Shorea and ironwood. As for animal species, 52 species were found. Of all the types of fauna found, some of them are included in the RTE species, such as sambar deer, otters, and pangolins. The HCV report was reviewed by Kunkun Jaya Gurmaya in February 2014.

PT LGI already has an HCV study document prepared by PT Sonokeling Accreditation Nusantara in 2014, while field data collection was conducted from 22 June to 7 July 2012 and the final in 2014. The assessment was carried out by an RSPO accredited Assessor, namely Kresno Dwi Santosa. The valuation study was carried out referring to Location Permit which is owned by PT LGI 13,000 Ha. Based on the results of the HCV study, it was found that HCV areas covering an area of 2,466.90 Ha consisted of River Borders, HL Buffers, Water Reservoirs, and Hills. The HCV types found at PT LGI were HCV 1.1, 1.2, 1.3, 1.4, 2.3, 4.1, 4.2, and HCV 5. In the study of the HCV documents, it was found that several types of RTE flora and fauna such as *Keruing*, *Meranti Bunga*, *Meranti Putih*, *Tengkawang*, *Meranti Majau*, and Meranti Merah. As for fauna, RTE species were found such as Orang Utan, Pangolin and Senyulong

PT GMS already has an HCV study document prepared by PT Gagah Dinamika Aksenta in 2015, while field data collection was conducted from September – Desember 2015 and the final in 2016. The assessment was carried out by an RSPO accredited Assessor, namely Resit Sozer. The valuation study was carried out referring to Ilok which is owned by PT GMS 5190 Ha. Based on the results of the HCV study, it was found that HCV areas covering an area of 848.4 Ha consisted of River Borders, HL Buffers, Water Reservoirs, and Hills. The HCV types found at PT LGI were HCV 1.2, 1.3, 1.4, 3.3, 4.1, 4.2, 5 and HCV 6. In the study of the HCV documents, it was found that several types of RTE flora and fauna such as *Keruing*, *Meranti Bunga*, *Meranti Putih*, *Tengkawang*, *Meranti Majau*, and Meranti Merah. As for fauna, RTE species were found such as Orang Utan, Pangolin and Senyulong

Referring to the scope of certification, which is the scope of certifications area **15,570.75** Ha, the total HCV area are 2,746.37 ha, that distributed in PT LSM 315.60 Ha, PT LGI 2307.68 Ha, PT NAS 46.87 Ha and PT GMS 76.22 Ha)

### 7.12.3

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

### 7.12.4

The certification unit already has an HCV management and monitoring plan for the period 2021-2022. The management and monitoring plan includes:

- a. Installation of boundary markers



- b. Signboard/Nameplate Installation
- c. Rehabilitation and enrichment
- d. Outreach to the community and employees
- e. Monthly patrols.
- f. Monitoring of flora and fauna
- g. Incidental monitoring
- h. Forest Patrol
- i. Monitoring of fire hazard

The certification unit has also implemented HCV management and monitoring plans, for example:

- a. Socialization of HCV and the Presence of Protected Species which was conducted on 23 July 2022 to the surrounding community. The total socialization participants were 54 participants.
- b. Monitoring of flora and fauna conducted every month. For example, in the period of October 17, 2022, there were 12 individuals of Long-tailed Monkey (*Macaca Fascicularis*) and 1 individual of Wild Boar in the HCV area.
- c. HCV area patrol conducted on 15 June 2022 in HCV area. The patrol results revealed that there were no disturbances in the HCV area such as hunting, animal capture, and tree felling in the HCV area.

The certification unit can also show a summary report on monitoring and rehabilitation conservation areas on PT Ladang Sawit Mas for the 2017-2021 period. The results of the report become input for the management plan for the following year.

#### **7.12.5**

For HCV areas that were included in the HGU, there were no HCV set-asides areas, based on the results of interviews with community representatives and local village leaders, there were no HCV areas that were managed or entered into community areas.

#### **7.12.6**

The certification unit has demonstrated the company's policy regarding the protection of high conservation values ratified on June 1, 2016 by region 8, it is stated that in accordance with the company's sustainability principles, all employees are advised not to hunt, capture, kill and sell endangered animals and plants that are protected and protected. report if any such activity is found; maintain and not disturb the area designated as HCV area; report any illegal acts. Employees who do not comply will be subject to sanctions in accordance with applicable laws and regulations.

In an effort to provide education to Workers and the Community regarding Animals and Plants as well as HCV areas, the certification unit conducts direct and indirect socialization through signboards on protected animal and plant species and prohibitions on hunting and catching animals in the company area. For example, the following is a recording of the socialization carried out by the certification unit:

Socialization of HCV and the Presence of Protected Species conducted on May 10, 2022 to the local community. The total socialization participants were 38 participants.

#### **7.12.7**

The management unit has been monitoring the HCV area, peat area and RTE species in the PT LSM area. Some examples of the realization of HCV monitoring activities are as follows:

- a. PT LSM HCV area monitoring report on March 21-26, 2022. From the results of direct monitoring or through camera traps, several species of animals were found including, *Presbytis rubicunda*, *Nasalis larvatus*, *Macaca fascicularis*, *Sus barbatus*, *Calloscirus notanus*, *Lanius schach*, *Pycnonotus eutilotus*, *Centopus sinensis* and *Varanus salvator*.
- b. Socialization of the SOP for the HCV Management program on 19 July 2022 which was attended by 23 employee and community representatives
- c. Socialization of RTE species and HCV area on 20 August 2022 to 19 BSS employees.
- d. Monitoring reports and patrol of the HCV area on 6 July 2022 in the Semblangaan River, Benipis River, Danau Pasir River, and Keramat graves. Found species of animals such as *bentet*, *tekukur dan biawak*. The HCV area is in good condition, no disturbance. The signboard is installed, and the boundary or stake signs are visible. There were no hunting funds or indications of burning.



HCV Management plan is in accordance with management plan. Last HCV review in November 2019 and has involved the surrounding community, including employees and has involved the surrounding community, including employees. with a location permit area which is larger than the certification area. monitoring and management have been carried out well, HCV conditions are maintained and RTE species such as proboscis monkey are still easy to find.

The evaluation of management in 2019 is to carry out periodic monitoring according to the type of HCV. maintain low areas for the survival of proboscis monkey species. and land development should look to the LUCA result area and HCV area.

**7.12.8**

Based on the document verification, known that the certification unit cleared new land after 1 November 2005 without prior HCV identification activities, HCV identification activities were carried out in 2012.

The certification unit shows a Land Use Change Analysis with details of:

1. PT LSM, PT GMS, PT NAS and PT LGI areas cleared land without prior HCV assessment between 2012 – 2014, because the HCV assessment was only completed in 2014.
2. The certification unit shows Final LUCA documents that have been approved by RSPO for:
  - a. PT LSM with Total Area Conservation Liability of 1628 Ha and Raw Liability of 3006 Ha.
  - b. PT GMS with a Total Area Conservation Liability of 39.54 Ha and a Raw Liability of 4258.08 Ha.
  - c. PT NAS with a Total Area Conservation Liability of 1027.82 Ha and a Raw Liability of 36.78 Ha.
  - d. PT LGI with a Total Area Conservation Liability of 761.35 Ha and a Raw Liability of 345.66 Ha.

Furthermore, regarding RaCP progress in unit under Bumitama Agri Ltd are:

1. Based on the last communication on the previous assessment, it is known that the company received an email from the RSPO (aryo.gustomo@rspo.org) on 10 February 2022 regarding the Conditional Approval stating that **“We would only be giving the conditional approval for those Management Units that have been certified before to allow the Company to complete the RaCP process and continue the Annual Surveillance Assessment. And this will only be valid until the next 6 months (9 August 2022) from the date of this email.”**
2. Follow-up communication on 26 August 2022 to the RSPO (aryo.gustomo@rspo.org) on 26 August 2022 regarding the Conditional Approval and received a response from the RSPO by asking for time to hold discussions regarding this matter.
3. Email from the RSPO (sitijoanni.matlan@rspo.org) on 30 August 2022 to the company (martin.mach@bumitama.com) stating that the RSPO had received an evaluation report from the evaluator with an unsatisfactory conclusion.
4. Email from the company (martin.mach@bumitama.com) on 6 October 2022 to the RSPO (sitijoanni.matlan@rspo.org) stating that the company has made revisions in accordance with the results of the evaluation.
5. Email from the RSPO (sitijoanni.matlan@rspo.org) on 12 November 2022 to the company (martin.mach@bumitama.com) stating that the document revision is being reviewed again by the evaluator and will update again when the results have been received.

Verification results of the RSPO Announcements on 08 September 2021 concerning Disclosure and Continuity of Certification for RSPO P&C and RSPO ISH Standard and the supply base data and hectare statement for 2022 of the PT LSM RaCP process are included in scenario 1 so that the surveillance activity process can be continued. Meanwhile, PT GMS, PT NAS and PT LGI's RaCP processes are included in scenario 3

Until the Annual Surveillance Audit 1 and 2 activities are carried out, the certification unit has not been able to show evidence that the RaCP has been received by the RSPO but in accordance with the RSPO announcements on 08 September 2021 about Disclosure and Continuity of Certification for RSPO P&C and RSPO ISH Standard surveillance activities can be continued with the issuance of discrepancies on indicator 7.12.8 and can be open until the next surveillance activity. **Based on that's explanations raised non-conformity No 2022.02**

7.12.8	Status: Non-Conformity No. 2022.02 with Major Category	
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**3.2 Conformity Checklist of Certificate and Trademark Use**

<b>1.</b>	<b>Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client</b>	<b>X or √</b>
<b>ASA-1 &amp; ASA-2</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>ASA-1 &amp; ASA-2</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>ASA-1 &amp; ASA-2</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>ASA-1 &amp; ASA-2</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 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</li> </ul>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>RSPO</p> <ul style="list-style-type: none"> <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> <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 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</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>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 these units. Evidence of submission to RSPO is provided and the NPP notification are at RSPO website.</p>
2.1.4	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO criteria 2.2, 6.4, 7.5 and 7.6 (it has changed be Criterion 4.8, 4.7 and 4.5 in P&C 2018).	<p>There is no land conflicts.</p> <p><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 Makmur Sejahtera</b></p> <ul style="list-style-type: none"> <li>Permit Principle of Location Direction 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>Permit Principle of Location Direction 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>Permit Principle of Location Direction No. 590/09.Pem-</li> </ul>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>II/2014, 3rd February 2014 for areal 14,500 Ha.</p> <ul style="list-style-type: none"> <li>Location Permit SK District Kotawaringin Barat No. 525/62/IX/2014, 1st September 2014, 11,746.74 Ha</li> <li>IUP No. 525/014/EK, April 21 2015, 5,700 Ha</li> </ul> <p><b>PT Rohul Sawit Industri and PT Masuba Citra Mandiri</b></p> <ul style="list-style-type: none"> <li>HGU on process</li> <li>Panitia B Inti No. 03/RSL/HGU/2015 seluas 1,893.11 Ha</li> <li>Panitia B Plasma No. 04/RSL/HGU/2015 seluas 938.16 Ha</li> </ul> <p><b>PT Gunajaya Harapan Lestari</b></p> <ul style="list-style-type: none"> <li>Permit Principle of Location Direction 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>Extention 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>Permit Principle of Location Direction 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>HGU on process for Ladang Sawit Mas, PT Lestari Gemilang Intisawit, PT Agro Manunggal Sawitindo, PT Karya Makmur Laggeng, 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 IC Assessment

NCR No.	: 2019.1	Issued by	: Asystasha Aishah Silalahi
Date Issued	: 13 December 2019	Time Limit	: 12 December 2020
NC Grade	: Critical	Date of Closing	: 12 March 2020
Standard Ref. & Requirement	: 1.1.3 Records of requests for information and responses are maintained		
Evidence observed (filled by auditor): -			
Non-Conformance Description (filled by auditor): The company has not been able to show evidence that the records of requests for information from stakeholders and their responses have been well managed			
Root Cause Analysis (filled by organization audited) : The PIC has not been established for the control of request records, responses & file system information / complaints for the LSM Management Unit as a whole by the Regional Head.			
Correction (filled by organization audited) : <ul style="list-style-type: none"> <li>At the corrective action meeting of the RSP0 NCR findings PT LSM on 13-12-2019 at the meeting room of PT. LSM, it has been assigned a CSR Coordinator for Kalimantan Barat Region which controls requests for information from stakeholders.</li> <li>Provide records of requests for information from stakeholders to the Auditor, in the form of an External Communication Log (complete with supporting evidence) according to Communication SOP</li> <li>PIC for information reception &amp; response in the BGA Management Unit as a whole, specified in the Guidance (Information Receiving Mechanism Diagram), attached.</li> <li>The Regional Head has also appointed a CSR Coordinator for Kalimantan Barat Region to control information from external parties at PT LSM (see minutes of meeting of the RSP0 Team of PT. LSM).</li> </ul>			
Corrective Action (filled by organization audited) : Conducting internal audits & management reviews regularly			
Assessor Evaluation and Conclusion (filled by auditor): <b>Verification January 3, 2020</b> The company shows evidence of improvement in the form of: Recapitulation of PT LSM CSR incoming letters in 2019 which explains the date of receipt of the letter, sender, address, letter number, subject, and date of response of the letter. For example: <ul style="list-style-type: none"> <li>Letter from Betenung Village dated March 30, 2019 regarding the request for funds for Easter activity. The company responded to the letter on May 16, 2019 by providing cash.</li> <li>Letter from Sungai Kelik Village dated August 30, 2019 regarding assistance for poor people in Sungai Kelik Village. The company responded to the letter on September 9, 2019 by providing cash assistance.</li> </ul>			
<b>Verification 11 March 2020</b> The company has shown correction evidence in the form of a flow chart of the information delivery mechanism in the BGA Management unit which explains that the PIC to receive information from the external is PAD or CSR and PIC to			

receive information from internally is part of the Sustainability, HRD, and CSR.	
Based on the explanation above, the NC No. 2019. 1 has been Closed	
<b>Verified by</b>	<b>: Asystasha Aishah Silalahi</b>

<i>NCR No.</i>	<b>: 2019.2</b>	<i>Issued by</i>	<b>: Leonada</b>
<i>Date Issued</i>	<b>: 13 December 2019</b>	<i>Time Limit</i>	<b>: ASA-1</b>
<i>NC Grade</i>	<b>: Non Critical</b>	<i>Date of Closing</i>	<b>: 28 August 2020</b>
<i>Standard Ref. &amp; Requirement</i>	<b>2.1.2</b> <b>documented system for ensuring legal compliance is in place. This system has a means to track changes to the law and also includes listing and evidence of legal due diligence of all contracted third parties, recruitment agencies, service providers and labour contractors</b>		
<b>Evidence observed (filled by auditor):</b> -			
<b>Non-Conformance Description (filled by auditor):</b> The company cannot show the evidence of audit result for regulation compliance evaluating included for third party (contractor)			
<b>Root Cause Analysis (filled by organization audited):</b> Lack of understanding from regional sustainability officer related the requirement			
<b>Correction (filled by organization audited):</b> 1. Conducting training to all regional sustainability officer 2. Evaluated the relevant regulation compliance in company operation included for contractors.			
<b>Corrective Action (filled by organization audited):</b> Internal audit and management review			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verification on 28 August 2020</b> The company show the evidences: <ul style="list-style-type: none"> <li>- List and environment regulation compliance evaluating result on 2 August 2020.</li> <li>- List and safety regulation compliance evaluating result on 2 August 2020</li> <li>- List and worker welfare regulation compliance evaluating result on 2 August 2020</li> <li>- List and plantation regulation compliance evaluating result on 2 August 2020</li> <li>- RSPO PnC 2018 training on 16 December 2019.</li> <li>- Contractor evaluation on 6 January 2020</li> </ul> Based on those corrective evidence, included the root cause analysis and corrective action provided can be concluded that the NC is closed.			
<i>Verified by</i>	<b>: Leonada</b>		

<b>NCR No.</b>	: 2019.3	<b>Issued by</b>	: Asystasha Aishah Silalahi
<b>Date Issued</b>	: 13 December 2019	<b>Time Limit</b>	: ASA 1
<b>NC Grade</b>	: Non Critical	<b>Date of Closing</b>	: 18 May 2020
<b>Standard Ref. &amp; Requirement</b>	: 2.2.1 Maintained a list of contracted parties		
<b>Evidence observed (filled by auditor):</b> The company shows a list of stakeholders with document number LSM-PAD-SH-01 which was validated on January 1, 2019 by Area Controller 8A. The document records contracted parties, including 4 local contractors, but does not include a list of external FFB suppliers.			
<b>Non-Conformance Description (filled by auditor):</b> In this regard, the company has not been able to show evidence that a list of all contracted parties has been maintained			
<b>Root Cause Analysis (filled by organization audited):</b> Lack of coordination between the BTJM Unit and the Regional Commercial to update the List of Contractors at PT. LSM.			
<b>Correction (filled by organization audited):</b> Updated contractor list of PT. LSM			
<b>Corrective Action (filled by organization audited):</b> Conducting internal audits & management reviews regularly			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verification 18 May 2020</b> The company shows a list of contracted parties in PT LSM Local Contractors List document that was signed by Sustainability 8A and Nanga Tayap Regional Head of Administration on May 8, 2020. Based on the list, it is known that the parties contracted by the company include building contractors, transportation, logistics, and suppliers of third party FFB.  Based on the explanation above, the discrepancy No. 2019. 5 is declared fulfilled			
<b>Verified by</b>	: Asystasya Aishah Silalahi		

<b>NCR No.</b>	: 2019.4	<b>Issued by</b>	: Asystasha Aishah Silalahi
<b>Date Issued</b>	: 13 December 2019	<b>Time Limit</b>	: ASA 1
<b>NC Grade</b>	: Non Critical	<b>Date of Closing</b>	: 27 May 2020
<b>Standard Ref. &amp; Requirement</b>	: 2.2.2 All contracts have separate clauses regarding the fulfillment of applicable legal obligations, and are indicated by the third party concerned		
<b>Evidence observed (filled by auditor):</b> The company shows work agreements with third parties, for example: Local FFB purchase agreement 001 / SPKL / BTJM-TBS / IV / 2019 dated April 9, 2019 between PT Ladang Sawit Mas and Koperasi Sejahtera Mandiri. The agreement contains several articles, including the scope of the agreement, quality requirements and acceptance of oil			

palm FFB, price of oil palm FFB, agreement period, method of payment, guarantee, termination of agreement, force majeure, dispute resolution, and other articles. However, the contract does not yet have its own clause regarding the fulfillment of applicable legal obligations.

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

Based on the above evidence, the company has not been able to show evidence of the contract of buying and selling FFB already has its own clauses regarding the fulfillment of applicable legal obligations, for example but not limited to the implementation of OHS, employment, legality etc.

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

Lack of understanding from the Management Unit regarding the compliance mechanism as outlined in the RSPO P&C, indicator 2.2.2, version 2018.

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

Review of agreement with third parties (Contractors) to fulfill the requirements of the RSPO P & C indicator, indicator 2..2.2 (2018) and subsequent revisions to the contract, with the addition of clauses in each contract, including:

- Fulfillment of applicable laws and regulations relevant to the operations of PT. LSM.
- Fulfillment of OHS requirements (use of PPE, availability of a first aid kit, understanding of the Company's General OHS Code of Conduct)
- Fulfillment of applicable Indonesian Manpower regulations (minimum age for workers to be 18 years, minimum salary for employees, availability of health insurance and no forced labor) for employees.
- Human rights policy (prohibits practices involving child labor, forced labor, workers from human trafficking)

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

Conducting internal audits & management reviews regularly

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

**Verification 23 April 2020**

The company has provided correction evidence in the form of a work agreement with the contractor, with the following details.

- Letter of agreement No. 001 / SPKL / BTJM-TBS / I / 2020 between PT Ladang Sawit Mas and CV Garuda Mas Jaya dated 17 March 2020.
- Letter of agreement No. 003 / SPKL / BTJM-TBS / I / 2020 between PT Ladang Sawit Mas and CV Welly Jaya Sumber Priangan Jaya dated 17 March 2020
- Letter of agreement No. 002 / SPKL / BTJM-TBS / I / 2020 between PT Ladang Sawit Mas and Koperasi Sejahtera Mandiri Jaya dated 17 March 2020
- Letter of agreement No. 001 / SPKL / BTJM-TBS / I / 2020 between PT Ladang Sawit Mas and CV Mora Jaya dated 17 March 2020

The agreement letter includes several points relating to the laws and regulations listed in article 7 Guarantee paragraph 6 which reads "If required by applicable laws / regulations, the contractor guarantees and is responsible for its workers to be included and recorded in health insurance such as BPJS Kesehatan / BPJS Ketenagakerjaan (JKK and JKM), and receives wages in accordance with the provisions of the UMK or UMP and does not employ workers under age (under 18 years), there is no forced labor practice and does not employ workers originating from human trafficking as regulated in the prevailing laws and regulations.

**Verification 18 May 2020.**

The company shows additional documents, namely the list of external FFB suppliers of the BTJM unit.

**Verification 27 May 2020**

<p>The company shows an example of a work agreement letter with a local contractor, including the following.</p> <ul style="list-style-type: none"> <li>• Work agreement No. 016-BGN / GMRL-CMJE / CVL-LKL / 02/2020 between PT Ladang Sawit Mas and a contractor on behalf of Feky Resky for the construction of a drinking water depot which was published on 17 February 2020</li> <li>• Work agreement No. 026-BGN / LSML-MBTR / CVL-LKL / 02/2020 between PT Ladang Sawit Mas and a contractor on behalf of Muhammad Rijal for ATM building activities.</li> </ul> <p>The work agreement letter includes several clauses related to laws and regulations that must be obeyed, including:</p> <ul style="list-style-type: none"> <li>• Contractor is responsible for worker OHS</li> <li>• Contractor provides personal protective equipment for workers</li> <li>• The contractor guarantees workers and includes them in health insurance or work accidents, provides workers wages in accordance with the provisions of the minimum wage, does not employ workers under 18 years of age, does not practice forced labor, and does not employ workers originating from human trafficking.</li> <li>• Contractor is available to be accessed by certification body for audit purposes.</li> </ul> <p>Based on this explanation, the discrepancy No. 2019. 6 is declared fulfilled.</p>
<p><b>Verified by</b> : <b>Asystasha Aishah Silalahi</b></p>

<b>NCR No.</b>	: <b>2019.5</b>	<b>Issued by</b>	: <b>Asystasha Aishah Silalahi</b>
<b>Date Issued</b>	: <b>13 December 2019</b>	<b>Time Limit</b>	: <b>ASA 1</b>
<b>NC Grade</b>	: <b>Non Critical</b>	<b>Date of Closing</b>	: <b>27 May 2020</b>
<b>Standard Ref. &amp; Requirement</b>	<p><b>2.2.3</b>  <b>All contracts, including those for the supply of FFB, have their own clauses that prohibit practices involving child labor, forced labor and workers from trafficking in persons. If there are young workers, the contract includes a clause to protect them</b></p>		
<p><b>Evidence observed (filled by auditor):</b>  The company shows a work agreement with a FFB supplier, for example: Local FFB sales agreement. 001 / SPKL / BTJM-TBS / IV / 2019 dated April 9, 2019 between PT Ladang Sawit Mas and Koperasi Sejahtera Mandiri. The agreement contains several articles, including the scope of the agreement, quality requirements and acceptance of oil palm FFB, price of oil palm FFB, agreement period, method of payment, guarantee, termination of agreement, force majeure, dispute resolution, and other articles. However, the contract does not yet have its own clause that prohibits practices involving child labor, forced labor, and workers from trafficking in persons</p>			
<p><b>Non-Conformance Description (filled by auditor):</b>  The company has not been able to show evidence that the contract has its own clause that prohibits practices involving child labor, forced labor, and workers from human trafficking. If there are young workers, the contract includes a clause to protect them.</p>			
<p><b>Root Cause Analysis (filled by organization audited):</b>  Lack of understanding from the Management Unit regarding the compliance mechanism as outlined in the RSPO P&amp;C, indicator 2.2.2, version 2018.</p>			
<p><b>Correction (filled by organization audited):</b>  Review of agreement with third parties (Contractors) to fulfill the requirements of the RSPO P &amp; C indicator, indicator 2.2.2 (2018) and subsequent revisions to the contract, with the addition of clauses in each contract, including:</p>			

- Fulfillment of applicable laws and regulations relevant to the operations of PT. LSM.
- Fulfillment of OHS requirements (use of PPE, availability of a first aid kit, understanding of the Company's General OHS Code of Conduct)
- Fulfillment of applicable Indonesian Manpower regulations (minimum age for workers to be 18 years, minimum salary for employees, availability of health insurance and no forced labor) for employees.
- Human rights policy (prohibits practices involving child labor, forced labor, workers from human trafficking)

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

Conducting internal audits & management reviews regularly

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

**Verification 23 April 2020**

The company has provided correction evidence in the form of a work agreement with the contractor, with the following details.

- Letter of agreement No. 001 / SPKL / BTJM-TBS / I / 2020 between PT Ladang Sawit Mas and CV Garuda Mas Jaya dated 17 March 2020.
- Letter of agreement No. 003 / SPKL / BTJM-TBS / I / 2020 between PT Ladang Sawit Mas and CV Welly Jaya Sumber Priangan Jaya dated 17 March 2020
- Letter of agreement No. 002 / SPKL / BTJM-TBS / I / 2020 between PT Ladang Sawit Mas and Koperasi Sejahtera Mandiri Jaya dated 17 March 2020
- Letter of agreement No. 001 / SPKL / BTJM-TBS / I / 2020 between PT Ladang Sawit Mas and CV Mora Jaya dated 17 March 2020

The agreement letter includes several points relating to the laws and regulations listed in article 7 Guarantee paragraph 6 which reads "If required by applicable laws / regulations, the contractor guarantees and is responsible for its workers to be included and recorded in health insurance such as BPJS Kesehatan / BPJS Ketenagakerjaan (JKK and JKM), and receives wages in accordance with the provisions of the UMK or UMP and does not employ workers under age (under 18 years), there is no forced labor practice and does not employ workers originating from human trafficking as regulated in the prevailing laws and regulations.

**Verification 27 May 2020**

The company shows an example of a work agreement letter with a local contractor, including the following.

- Work agreement No. 016-BGN / GMRL-CMJE / CVL-LKL / 02/2020 between PT Ladang Sawit Mas and a contractor on behalf of Feky Resky for the construction of a drinking water depot which was published on 17 February 2020
- Work agreement No. 026-BGN / LSML-MBTR / CVL-LKL / 02/2020 between PT Ladang Sawit Mas and a contractor on behalf of Muhammad Rijal for ATM building activities.

The work agreement letter includes several clauses related to laws and regulations that must be obeyed, including:

- Contractor is responsible for worker OHS
- Contractor provides personal protective equipment for workers
- The contractor guarantees workers and includes them in health insurance or work accidents, provides workers wages in accordance with the provisions of the minimum wage, does not employ workers under 18 years of age, does not practice forced labor, and does not employ workers originating from human trafficking.
- Contractor is available to be accessed by certification body for audit purposes.

Based on this explanation, the discrepancy No. 2019. 7 is declared fulfilled.



Verified by	: Asystasha Aishah Silalahi
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<i>NCR No.</i>	: 2019.6	<i>Issued by</i>	: Bayu Yogatama
<i>Date Issued</i>	: 13 December 2019	<i>Time Limit</i>	: 12 December 2020
<i>NC Grade</i>	: Critical	<i>Date of Closing</i>	: 6 April 2020
<i>Standard Ref. &amp; Requirement</i>	<b>2.3.1</b> <b>For all directly sourced FFB, the mill requires:</b> <ul style="list-style-type: none"> <li>• Information on geo-location of FFB origins</li> <li>• Proof of the ownership status or the right/claim to the land by the grower/smallholder</li> <li>• Where applicable, valid planting/operating/trading license, or is part of a cooperative which allows the buying and selling of FFB.</li> </ul>		
<b>Evidence observed (filled by auditor):</b> Based on the results of document review and interviews with management, the following facts are known: <ul style="list-style-type: none"> <li>• Bukit Tunggal Jaya Mill received FFB from a 3rd party (based on the results of interviews with the mill manager, it was found that there were &gt; 100 suppliers)</li> <li>• The company shows several examples of SPK for buying and selling FFB with third parties, such as:</li> <li>• FFB sale and purchase agreement with CV Garuda Mas Jaya (not equipped with geolocation data, land rights, planting permits and trading permits)</li> <li>• Agreement with CV Mora Jaya (not yet completed, land rights, planting permits and trade permits)</li> <li>• Agreement with CV Welly Jaya Sumber Priangan (Not equipped with land rights and planting permits)</li> <li>• Agreement with Koperasi Sejahtera Mandiri (not equipped with geolocation data, land rights, planting permits and trade permits)</li> <li>• The company has not been able to show all 3rd party supplier data, along with 3rd party classification (direct sources or collectors)</li> </ul>			
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show all the information related to the receipt of FFB that was obtained directly from the source, which is equipped with geolocation information, proof of ownership of land rights, and valid supporting permits for the purchase and sale of FFB.			
<b>Root Cause Analysis (filled by organization audited):</b> Lack of understanding from the BTJM Management Unit regarding SOP Third Party FFB, this is because the PIC for FFB Traceability is handled by the Sustainability Specialist at HO.			
<b>Correction (filled by organization audited):</b> Providing data & maps for completeness from the sources of PT. LSM (BTJM Unit) as required in the RSPO P&C, indicator 2.3.1, in the form of: <ul style="list-style-type: none"> <li>- BTJM Unit Farmer Data Base.</li> <li>- Map of External Suppliers for BTJM Unit</li> <li>- Complete Geolocation coordinates for Koperasi Sejahtera Mandiri.</li> <li>- Provide legality documents from third parties registered in the BTJM Unit, including:               <ul style="list-style-type: none"> <li>• CV Garuda Mas Jaya</li> <li>• CV Mora Jaya</li> <li>• CV Welly Jaya</li> <li>• Cooperative Sejahtera Mandiri.</li> </ul> </li> </ul>			

*Corrective Action (filled by organization audited):*

Implementing the SOP Third Party FFB

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

**Verification 18 February 2020**

The company shows proof of improvement in the form of third party Plantation Data / FFB Supplier form which is sent to BTJM directly without going through intermediaries, while several suppliers such as CV Garuda Mas Jaya, CV Mora Jaya, CV Welly Jaya, cooperative Sejahtera Mandiri. The FFB supplier document contains some data including the name of the manager, the location of the plantation, the distance to the BTJM, the area planted, the type of planted seeds, the area of land per individual. In addition, the management showed the location of the distribution of 3rd party source maps and their coordinates for CV Mora Jaya & CV Welly Jaya.

Based on the evidence of improvement shown, there are several documents that have not been able to be shown to the auditor, such as:

- Coordinate for Geolocation of Koperasi Sejahtera Mandiri
- The legality of the suppliers (land rights, planting permits and trade permits) for all suppliers.

Based on these evidences, it is stated that **the discrepancies have not been fulfilled.**

**Verification April 6, 2020**

The company shows evidence of improvement in the form of:

- Distribution map of suppliers (3rd party that has included Koperasi Sejahtera Mandiri and its geolocation)
- Legality of CV Welly Jaya: Company Registration Certificate (1405341 000395) from the Office of Investment and One Stop Services of Ketapang Regency. Trading Business License (SIUP) number: 503 / 103.SIUP / Small / 2017, NPWP, and SKT of land used for plantation areas.
- Legality of CV Garuda Mas Jaya: Business Identification Number (NIB) 8120000931304 dated 10 September 2018. SHM list for the management area of CV Garuda Mas Jaya. Example of SHM for an area used as a plantation area.
- Legality of Koperasi Sejahtera Mandiri: Permit for Business Place number: 503/481 / SITU / KOP / 2014. Trading Business License number: 503/585 / SIUP / Small / 2014, Registration Certificate of Cooperative Companies number 140520100250 dated September 16, 2019. Deed of Cooperative Establishment, Ratification of Deed of Establishment of Independent Plantation Cooperative, Examples of SHM for areas used as plantation areas.

Based on the root cause analysis, corrections, corrective actions and evidence of improvements that show. **non-conformity is declared fulfilled.**

Verified by : Bayu Yogatama

<i>NCR No.</i>	:	<b>2019.7</b>	<i>Issued by</i>	:	<b>Bayu Yogatama</b>
<i>Date Issued</i>	:	<b>13 December 2019</b>	<i>Time Limit</i>	:	<b>ASA-1</b>
<i>NC Grade</i>	:	<b>Non Critical</b>	<i>Date of Closing</i>	:	<b>6 April 2020</b>
<i>Standard Ref. &amp; Requirement</i>	:	<b>2.3.2</b> <b>For all indirectly sourced FFB, the unit of certification obtains from the collection centres, agents or other intermediaries, the evidence as listed in Indicator 2.3.1.</b>			
<b>Evidence observed (filled by auditor):</b>					
-					

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

The company has not been able to show all the information related to the receipt of FFB that was obtained indirectly from the source, which is equipped with geolocation information, proof of ownership of land rights, and valid supporting permits for the purchase and sale of FFB at the location.

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

Lack of understanding from the BTJM Management Unit regarding SOP Third Party FFB, this is because the PIC for FFB Traceability is handled by the Sustainability Specialist at HO.

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

Providing data & maps for completeness from the sources of PT. LSM (BTJM Unit) as required in the RSPO P&C, indicator 2.3.1, in the form of:

- BTJM Unit Farmer Data Base.
- Map of External Suppliers for BTJM Unit
- Complete Geolocation coordinates for Koperasi Sejahtera Mandiri.
- Provide legality documents from third parties registered in the BTJM Unit, including:
  - CV Garuda Mas Jaya
  - CV Mora Jaya
  - CV Welly Jaya
  - Cooperative Sejahtera Mandiri.

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

Application of the FFB Third Party SOP.

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

**Verification 18 February 2020**

The company shows proof of improvement in the form of third party Plantation Data / FFB Supplier form which is sent to BTJM directly without going through intermediaries, while several suppliers such as CV Garuda Mas Jaya, CV Mora Jaya, CV Welly Jaya, cooperative Sejahtera Mandiri. The FFB supplier document contains some data including the name of the manager, the location of the plantation, the distance to the BTJM, the area planted, the type of planted seeds, the area of land per individual. In addition, the management showed the location of the distribution of 3rd party source maps and their coordinates for CV Mora Jaya & CV Welly Jaya.

Based on the evidence of improvement shown, there are several documents that have not been able to be shown to the auditor, such as:

- Coordinate for Geolocation of Koperasi Sejahtera Mandiri
- The legality of the suppliers (land rights, planting permits and trade permits) for all suppliers.

Based on these evidences, it is stated that **the discrepancies have not been fulfilled.**

**Verification April 6, 2020**

The company shows evidence of improvement in the form of:

1. Distribution map of suppliers (3rd party that has included Koperasi Sejahtera Mandiri and its geolocation)
2. Legality of CV Welly Jaya: Company Registration Certificate (1405341 000395) from the Office of Investment and One Stop Services of Ketapang Regency. Trading Business License (SIUP) number: 503 / 103.SIUP / Small / 2017, NPWP, and SKT of land used for plantation areas.
3. Legality of CV Garuda Mas Jaya: Business Identification Number (NIB) 8120000931304 dated 10 September 2018. SHM list for the management area of CV Garuda Mas Jaya. Example of SHM for an area used as a plantation area.
4. Legality of Koperasi Sejahtera Mandiri: Permit for Business Place number: 503/481 / SITU / KOP / 2014. Trading

<p>Business License number: 503/585 / SIUP / Small / 2014, Registration Certificate of Cooperative Companies number 140520100250 dated September 16, 2019. Deed of Cooperative Establishment, Ratification of Deed of Establishment of Independent Plantation Cooperative, Examples of SHM for areas used as plantation areas.</p> <p>5. The 2018 PNC RSPO Guidelines for new certification, compliance related to suppliers through intermediaries enforced after 3 years since certification began.</p> <p>Based on the root cause analysis, corrections, corrective actions and evidence of improvements that show non-conformities are declared fulfilled.</p>	
Verified by	: Bayu Yogatama

NCR No.	: 2019.8	Issued by	: Bayu Yogatama
Date Issued	: 13 December 2019	Time Limit	: ASA-1
NC Grade	: Non Critical	Date of Closing	: 15 January 2020
Standard Ref. & Requirement	<p>3.2.2 As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat using the RSPO metrics template.</p>		
<p><b>Evidence observed (filled by auditor):</b> -</p>			
<p><b>Non-Conformance Description (filled by auditor):</b> The company has not been able to present the annual report submitted to the RSPO Secretariat for continuous monitoring and improvement using the RSPO matrix template.</p>			
<p><b>Root Cause Analysis (filled by organization audited):</b> Lack of understanding of the Management Unit regarding compliance with the requirements of the 2018 RSPO P&amp;C,</p>			
<p><b>Correction (filled by organization audited):</b> 1. Provide proof of ACOP documents to the Lead Auditor of MAL. 2. Clarification of the NCR is like the points above.</p>			
<p><b>Corrective Action (filled by organization audited):</b> Implementation of Internal Audit &amp; Management Review Regularly</p>			
<p><b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>January 15, 2020 verification</b> The company has conducted root cause analysis, corrections and determined corrective actions, besides that the company shows corrective documents in the form of RSPO ACOP 2018 which were reported in 2019. based on the evidence that the <b>non-conformity is declared fulfilled</b></p>			
Verified by	: Bayu Yogatama		

NCR No.	: 2019.9	Issued by	: Bayu Yogatama
Date Issued	: 13 December 2019	Time Limit	: 12 December 2020

<i>NC Grade</i>	: <b>Critical</b>	<i>Date of Closing</i>	: <b>2 June 2020</b>
<i>Standard Ref. &amp; Requirement</i>	<b>3.4.3</b> <b>The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.</b>		
<b>Evidence observed (filled by auditor):</b> Based on the results of the document review, the following facts are known: <ul style="list-style-type: none"> <li>The company shows a report on the implementation of RKL-RPL Semester 1 of 2019 for PT LSM. Meanwhile, the report document on the implementation of RKL-RPL Semester 1 of PT LSM does not include related monitoring <ul style="list-style-type: none"> <li>Decrease in Surface Water Quality</li> <li>Decreased Air Quality</li> <li>Noise enhancement</li> <li>The emergence of disease patterns</li> <li>Decreasing the Diversity of Water Biota</li> <li>The management unit has not been able to show evidence of management review of the results of managing social and environmental monitoring it has. As well as not reporting RKL-RPL in accordance with the format of KepMenLH 45 of 2005 regarding the procedure for writing an RKL-RPL report (<i>laboratory test results and other monitoring evidence have not been attached to the report</i>) and has not been able to show evidence that all management plans and reviews are implemented, reviewed together and updated regularly.</li> </ul> </li> </ul>			
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show evidence that all management plans and reviews are implemented, reviewed together and updated regularly.			
<b>Root Cause Analysis (filled by organization audited):</b> Lack of environmental quality monitoring & measurement control in accordance with SOP for Monitoring & Measurement by Sustainability Region.			
<b>Correction (filled by organization audited):</b> <ol style="list-style-type: none"> <li>Sustainability Coordination Meeting by CSC Dept. Head as an implementation control mechanism Best Practices, OHS &amp; Environment throughout the BGA Management Unit. Provide minutes of meeting reviews on the effectiveness of monitoring &amp; measuring environmental quality LSM Management Unit, LGI &amp; NAS.</li> <li>Provide: Semester I &amp; II RKL - RPL reports of PT. LSM along with records of test results &amp; proof of receipt of RKL &amp; RPL from BLH</li> </ol>			
<b>Corrective Action (filled by organization audited):</b> <ul style="list-style-type: none"> <li>Internal audits &amp; management reviews regularly.</li> <li>Implementation of the Annual Sustainability Coordination Meeting by CSC Dept. Head</li> </ul>			
<i>Assessor Evaluation and Conclusion (filled by auditor):</i> <b>Verification 2 June 2020</b> The company shows evidence of improvement in the form of: Report on the implementation of RKL-RPL Semester 2 PT LSM reports have been completed with attachments of all monitoring data including certificates of test results and other monitoring documentation and have carried out related monitoring:			

- Decrease in Surface Water Quality
- Decreased Air Quality
- Noise enhancement
- The emergence of disease patterns
- Decreasing the Diversity of Water Biota

The RKL-RPL Semester 2 2019 report contains Trend Evaluation, Critical Level Evaluation and Compliance Evaluation and the writing of the report has referred to KepmenLH 45 of 2005, besides that the report has been sent to the Ketapang Regency Environmental Agency on May 28, 2020

Minutes and reports of the BGA Environmental Quality Monitoring and Measurement Effectiveness Review, (Area Management Unit 8 (PT LSM, PT LGI & PT NAS) on 18 December 2019. The review activity was attended by 29 participants. The results of the management reviews include:

- Environmental Quality Monitoring & Testing Schedule for PT LSM
- Environmental non-conformity with the results of environmental quality testing which value is above the Environmental Quality Standard
- Report on RKL-RPL for Semester 2 of 2019
- Management of hazardous waste of PT LSM

Based on the evidences of improvement shown, root cause analysis, correction and corrective action of non-conformity management are declared fulfilled and will be further verified in the next surveillance activity.

**Verified by** : **Bayu Yogatama**

<b>NCR No.</b>	: <b>2019.10</b>	<b>Issued by</b>	: <b>Leonada</b>
<b>Date Issued</b>	: <b>13 December 2019</b>	<b>Time Limit</b>	: <b>12 December 2020</b>
<b>NC Grade</b>	: <b>Critical</b>	<b>Date of Closing</b>	: <b>1 October 2020</b>
<b>Standard Ref. &amp; Requirement</b>	<b>4.4.1 Documents showing legal ownership or lease, or authorised use of customary land authorised by customary landowners through a Free, Prior and Informed Consent (FPIC) process. Documents related to the history of land tenure and the actual legal or customary use of the land are available.</b>		
<b>Evidence observed (filled by auditor):</b>			
-			
<b>Non-Conformance Description (filled by auditor):</b>			
The Company cannot show the land title for Bukit Tunggal Jaya Mill Area of 22.17 Ha			
<b>Root Cause Analysis (filled by organization audited):</b>			
Lack of coordinating between PT LSM and other department in inventorying and evaluating the legal compliance.			
<b>Correction (filled by organization audited):</b>			
<ol style="list-style-type: none"> <li>1. Certification &amp; Compliance Specialist to follow up the HGB process</li> <li>2. Provided the HGU for Mill</li> </ol>			



<i>Corrective Action (filled by organization audited):</i> Internal Audit & management review regularly			
<i>Assessor Evaluation and Conclusion (filled by auditor):</i> <b>Verification on 28 February 2020</b> The company show the HGB progress through the letter No. 001/D&L-LSM-DIR.KSS/IX/2019 on 17 September 2019 to the land agency of Kalimantan Barat Province. Based on this evidence, the NC is still open.  <b>Verification 28 August 2020</b> The company show HGB decree by head of Kalimantan Barat land agency No. 23/HGB/BPN.61/2020 dated 18 Agustus 2020 to PT Ladang Sawit Mas for 13.38 Ha. But not all area covered by this HGB decree, so the NC is still open  <b>Verification 1 October 2020</b> The company show HGB decree by head of Kalimantan Barat land agency No. 24/HGB/BPN.61/2020 dated 18 Agustus 2020 to PT Ladang Sawit Mas for 8.79 Ha. So the company has show all HGB which covered all area of Mill. Based on this evidence, it concluded that NC is closed.			
<i>Verified by</i>	: Leonada		
<i>NCR No.</i>	: 2019.11	<i>Issued by</i>	: Leonada
<i>Date Issued</i>	: 13 December 2019	<i>Time Limit</i>	: ASA-1
<i>NC Grade</i>	: Non Critical	<i>Date of Closing</i>	: 18 March 2020
<i>Standard Ref. &amp; Requirement</i>	4.4.6 There is evidence that implementation of agreements negotiated through FPIC is annually reviewed in consultation with affected parties		
<i>Evidence observed (filled by auditor):</i> The company can show the evidence of land acquisition evaluation, as example on 10 January 2017. But the review is not conducted by consultation with affected parties.			
<i>Non-Conformance Description (filled by auditor):</i> The company cannot show the evidence of land acquisition reviewed by consultation with affected parties.			
<i>Root Cause Analysis (filled by organization audited):</i> Lack of understanding from company officer related the requirements			
<i>Correction (filled by organization audited):</i> Provided the evidence of management review			
<i>Corrective Action (filled by organization audited):</i> Internal audit and management review regularly			
<i>Assessor Evaluation and Conclusion (filled by auditor):</i> <b>Verification 18 March 2020</b> The company show the minutes of FPIC management review on 3 January 2020. The management review			

consulting with affected parties show in attendance list, such as: head of Village Kaong Utara, Kaying Tuhe, Nanga Tayap, Betenang. State on the minutes that the land acquisition accepted by affected parties. Based on this evidence, it can be concluded that the **NC is closed**.

*Verified by* : **Leonada**

<i>NCR No.</i>	: <b>2019.12</b>	<i>Issued by</i>	: <b>Bayu Yogatama</b>
<i>Date Issued</i>	: <b>13 December 2019</b>	<i>Time Limit</i>	: <b>ASA-1</b>
<i>NC Grade</i>	: <b>Non Critical</b>	<i>Date of Closing</i>	: <b>25 September 2020</b>
<i>Standard Ref. &amp; Requirement</i>	<b>5.1.8</b> <b>The unit of certification supports Independent Smallholders with certification, where applicable, ensuring mutual agreements between the unit of certification and the smallholders on who runs the internal control system (ICS), who holds the certificates, and who holds and sells the certified material.</b>		
<p><b>Evidence observed</b> (filled by auditor):  Based on the document review, the following facts are known: The company has FFB buying and selling cooperation for example Letter of agreement between Sumber Usaha Sejahtera cooperative and BTJM (SPK No. 002 / SPK-LSM / II / 2019).</p> <p><b>Non-Conformance Description</b> (filled by auditor):  The company has not been able to show documentation of support for independent smallholders related to the certification program, if it can be done, which ensures mutual agreement between the certification unit and the farmer concerned regarding the party implementing the Internal Control System (ICS), the party holding the certificate, and the party who owns and sells certified material.</p> <p><b>Root Cause Analysis</b> (filled by organization audited):  Lack of coordination between the Management of PT. LSM (BTJM Unit) with Smallholders Specialists in the Head Office regarding the provision of recorded evidence of socialization/ consultation with Cooperative Administrators (Independent Farmers) as FFB suppliers at BTJM.</p> <p><b>Correction</b> (filled by organization audited):</p> <ol style="list-style-type: none"> <li>1. Providing a work agreement for External FFB Suppliers, where the clause in the work agreement stipulates the requirements that are indicated in: <ul style="list-style-type: none"> <li>- RSPO Certification Systems for Principles &amp; Criteria, June 2017, element 4.4.6.</li> <li>- RSPO P&amp;C 2018, indicator 5.2.2</li> <li>- Aspects of Labor Law &amp; HSE requirements.</li> </ul> </li> <li>2. Provide proof of recording:  Farmers Development Program for Kalimantan Barat Dissemination of FFB Traceability requirements to External FFB Suppliers of BTJM Unit (contained in the work agreement in Article 7, points 5, 6, 7, 8 &amp; 9) as well as socialization of FFB traceability, BGA Sustainability, Company Code of Conduct through door to door to External FFB Suppliers.</li> </ol> <p><b>Corrective Action</b> (filled by organization audited):  Internal audit and management review regularly</p>			

**Assessor Evaluation and Conclusion** (filled by auditor):**Verification 25 September 2020**

The company shows evidence of improvement in the form of:

- Letter of agreement No. 001 / SPKL / BTJM-TBS / I / 2020 between PT Ladang Sawit Mas and CV Garuda Mas Jaya dated March 17, 2020. The agreement letter includes several points relating to the laws and regulations listed in article 7 of the Guarantee paragraph 6 which reads "If required by applicable laws/ regulations, the contractor guarantees and is responsible for its workers to be included and recorded in health insurance such as *BPJS Kesehatan / BPJS Ketenagakerjaan* (JKK and JKM), and receives wages in accordance with the provisions of the UMK or UMP and does not employ workers under age (under 18 years), no forced labor practices and does not employ workers originating from human trafficking as regulated in the prevailing laws and regulations.
- Letter of agreement No. 003 / SPKL / BTJM-TBS / I / 2020 between PT Ladang Sawit Mas and CV Welly Jaya Sumber Priangan Jaya dated 17 March 2020. The agreement letter includes several points relating to the laws and regulations listed in article 7 of Guarantee paragraph 6 which reads " If required by applicable laws / regulations, the contractor guarantees and is responsible for its workers to be included and recorded in health insurance such as *BPJS Kesehatan / BPJS Ketenagakerjaan* (JKK and JKM), and receive wages in accordance with the provisions of the UMK or UMP and do not employ workers are under age (under 18 years), do not practice forced labor and do not employ workers originating from human trafficking as regulated in the prevailing laws and regulations.
- Letter of agreement No. 002 / SPKL / BTJM-TBS / I / 2020 between PT Ladang Sawit Mas and Koperasi Sejahtera Mandiri Jaya dated 17 March 2020. The agreement letter includes several points relating to the laws and regulations listed in article 7 of the Guarantee paragraph 6 which reads "If required by applicable laws / regulations, the contractor guarantees and is responsible for its workers to be included and recorded in health insurance such as *BPJS Kesehatan / BPJS Ketenagakerjaan* (JKK and JKM), and receives wages in accordance with the provisions of the UMK or UMP and does not employ workers under age (under 18 years), no forced labor practices and does not employ workers originating from human trafficking as regulated in the prevailing laws and regulations.
- Letter of agreement No. 001 / SPKL / BTJM-TBS / I / 2020 between PT Ladang Sawit Mas and CV Mora Jaya dated 17 March 2020. The agreement letter includes several points relating to the laws and regulations listed in article 7 Guarantee paragraph 6 which reads "If required by Applicable laws / regulations, the contractor guarantees and is responsible for its workers to be included and registered in health insurance such as *BPJS Kesehatan / BPJS Ketenagakerjaan* (JKK and JKM), and receives wages in accordance with the provisions of the UMK or UMP and does not employ underage workers (under 18 years of age), there is no forced labor practice and does not employ workers originating from human trafficking as regulated in the prevailing laws and regulations.
- Minutes of socialization of traceability, sustainability police and the Company's Code of Conduct to Mandiri farmers on July 11, 2020 attended by 6 participant representatives, some of the materials presented such as land legality, environmental management and others (attendance list, socialization material and photos of activities attached)
- Supplier distribution map (3rd party that has included Koperasi Sejahtera Mandiri points and their geolocation)
- Legality of CV Welly Jaya: Company Registration Certificate (1405341 000395) from the Office of Investment and One Stop Services of Ketapang Regency. Trading Business License (SIUP) number: 503 / 103.SIUP / Small / 2017, NPWP, and SKT of land used for plantation areas.
- Legality of CV Garuda Mas Jaya: Business Identification Number (NIB) 8120000931304 dated 10 September 2018. SHM list for the management area of CV Garuda Mas Jaya. Example of SHM for an area used as a

<p>plantation area.</p> <ul style="list-style-type: none"> <li>• Legality of Koperasi Sejahtera Mandiri: Permit for Business Place number: 503/481 / SITU / KOP / 2014. Trading Business License number: 503/585 / SIUP / Small / 2014, Registration Certificate of Cooperative Companies number 140520100250 dated September 16, 2019. Deed of Cooperative Establishment, Ratification of Deed of Establishment of Independent Plantation Cooperative, Examples of SHM for areas used as plantation areas.</li> <li>• Minutes of training for assisted farmer groups held on 11-16 December 2019 with materials covering pest management, fruit traceability, plant diseases, handling of weeds and pests, and assistance to farmer groups to fulfill the documents required in implementing RSPO.</li> </ul> <p>Based on the root cause analysis, corrections, corrective actions and evidence of corrections which show that the non-conformity is declared fulfilled, the records will be re-verified during the surveillance activities.</p>	
Verified by	: Bayu Yogatama

NCR No.	: 2019.13	Issued by	: Bayu Yogatama
Date Issued	: 13 December 2019	Time Limit	: ASA-1
NC Grade	: Non Critical	Date of Closing	: 25 September 2020
Standard Ref. & Requirement	5.2.1 <b>The unit of certification consults with interested smallholders (irrespective of type) including women or other partners in their supply base to assess their needs for support to improve their livelihoods and their interest in RSPO certification.</b>		
<p><b>Evidence observed (filled by auditor):</b>            Based on the document review, the following facts are known: The company has FFB buying and selling cooperation for example Letter of agreement between Sumber Usaha Sejahtera cooperative and BTJM (SPK No. 002 / SPK-LSM / II / 2019).</p> <p><b>Non-Conformance Description (filled by auditor):</b>            The company has not been able to produce documentation of consultation activities with interested farmers (regardless of farmer type), including women, or other partners in its supply base to assess their need for support to improve their livelihoods and their interest in pursuing RSPO certification.</p> <p><b>Root Cause Analysis (filled by organization audited):</b>            Lack of coordination between the Management of PT. LSM (BTJM Unit) with Smallholders Specialists in the Head Office regarding the provision of recorded evidence of socialization / consultation with Cooperative Administrators (Independent Farmers) as FFB suppliers at BTJM.</p> <p><b>Correction (filled by organization audited):</b></p> <ol style="list-style-type: none"> <li>1. Providing a work agreement for External FFB Suppliers, where the clause in the work agreement stipulates the requirements that are indicated in:               <ul style="list-style-type: none"> <li>- RSPO Certification Systems for Principles &amp; Criteria, June 2017, element 4.4.6.</li> <li>- RSPO P&amp;C 2018, indicator 5.2.2</li> <li>- Aspects of Labor Law &amp; HSE requirements.</li> </ul> </li> <li>2. Provide proof of recording:                Farmers Development Program for Kalimantan Barat Dissemination of FFB Traceability requirements to External FFB Suppliers of BTJM Unit (contained in the work agreement in Article 7, points 5, 6, 7, 8 &amp; 9) as well as socialization of FFB traceability, BGA Sustainability, Company Code of Conduct through door to door to</li> </ol>			

External FFB Suppliers.
<p><b>Corrective Action</b> (filled by organization audited): Internal audit and management review regularly</p>
<p><b>Assessor Evaluation and Conclusion</b> (filled by auditor): <b>Verification 25 September 2020</b> The company shows evidence of improvement in the form of:</p> <ul style="list-style-type: none"> <li>• Letter of agreement No. 001 / SPKL / BTJM-TBS / I / 2020 between PT Ladang Sawit Mas and CV Garuda Mas Jaya dated March 17, 2020. The agreement letter includes several points relating to the laws and regulations listed in article 7 of the Guarantee paragraph 6 which reads "If required by applicable laws / regulations, the contractor guarantees and is responsible for its workers to be included and recorded in health insurance such as BPJS Kesehatan / BPJS Ketenagakerjaan (JKK and JKM), and receives wages in accordance with the provisions of the UMK or UMP and does not employ workers under age (under 18 years), no forced labor practices and does not employ workers originating from human trafficking as regulated in the prevailing laws and regulations.</li> <li>• Letter of agreement No. 003 / SPKL / BTJM-TBS / I / 2020 between PT Ladang Sawit Mas and CV Welly Jaya Sumber Priangan Jaya dated 17 March 2020. The agreement letter includes several points relating to the laws and regulations listed in article 7 of Guarantee paragraph 6 which reads " If required by applicable laws / regulations, the contractor guarantees and is responsible for its workers to be included and recorded in health insurance such as BPJS Kesehatan / BPJS Ketenagakerjaan (JKK and JKM), and receive wages in accordance with the provisions of the UMK or UMP and do not employ workers are under age (under 18 years), do not practice forced labor and do not employ workers originating from human trafficking as regulated in the prevailing laws and regulations.</li> <li>• Letter of agreement No. 002 / SPKL / BTJM-TBS / I / 2020 between PT Ladang Sawit Mas and Koperasi Sejahtera Mandiri Jaya dated 17 March 2020. The agreement letter includes several points relating to the laws and regulations listed in article 7 of the Guarantee paragraph 6 which reads "If required by applicable laws / regulations, the contractor guarantees and is responsible for its workers to be included and recorded in health insurance such as BPJS Kesehatan / BPJS Ketenagakerjaan (JKK and JKM), and receives wages in accordance with the provisions of the UMK or UMP and does not employ workers under age (under 18 years), no forced labor practices and does not employ workers originating from human trafficking as regulated in the prevailing laws and regulations.</li> <li>• Letter of agreement No. 001 / SPKL / BTJM-TBS / I / 2020 between PT Ladang Sawit Mas and CV Mora Jaya dated 17 March 2020. The agreement letter includes several points relating to the laws and regulations listed in article 7 Guarantee paragraph 6 which reads "If required by Applicable laws / regulations, the contractor guarantees and is responsible for its workers to be included and registered in health insurance such as BPJS Kesehatan / BPJS Ketenagakerjaan (JKK and JKM), and receives wages in accordance with the provisions of the UMK or UMP and does not employ underage workers (under 18 years of age), there is no forced labor practice and does not employ workers originating from human trafficking as regulated in the prevailing laws and regulations.</li> <li>• Minutes of socialization of traceability, sustainability police and the Company's Code of Conduct to Mandiri farmers on July 11, 2020 attended by 6 participant representatives, some of the materials presented such as land legality, environmental management and others (attendance list, socialization material and photos of activities attached)</li> <li>• Supplier distribution map (3rd party that has included Koperasi Sejahtera Mandiri points and their geolocation)</li> <li>• Legality of CV Welly Jaya: Company Registration Certificate (1405341 000395) from the Office of Investment</li> </ul>

and One Stop Services of Ketapang Regency. Trading Business License (SIUP) number: 503 / 103.SIUP / Small / 2017, NPWP, and SKT of land used for plantation areas.

- Legality of CV Garuda Mas Jaya: Business Identification Number (NIB) 8120000931304 dated 10 September 2018. SHM list for the management area of CV Garuda Mas Jaya. Example of SHM for an area used as a plantation area.
- Legality of Koperasi Sejahtera Mandiri: Permit for Business Place number: 503/481 / SITU / KOP / 2014. Trading Business License number: 503/585 / SIUP / Small / 2014, Registration Certificate of Cooperative Companies number 140520100250 dated September 16, 2019. Deed of Cooperative Establishment, Ratification of Deed of Establishment of Independent Plantation Cooperative, Examples of SHM for areas used as plantation areas.
- Minutes of training for assisted farmer groups held on 11-16 December 2019 with materials covering pest management, fruit traceability, plant diseases, handling of weeds and pests, and assistance to farmer groups to fulfill the documents required in implementing RSPO.

Based on the root cause analysis, corrections, corrective actions and evidence of corrections which show that the non-conformity is declared fulfilled, the records will be re-verified during the surveillance activities.

**Verified by** : Bayu Yogatama

<i>NCR No.</i>	: 2019.14	<i>Issued by</i>	: Bayu Yogatama
<i>Date Issued</i>	: 13 December 2019	<i>Time Limit</i>	: ASA-1
<i>NC Grade</i>	: Non Critical	<i>Date of Closing</i>	: 25 September 2020
<i>Standard Ref. &amp; Requirement</i>	<b>5.2.2</b> <b>The unit of certification develops and implements livelihood improvement programmes, including at least capacity building to enhance productivity, quality, organisational and managerial competencies, and specific elements of RSPO certification (including the RSPO Standard for Independent Smallholder).</b>		
<b>Evidence observed (filled by auditor):</b> Based on the document review, the following facts are known: The company has FFB buying and selling cooperation for example Letter of agreement between Sumber Usaha Sejahtera cooperative and BTJM (SPK No. 002 / SPK-LSM / II / 2019)			
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show documentation of the implementation of programs to improve livelihood standards, including at least increased capacity to increase productivity, quality, organizational and managerial skills, and certain elements of RSPO certification (including the RSPO Standard for Independent Smallholders).			
<b>Root Cause Analysis (filled by organization audited):</b> Lack of coordination between the Management of PT. LSM (BTJM Unit) with Smallholders Specialists in the Head Office regarding the provision of recorded evidence of socialization / consultation with Cooperative Administrators (Independent Farmers) as FFB suppliers at BTJM.			
<b>Correction (filled by organization audited):</b> 1. Providing a work agreement for External FFB Suppliers, where the clause in the work agreement stipulates the requirements that are indicated in: - RSPO Certification Systems for Principles & Criteria, June 2017, element 4.4.6.			



<ul style="list-style-type: none"> <li>- RSPO P&amp;C 2018, indicator 5.2.2</li> <li>- Aspects of Labor Law &amp; HSE requirements.</li> </ul> <p>2. Provide proof of recording: Farmers Development Program for Kalimantan Barat Dissemination of FFB Traceability requirements to External FFB Suppliers of BTJM Unit (contained in the work agreement in Article 7, points 5, 6, 7, 8 &amp; 9) as well as socialization of FFB traceability, BGA Sustainability, Company Code of Conduct through door to door to External FFB Suppliers.</p>
<p><b>Corrective Action</b> (filled by organization audited): Internal audit and management review regularly</p>
<p><b>Assessor Evaluation and Conclusion</b> (filled by auditor): <b>Verification 25 September 2020</b> The company shows evidence of improvement in the form of:</p> <ul style="list-style-type: none"> <li>• Letter of agreement No. 001 / SPKL / BTJM-TBS / I / 2020 between PT Ladang Sawit Mas and CV Garuda Mas Jaya dated March 17, 2020. The agreement letter includes several points relating to the laws and regulations listed in article 7 of the Guarantee paragraph 6 which reads "If required by applicable laws / regulations, the contractor guarantees and is responsible for its workers to be included and recorded in health insurance such as <i>BPJS Kesehatan / BPJS Ketenagakerjaan</i> (JKK and JKM), and receives wages in accordance with the provisions of the UMK or UMP and does not employ workers under age (under 18 years), no forced labor practices and does not employ workers originating from human trafficking as regulated in the prevailing laws and regulations.</li> <li>• Letter of agreement No. 003 / SPKL / BTJM-TBS / I / 2020 between PT Ladang Sawit Mas and CV Welly Jaya Sumber Priangan Jaya dated 17 March 2020. The agreement letter includes several points relating to the laws and regulations listed in article 7 of Guarantee paragraph 6 which reads " If required by applicable laws / regulations, the contractor guarantees and is responsible for its workers to be included and recorded in health insurance such as <i>BPJS Kesehatan / BPJS Ketenagakerjaan</i> (JKK and JKM), and receive wages in accordance with the provisions of the UMK or UMP and do not employ workers are under age (under 18 years), do not practice forced labor and do not employ workers originating from human trafficking as regulated in the prevailing laws and regulations.</li> <li>• Letter of agreement No. 002 / SPKL / BTJM-TBS / I / 2020 between PT Ladang Sawit Mas and Koperasi Sejahtera Mandiri Jaya dated 17 March 2020. The agreement letter includes several points relating to the laws and regulations listed in article 7 of the Guarantee paragraph 6 which reads "If required by applicable laws / regulations, the contractor guarantees and is responsible for its workers to be included and recorded in health insurance such as <i>BPJS Kesehatan / BPJS Ketenagakerjaan</i> (JKK and JKM), and receives wages in accordance with the provisions of the UMK or UMP and does not employ workers under age (under 18 years), no forced labor practices and does not employ workers originating from human trafficking as regulated in the prevailing laws and regulations.</li> <li>• Letter of agreement No. 001 / SPKL / BTJM-TBS / I / 2020 between PT Ladang Sawit Mas and CV Mora Jaya dated 17 March 2020. The agreement letter includes several points relating to the laws and regulations listed in article 7 Guarantee paragraph 6 which reads "If required by Applicable laws / regulations, the contractor guarantees and is responsible for its workers to be included and registered in health insurance such as <i>BPJS Kesehatan / BPJS Ketenagakerjaan</i> (JKK and JKM), and receives wages in accordance with the provisions of the UMK or UMP and does not employ underage workers (under 18 years of age), there is no forced labor practice and does not employ workers originating from human trafficking as regulated in the prevailing laws and regulations.</li> <li>• Minutes of socialization of traceability, sustainability police and the Company's Code of Conduct to Mandiri</li> </ul>

farmers on July 11, 2020 attended by 6 participant representatives, some of the materials presented such as land legality, environmental management and others (attendance list, socialization material and photos of activities attached)

- Supplier distribution map (3rd party that has included Koperasi Sejahtera Mandiri points and their geolocation)
- Legality of CV Welly Jaya: Company Registration Certificate (1405341 000395) from the Office of Investment and One Stop Services of Ketapang Regency. Trading Business License (SIUP) number: 503 / 103.SIUP / Small / 2017, NPWP, and SKT of land used for plantation areas.
- Legality of CV Garuda Mas Jaya: Business Identification Number (NIB) 8120000931304 dated 10 September 2018. SHM list for the management area of CV Garuda Mas Jaya. Example of SHM for an area used as a plantation area.
- Legality of Koperasi Sejahtera Mandiri: Permit for Business Place number: 503/481 / SITU / KOP / 2014. Trading Business License number: 503/585 / SIUP / Small / 2014, Registration Certificate of Cooperative Companies number 140520100250 dated September 16, 2019. Deed of Cooperative Establishment, Ratification of Deed of Establishment of Independent Plantation Cooperative, Examples of SHM for areas used as plantation areas.
- Minutes of training for assisted farmer groups held on 11-16 December 2019 with materials covering pest management, fruit traceability, plant diseases, handling of weeds and pests, and assistance to farmer groups to fulfill the documents required in implementing RSPO.

Based on the root cause analysis, corrections, corrective actions and evidence of corrections which show that the non-conformity is declared fulfilled, the records will be re-verified during the surveillance activities.

*Verified by* : **Bayu Yogatama**

<i>NCR No.</i>	: <b>2019.15</b>	<i>Issued by</i>	: <b>Bayu Yogatama</b>
<i>Date Issued</i>	: <b>13 December 2019</b>	<i>Time Limit</i>	: <b>ASA-1</b>
<i>NC Grade</i>	: <b>Non Critical</b>	<i>Date of Closing</i>	: <b>24 September 2020</b>
<i>Standard Ref. &amp; Requirement</i>	: <b>5.2.3 Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production.</b>		
<b>Evidence observed (filled by auditor):</b> Based on the document review, the following facts are known: The company has FFB buying and selling cooperation for example Letter of agreement between Sumber Usaha Sejahtera cooperative and BTJM (SPK No. 002 / SPK-LSM / II / 2019)			
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show documentation of the efforts made by the certification unit to farmers to support the legality of FFB production.			
<b>Root Cause Analysis (filled by organization audited):</b> Lack of coordination between the Management of PT. LSM (BTJM Unit) with Smallholders Specialists in the Head Office regarding the provision of recorded evidence of socialization / consultation with Cooperative Administrators (Independent Farmers) as FFB suppliers at BTJM.			
<b>Correction (filled by organization audited):</b> Providing documents / records as support for BTJM Unit External FFB Suppliers related to legality and compliance			

with the requirements of the RSPO Certification Systems for Principles & Criteria, June 2017, element 4.4.6 (Legal compliance), with documents / records in the form of:

- External FFB Supplier work agreement in accordance with the requirements set forth in the 2018 RSPO P&C, indicator 5.2.3
- Data base for BTJM Unit Farmers & Map of External Suppliers for BTJM Unit
- Report on Kalimantan Barat Region Farmer Development Program.

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

Application of the SOP for FFB Third Party

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

**Verification 24 September 2020**

The company shows evidence of improvement in the form of:

- Minutes of socialization of traceability, sustainability police and the Company's Code of Conduct to Mandiir farmers on July 11, 2020 attended by 6 participant representatives, some of the materials presented such as land legality, environmental management and others (attendance list, socialization materials and photos of activities attached)
- Map of distribution of suppliers (3rd party that has included the Koperasi Sejahtera Mandiri points and their geolocation)
- Legality of CV Welly Jaya: Company Registration Certificate (1405341 000395) from the Office of Investment and One Stop Services of Ketapang Regency. Trading Business License (SIUP) number: 503 / 103.SIUP / Small / 2017, NPWP, and SKT of land used for plantation areas.
- Legality of CV Garuda Mas Jaya: Business Identification Number (NIB) 8120000931304 dated 10 September 2018. SHM list for the management area of CV Garuda Mas Jaya. Example of SHM for an area used as a plantation area.
- Legality of Koperasi Sejahtera Mandiri: Permit for Business Place number: 503/481 / SITU / KOP / 2014. Trading Business License number: 503/585 / SIUP / Small / 2014, Registration Certificate of Cooperative Companies number 140520100250 dated September 16, 2019. Deed of Cooperative Establishment, Ratification of Deed of Establishment of Independent Plantation Cooperative, Examples of SHM for areas used as plantation areas.
- Minutes of training for assisted farmer groups held on 11-16 December 2019 with materials covering pest management, fruit tracing, plant diseases, handling of weeds and pests, as well as assistance to farmer groups to fulfill the documents required in implementing RSPO.

Based on the root cause analysis, corrections, corrective actions and evidence of corrections shown that non-conformities are declared fulfilled provided that records will be re-verified during the surveillance activities.

*Verified by* : **Bayu Yogatama**

<i>NCR No.</i>	: <b>2019.16</b>	<i>Issued by</i>	: <b>Bayu Yogatama</b>
<i>Date Issued</i>	: <b>13 December 2019</b>	<i>Time Limit</i>	: <b>ASA-1</b>
<i>NC Grade</i>	: <b>Non Critical</b>	<i>Date of Closing</i>	: <b>28 July 2020</b>
<i>Standard Requirement</i>	<i>Ref. &amp;</i>	: <b>5.2.5 The unit of certification regularly reviews and publicly reports on the progress of the smallholder support programme.</b>	

<p><b>Evidence observed</b> (filled by auditor): Based on the document review, the following facts are known: The company has FFB buying and selling cooperation for example Letter of agreement between Sumber Usaha Sejahtera cooperative and BTJM (SPK No. 002 / SPK-LSM / II / 2019)</p>
<p><b>Non-Conformance Description</b> (filled by auditor): The company has not been able to show evidence of having reviewed and publicly reported the progress of the farmer support program on a regular basis</p>
<p><b>Root Cause Analysis</b> (filled by organization audited): Lack of coordination between the Management of PT. LSM (BTJM Unit) with Corporate Communication Dept. &amp; Partnership Dept. in the Head Office regarding the provision of documentary evidence / recording progress reports on support for Farmers in the BGA Management Unit as a whole.</p>
<p><b>Correction</b> (filled by organization audited): The Certification &amp; Compliance Specialist coordinates with the Corporate Communication Specialist to provide evidence of the progress of the BGA Management Unit farmers as a whole.</p> <ul style="list-style-type: none"> <li>• BGA Corporate Management has collaborated with Infosawit &amp; Agrofarm to publish related BGA Management Unit support for Farmers and plans &amp; Results of activities published by Infosawit &amp; Agrofarm are available to the public.</li> <li>• Provision of evidence of records of Management Unit activities for Farmers.</li> <li>• Provision of document review evidence for the Plasma Certification program at the BGA Management Unit</li> </ul>
<p><b>Corrective Action</b> (filled by organization audited): Internal Audit &amp; Management Review regularly</p>
<p><b>Assessor Evaluation and Conclusion</b> (filled by auditor): <b>Verification 28 July 2020</b> The company shows some evidence of improvement among them:</p> <ul style="list-style-type: none"> <li>- An electronic news collection containing the company's commitment to support plasma farmers in various aspects such as (assistance to settle land legality, assistance with seeds, assistance and others.</li> <li>- An example of a company annual presentation / annual report that shows the company's support for farmers to increase productivity and quality, one of which is by inviting and fostering farmers to participate in the RSPO certification program.</li> </ul> <p>Based on the evidences of improvement shown, root cause analysis, and corrective action planned for non-conformities are declared fulfilled.</p>
<p><b>Verified by</b> : Bayu Yogatama</p>

<b>NCR No.</b>	: 2019.17	<b>Issued by</b>	: Asystasha Aishah Silalahi
<b>Date Issued</b>	: 13 December 2019	<b>Time Limit</b>	: 12 December 2020
<b>NC Grade</b>	: Critical	<b>Date of Closing</b>	: 11 March 2020
<b>Standard Ref. &amp; Requirement</b>	: 6.2.3 There is evidence of legal compliance for regular working hours, deductions, overtime, sick leave, right to get holidays, maternity leave, reasons for termination, notification period before termination of work, and other labor provisions		

	<b>regulated by applicable law.</b>
<p><b>Evidence observed (filled by auditor):</b>          However, based on the document verification and interview with stakeholder, found the following evidence:</p> <ul style="list-style-type: none"> <li>- Based on the results of interviews with stakeholders, it is known that there is information related to termination of employees without notification in accordance with applicable labor provisions.</li> <li>- The company shows the list of workers who have left the company starting in August 2019. Based on the review of the document, the names of former employees obtained from the interviews, written in the list of employees who have left the company.</li> <li>- The company has not been able to show all evidence of employee termination documents from the sample set by the auditor.</li> <li>- The company shows examples of employees who have left the company for being absent for 12 days based on absences for the period September 26, 2019 - October 25, 2019. But the company has not been able to show evidence of the employee's summons in writing after being absent 5 days (based on Company Rules and Law No. 13 of 2003).</li> </ul> <p><b>Non-Conformance Description (filled by auditor):</b>          Based on this evidence, the company has not shown evidence that employee termination are in accordance with applicable labor regulations.</p>	
<p><b>Root Cause Analysis (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>• Control of records of employee dismissal processes in Units as a whole by HRD Officer is being ineffective.</li> <li>• The ineffective HRD Officer in controlling employee dismissal records, due to PIC as HRD Officer (new staff) does not understand the employee dismissal process in accordance with Law no. 13 of 2003: Employment.</li> <li>• Then the HRD Officer asks the Industrial Relations Specialist (HO) for advice regarding the employee dismissal procedure in order to comply with the applicable regulations.</li> </ul>	
<p><b>Correction (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>• Inventory of employees who have left in each Work Unit by the related HRD Officer &amp; Unit Manager.</li> <li>• Provide recorded evidence in the process of dismissing employees in accordance with the provisions stipulated in Law no. 13 of 2003: Employment.</li> <li>• Basically, the dismissal of worker Mr. S &amp; Mrs A because they both have been absent for more than 5 consecutive and the Management Unit qualifies them both to resign unilaterally and this refers to Article 168, Law no. 13 of 2003: Employment.</li> <li>• The dates of warning letter I, II, III are the same, this is only for the fulfillment of the provisions stipulated in Article 168, paragraphs (1) &amp; (2), Law no. 13 of 2003: Employment.</li> </ul>	
<p><b>Corrective Action (filled by organization audited):</b>          Conducting internal audits &amp; management reviews regularly</p>	
<p><b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Verification January 9, 2020</b>          The company has provided evidence of correction in the form of:</p> <ul style="list-style-type: none"> <li>• Monthly attendance reports for the period 26 June - 25 July 2019 for employees of Bukit Tunggal Jaya Estate with NIK 17043085. These employees do not come to work during the attendance period.</li> <li>• Warning letter I for employees with NIK Number 002 / LSM-BTJE / SP-1 / VI / 2019 issued on July 26, 2019, Warning letter II Number 04 / LSM / SPII / BTJE / VII / 2019 issued on July 26 2019, and Warning Letter III No. 010 / LSM / SP-III / BTJE / VII / 2019 issued on 26 July 2019.</li> <li>• Monthly attendance reports for the period 26 October - 25 November 2019 for employees of Bukit Tunggal Jaya</li> </ul>	

<p>Estate with NIK 16043527. These employees do not come to work for 15 days.</p> <ul style="list-style-type: none"> <li>Warning letter I for employees with NIK Number 001 / LSM-BTJE / SP / 1 / X / 2019 issued on October 26, 2019, warning letter II Number 04 / LSM / SP-II / BTJE / XI / 2019 issued on November 26, 2019, and warning letter III Number 003 / LSM / SP-III / XI / 2019 issued November 26, 2019.</li> </ul> <p><b>Auditor verification March 11, 2020</b> The company has provided an explanation of the auditor's question. Based on the explanation given by the company, this discrepancy is fulfilled and will be observed if a similar case occurs in the next assessment.</p>	
<b>Verified by</b>	<b>: Asystasha Aishah Silalahi</b>

<b>NCR No.</b>	<b>: 2019.18</b>	<b>Issued by</b>	<b>: Asystasha Aishah Silalahi</b>
<b>Date Issued</b>	<b>: 13 December 2019</b>	<b>Time Limit</b>	<b>: ASA 1</b>
<b>NC Grade</b>	<b>: Non Critical</b>	<b>Date of Closing</b>	<b>: 7 April 2020</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 6.2.6</b> <b>DLW is given to all workers, including workers who work on a piece / quota basis whose wages are calculated based on the quota that can be reached during regular working hours.</b>		
<p><b>Evidence observed (filled by auditor):</b> Based on the document "Statement from the RSPO Standards Committee Regarding Indicator 6.2.6 on Decent Living Wage" endorsed by the RSPO BoG 7 November 2019, it states that: For countries where no living wage standard is set, until a benchmark time is adopted by the RSPO for that country to exist, national minimum wages must be paid to all workers. In addition to payment of the minimum wage, the certification unit must conduct an assessment of the applicable wage and benefits in the form of goods provided to workers in the certification unit that are in line with RSPO guidelines for implementing a living wage (DWL).</p> <p>Based on the auditor verification, the company has currently implemented a minimum wage, but the company has not been able to show the results of the calculation of the applicable wages and benefits in the form of goods given to workers.</p>			
<p><b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show the results of the calculation of applicable wages and benefits in the form of goods given to workers that are in line with RSPO guidelines for implementing a decent living wage (DWL). For example, housing allowances, water, electricity, health facilities, children's education, food</p>			
<p><b>Root Cause Analysis (filled by organization audited):</b> Lack of understanding of the Management Unit regarding the components of a Living Wage</p>			
<p><b>Correction (filled by organization audited):</b> Provide evidence of corrections related to the calculation applicable wages and allowances in kind of benefit to workers in accordance with RSPO guidelines for implementing a decent living wage (DLW) according to the facilities &amp; services available at LSM</p>			
<p><b>Corrective Action (filled by organization audited):</b> Conducting internal audits &amp; management reviews regularly</p>			
<p><b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verification January 31, 2020.</b></p>			



The company has analyzed the root causes and shows evidence of improvement in the form of:

- PT LSM fulfillment of living wage checklist
- IOM No. 001 / IOM-A / HC-BGA / I / 2020 concerning the determination of the wages of monthly and daily permanent worker employees in 2020.

**Verification 10 March 2020**

The company has demonstrated the implementation of a living wage that has been set by the RSPO for Kalimantan Barat Province in the Gap Analysis document for a Decent Life in the Management Unit of PT LSM.

**Verifikasi 7 April 2020**

Explanation from the auditee:

- Figure 11.25 is the monthly consumption (kg) for rice items set for the North Sumatra and Kalimantan Barat regions in the Food Basket published in the RSPO Guidance for implementing a decent living wage (1 June 2019).

**Food Basket**

**Example of a Model Diet Per Person Per Day for Rural North Sumatra and West Kalimantan**

				North Sumatra	West Kalimantan
Food Items	Grams per day	Energy (kcal)	Monthly consumption (kg)	Total cost (IDR/pp/month)	Total cost (IDR/pp/month)
Rice	375	1,350	11.25	123,750	112,500
Meat	32	59	0.96	24,960	43,200
Oils	23	197	0.69	7,590	8,280
Sugar	36	127	1.08	12,420	12,960
Milk	31	15	0.93	30,000	30,000
Vegetables	70	24	2.1	16,800	16,800
Potatoes	9	6	0.27	2,700	3,780
Egg	10	15	0.3	7,200	6,600
Fish products	59	44	1.77	61,950	70,800
Nuts	27	93	0.81	4,050	4,050
Cassava	118	118	3.54	21,240	24,780
Fruits	52	32	1.56	18,720	11,700
Soya beans	2	8	0.06	300	300
Onions	23	9	0.69	14,490	20,700
Tea	1	0	0.03	1,380	3,000
<b>Total</b>	<b>868</b>	<b>2,100</b>	<b>26.04</b>	<b>347,550</b>	<b>369,450</b>

- Rice allowance for single employees as follows:

- ✓ 0.5 kg per day
- ✓ 0.5 kg / day X 25 days = 12.5 kg per month

The rice allowance conversion value for single employees:

$(12.5 / 11.25) \times \text{Rp. } 112,500 = \text{Rp. } 125,000, -$

Information:

Basically, rice allowances for single employees has met the Food Basket for item rice issued by the RSPO of 11.25 kg per month (you can see at above table)

Reference: RSPO Guidance for Implementing a decent Living Wage, 1 June 2019.

The company has demonstrated that PT LSM has provided wages to employees in accordance with the Decent Living Needs for Kalimantan Barat province. The wages received by employees include the basic wage which refers to the

2020 Ketapang Regency Minimum Wage plus the employee rice allowance, which is IDR 2,990,500 and the RSPO version of the proper living needs is IDR 2,951,213. Based on the evidence provided, the discrepancy No. 2019.21 has been fulfilled.

Verified by : Asystasha Aishah Silalahi

NCR No.	: 2019.19	Issued by	: Hasiholan Sihombing
Date Issued	: 13 December 2019	Time Limit	: 12 December 2020
NC Grade	: Critical	Date of Closing	: 6 February 2020
Standard Ref. & Requirement	<p>6.7.3  <b>Workers use appropriate personal protective equipment (PPE) which is provided free of charge to all workers in the workplace, to cover all potentially hazardous operations, such as pesticides application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.</b></p>		
<p><b>Evidence observed (filled by auditor):</b>  <b>Use of PPE</b>  The company has a PPE Control Procedure (LSM-SUST-SOP-20, January 1, 2019), in section 6.3 it explains that every employee is required to wear PPE properly while working and in areas where PPE is required. From the identification of the use of PPE owned by the company, it is explained that the PPE used by harvest workers is a helmet and shoes; FFB loading workers, namely helmets and shoes; Land Application operators namely shoes, helmets and masks; kernel station operators, namely helmets, shoes, masks and earmuffs; press station operators, namely helmets, shoes, masks and earplugs. From the results of the auditor's verification, the following evidences are found:</p> <ul style="list-style-type: none"> <li>- Based on field observations and interviews with 2 harvest workers in block E16 BTJE, it is known that the 2 workers did not wear helmeted PPE while working.</li> <li>- Based on field observations and interviews with Land Application operators, it is known that these operators do not wear masks while working.</li> <li>- Based on field observations and interviews with 2 press station operators, it is known that 1 out of 2 operators do not use earplugs when working.</li> <li>- Based on field observations and interviews with kernel station operators, it is known that these operators do not use earmuffs when working.</li> <li>- Based on field observations in block E46 NJYE, it is known that 1 worker loading FFB does not use PPE at all while working.</li> </ul> <p><b>PPE Replacement</b>  The company has a PPE Control Procedure (LSM-SUST-SOP-20, January 1, 2019), in section 6.8 it explains that if the employee's PPE is damaged, the employee has the right to get a new PPE by submitting the damaged PPE and filling out the handover proof form. From the results of the auditor's verification, the following evidences are found:</p> <ul style="list-style-type: none"> <li>- Based on field observations and interviews with 5 spray workers in block E13 BTJE, it is known that 1 in 5 of these workers wear damaged PPE shoes.</li> <li>- Based on field observations and interviews with operators at BTJM (sorting stations, sterilizer stations, press stations, clarification stations, engine room stations, kernel stations and boiler stations), it was found that 6 out of 11 operators interviewed used PPE shoes that were bought themselves because the shoes were given the company is out of order.</li> <li>- Based on field observations and interviews with 3 harvest workers in block F49 NJYE, it is known that 2 out of 3 workers use PPE for shoes that they bought themselves because the shoes given by the company were damaged.</li> </ul> <p><b>Non-Conformance Description (filled by auditor):</b></p>			

<p>Based on the evidence above, it is concluded that there are the following discrepancies:</p> <ol style="list-style-type: none"> <li>1. The company has not been effective in ensuring that PPE is used by workers in the field in accordance with existing procedures.</li> <li>2. The company has not been effective in implementing the procedure for replacing the damaged PPE of workers in accordance with existing procedures.</li> </ol>	
<p><b>Root Cause Analysis</b> (filled by organization audited): Lack awareness of the employees as a whole in the use of PPE in the workplace due to ineffective controls from the Foreman &amp; Assistant and the lack of understanding of the employees regarding the SOP for PPE Control.</p>	
<p><b>Correction</b> (filled by organization audited): Replacement of damaged or missing PPE refers to point 6.9 of the PPE Control SOP.</p>	
<p><b>Corrective Action</b> (filled by organization audited):</p> <ol style="list-style-type: none"> <li>1. Awareness Socialization on the use of PPE in the workplace to all employees by each HSE Officer in the Work Unit they lead.</li> <li>2. Patrol the use of PPE by the relevant HSE Officer.</li> </ol>	
<p><b>Assessor Evaluation and Conclusion</b> (filled by auditor): <b>Auditor Verification, February 6, 2020</b> The company sends proof of repair as follows:</p> <ul style="list-style-type: none"> <li>- News of PPE socialization at BTJM</li> <li>- News of PPE socialization events at NJYE</li> <li>- News of PPE socialization at BTJE division 3</li> <li>- Minutes of PPE inspection at BTJE</li> <li>- Records of PPE replacement for 5 sorting employees and 21 processing employees at BTJM</li> <li>- Records of PPE replacement for 1 BTJE spray employee</li> <li>- Records of PPE replacement for 2 NJYE harvest employees</li> </ul> <p>The company has also explained the root cause analysis and corrective action against non-conformities. Nonconformity has been closed and will be verified in the next ASA.</p>	
<b>Verified by</b>	: <b>Hasiholan Sihombing</b>

<b>NCR No.</b>	: <b>2019.20</b>	<b>Issued by</b>	: <b>Hasiholan Sihombing</b>
<b>Date Issued</b>	: <b>13 December 2019</b>	<b>Time Limit</b>	: <b>12 December 2020</b>
<b>NC Grade</b>	: <b>Critical</b>	<b>Date of Closing</b>	: <b>27 March 2020</b>
<b>Standard Ref. &amp; Requirement</b>	<p><b>7.2.6</b> <b>Pesticides are only handled, used or applied by persons who have completed the necessary training and are always applied in accordance with the product label. All precautions attached to the products are properly observed, applied, and understood by workers (see Criterion 3.6). Personnel applying pesticides must show evidence of regular updates on the knowledge about the activity they conduct.</b></p>		
<p><b>Evidence observed</b> (filled by auditor): From the results of the auditor's verification, the following evidences are found based on observations on spraying activities in block E13 BTJE, it is known that pesticide spills directly into the soil body during the process of filling the pesticide into the spray equipment.</p>			

<p><b>Non-Conformance Description</b> <i>(filled by auditor):</i> Based on this evidence, there is no handling of pesticides by methods that can minimize risks and negative impacts.</p>	
<p><b>Root Cause Analysis</b> <i>(filled by organization audited):</i> Lack of control from the foreman / assistant in the management of chemicals &amp; hazardous waste in the work unit with the scope of his responsibility.</p>	
<p><b>Correction</b> <i>(filled by organization audited):</i> 1. Modify the Team Car spray unit by completing the Spill Kit 2. Socialization of filling spray solution from tank to Cap to Spray employees 3. Socialization of hazardous waste management to Spray employees</p>	
<p><b>Corrective Action</b> <i>(filled by organization audited):</i> Chemical handling control (the process of moving chemicals from the tank to the cap) by the Foreman &amp; Assistant.</p>	
<p><b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i> <b>Auditor Verification, March 27, 2020</b> The company has explained the root cause analysis and also explained the corrective action against the non-conformity that occurred. The company also sends proof of improvement as follows:</p> <ul style="list-style-type: none"> <li>- Minutes of car modification for the BTJE unit's Spray Unit and documentation of the modification of the spray car which shows that the car has been equipped with a reservoir if the spray Kep filling process is spilled.</li> <li>- Minutes of dissemination of procedures for filling toxins from the spray car tank to the spray tank so that they do not spill on the ground which has the potential to cause contamination in the soil to BTJE's spray garden employees on January 7, 2020, totaling 33 employees (signature of attendance list)</li> <li>- News of the transfer of the spray equipment from the BJYE fuel tank to the storage warehouse and the socialization of hazardous waste management on March 18, 2020 to the warehouse foreman, warehouse workers and BJYE warehouse admin by the sustainability assistant.</li> </ul> <p>Based on the explanation of the root cause analysis, evidence of improvement sent as well as an explanation of the corrective action, the nonconformity on this indicator is declared to have been closed and will be re-observed at the next audit.</p>	
<b>Verified by</b>	<b>: Hasiholan Sihombing</b>

<b>NCR No.</b>	<b>: 2019.21</b>	<b>Issued by</b>	<b>: Bayu Yogatama</b>
<b>Date Issued</b>	<b>: 13 December 2019</b>	<b>Time Limit</b>	<b>: ASA-1</b>
<b>NC Grade</b>	<b>: Non Critical</b>	<b>Date of Closing</b>	<b>: 24 September 2020</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated</b>		
<p><b>Evidence observed</b> <i>(filled by auditor):</i> Based on the results of the document review, it is known that PT LGI / NAS has not shown the permit for Hazardous Waste Temporary Storage, Hazardous Waste Records / Logbook, Hazardous Waste Balance, Hazardous Waste Management Agremenet, Hazardous Waste Manifest to licensed carriers and evidence of Hazardous Waste balance sheet reporting to relevant agencies.</p>			

Based on the results of the field visit, the following facts are known:

- Found 2 used round up pesticide packages in landfill area of BTJE Block E27 area
- Found empty pesticide packaging stored in the BSS HJYE area
- There is no water trap for the used flow of washing spray work equipment and fertilizers in the BSS and BMS HJYE areas, the water used for washing directly flows into the ditch.

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

The company has not been able to show proof of waste disposal in accordance with applicable procedures and regulations.

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

Lack of knowledge from the Assistant / HSE Officer related to waste management that has an impact on health, sanitation & environmental pollution by all related employees (including employees' families in employee housing) in the BKJE Unit & HJYE Unit.

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

1. Control: used round up pesticide packaging in the landfill area of BTJE Block E27 area, packaging empty pesticide stored in HJYE public warehouse area, used oil filter in Genset house area BKJE, and Sacks of fertilizer in Blok H42 Division 2 BKJE to available hazardous waste warehouse.
2. Repair & completeness of infrastructure for: BSS & BMS home / area in HJYE.  
Complete drainage (ditch) for oil & Hazardous waste flow in the generator house of BKJE employee housing.

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

1. Socialization of hazardous waste management SOP to related employees.
2. Hazardous waste management according to the SOP.

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

**Verification 24 September 2020.**

The company shows evidence of improvement in the form of:

- News of the cleaning and collection of sacks scattered on block H24 on December 23, 2020 which were collected back to the fertilizer sack locker area. (accompanied by documentation of activities)
- Minutes of the submission of Hazardous waste from the BSS warehouse to the Hazardous waste warehouse on January 3, 2020 with details of the Hazardous waste submitted, including 21 pieces of used hood, 10 pcs of used starlon, and 3 pieces of used pesticide jerry cans.
- News of the delivery of Hazardous waste to Mill on February 18, 2020 from the Hamparan Jaya Estate garden with details of 2 PCS of Knapsack Sprayer and 8 Derigen used for pesticides.
- Socialization of LB3 management to warehouse employees and BSS foremen on 18 February 2020 attended by 5 employees (list of attendees and photos of activities attached)
- Minutes of BSS & BMS home repairs at HJYE (water trap construction) on December 12, 2019 (photos before and after repairs are attached).
- Minutes of outreach to 46 BSS and BMS employees regarding the use of BSS / BMS houses, PPE washing houses and their storage on February 18, 2020 (attendance list and phoro activities are attached).

Based on the root cause analysis, corrections, corrective actions and evidence of corrections shown that non-conformities are declared fulfilled provided that records will be re-verified during the surveillance activities.

**Verified by** : **Bayu Yogatama**

<i>NCR No.</i>	: 2019.22	<i>Issued by</i>	: Bayu Yogatama
<i>Date Issued</i>	: 13 December 2019	<i>Time Limit</i>	: 12 December 2020
<i>NC Grade</i>	: Critical	<i>Date of Closing</i>	: 15 June 2020
<i>Standard Ref. &amp; Requirement</i>	<b>7.10.1</b> <b>GHG emissions are identified and assessed for the unit of certification. Plans to reduce or minimise them are implemented, monitored through the Palm GHG calculator and publicly reported.</b>		
<b>Evidence observed (filled by auditor):</b> -			
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show GHG monitoring documents through the Palm GHG Calculator.			
<b>Root Cause Analysis (filled by organization audited):</b> Ineffective control of GHG monitoring documents through the Palm GHG Calculator is due to a lack of coordination between Certification & Compliance Specialists and GHG Specialists and Area Management Units 8a & 8b u / provision of GHG monitoring documents.			
<b>Correction (filled by organization audited):</b> Provide GHG monitoring documents for PT. LSM - BTJM using Palm GHG Calculator to Auditor.			
<b>Corrective Action (filled by organization audited):</b> Review Corporate Sustainability regularly.			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verification 15 June 2020</b> The company shows the GHG calculation data document version 4 through the application along with the calculation data source on June 3, 2020, as for the results of the calculations as follows:			
Summary of Net GHG Emissions			
<b>Emission per product</b>		<b>tCO<sub>2</sub>e/ tProduct</b>	
CPO		2.94	
PK		2.94	
<b>Production</b>		<b>t/yr</b>	
FFB processed		279,157.61	
CPO produced		61,694	
PK produced		14,434	
<b>Extraction</b>		<b>%</b>	
OER		22.1	
KER		4.81	
<b>Description</b>		<b>unit</b>	<b>value</b>
Oil Palm Planted on mineral soil		Ha	18093.48
Oil Palm planted area on peat		Ha	1688.45
Total oil palm planted area		Ha	19781.93



Conservation area (forested)	Ha	26.17
Conservation area (non Forested)	Ha	1243.14
FFB Production per hectare	t/Ha	14.11
OER	%	22.10
KER	%	4.81

**Summary of field emission and Sinks**

Description	Own crop		Group		3rd	Total
	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ tFFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ tFFB		
<b>Emissions Sources</b>						
Land conversion	53435.92	1.00	123264.71	1.05	28950.29	205650.92
CO <sub>2</sub> emissions from fertilizer	3247.40	0.06	12007.57	0.10	4869.50	20124.47
NO <sub>2</sub> emissions from peat	12596.51	0.24	42.82	0.00	0.00	12639.33
N <sub>2</sub> O from Fertilizer	2341.17	0.04	6748.14	0.06	3019.54	12108.85
Fuel consumption	181.56	0.00	1171.49	0.01	1247.43	2600.48
Peat oxidation	91877.05	1.73	312.32	0.00	0.00	92189.37
<b>Sinks</b>						
Crop sequestration	-46292.74	-0.87	-106455.47	-0.90	-32444.96	-185193.17
Sequestration in Conservation area	-84.55	-0.00	-155.43	-0.00	0.00	-239.98
<b>Total</b>	<b>117302.34</b>	<b>2.20</b>	<b>36936.14</b>	<b>0.31</b>	<b>11656.93</b>	<b>165895.41</b>

**Summary Oil Mill Emissions and Credits**

Remarks	tCO <sub>2</sub> e	tCO <sub>2</sub> e/t FFB
<b>Emissions sources</b>		
POME	54719.62	0.00
Fuel consumption	603.07	0.00
Grid electricity	0.00	0.00
<b>Credits</b>		
Export of grid electricity	-8.17	0.00
Sales of PKS	0.00	0.00
Sales of EFB	0.00	0.00
<b>Total</b>	<b>55314.52</b>	<b>0.20</b>

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

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

**POME Divert to Anaerobic Digestion**

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

Based on the evidence of improvement shown, the non-conformities are declared fulfilled.

Verified by : Bayu Yogatama

<i>NCR No.</i>	: 2019.23	<i>Issued by</i>	: Bayu Yogatama
<i>Date Issued</i>	: 13 December 2019	<i>Time Limit</i>	: 12 December 2020
<i>NC Grade</i>	: Critical	<i>Date of Closing</i>	: 10 November 2020
<i>Standard Ref. &amp; Requirement</i>	<b>7.12.8</b> <b>Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15 November 2018, the Remediation and Compensation Procedure (RaCP) applies.</b>		
<b>Evidence observed (filled by auditor):</b> Based on the results of the document review, it is known that the following data: <ul style="list-style-type: none"> <li>• The management unit cleared land without a prior HCV assessment between 2012 - 2014, as the HCV assessment was only completed in 2014.</li> <li>• The company shows the Final LUCA documents that have been approved by RSP0 for PT LSM on 28 March 2015.</li> <li>• From the final results of LUCA PT LSM, it is known that the area of land cleared is 3006 hectares, with the results of calculating a conservation liability of 1628 hectares.</li> <li>• Based on an email from RSP0 Wan Nur Aimy Nadiah Wan Solah on November 12, 2019, it is stated that <i>"PT Ladang Sawit Mas is in the last stage of Compensation plan review, whereby they are in the clarification process of compensation plan review process. They may proceed with the audit, but no certificate can be issued until compensation plan approved"</i></li> </ul>			
<b>Non-Conformance Description (filled by auditor):</b> Based on the facts above, it is known that the company has not completed the RaCP process			
<b>Root Cause Analysis (filled by organization audited):</b> The length of the review & response process from the RSP0 Secretariat on the Remediation & Compensation Plan document that has been submitted by the BGA (Corporate Sustainability Specialist)			
<b>Correction (filled by organization audited):</b> Sustainability Corporate Specialist will follow-up the approval of PT.LSM's Remediation & Compensation Plan, to the RSP0 Secretariat.			
<b>Corrective Action (filled by organization audited):</b> Sustainability Corporate Specialist (Mr. Martin Mach) communicated intensely with the RSP0 Secretariat regarding the RaCP Approval process of BGA Group so that in the near future it will be obtained for others unit.			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verification 10 November 2020</b> The company shows improvements consisting of root cause analysis, corrections and corrective actions, as for the evidence of improvement shown by the following: Email from RSP0 on 16 July 2020 to BGA with main discussion related to "Conditional Approval: Compensation Plan 1). The complete contents of the email are as follows: <i>Dear Martin,</i>  <i>Apologies for the long silence regarding Bumitama Compensation Plan evaluation. We hope this email is able to provide a clear understanding on what's happening on our end and the way to move forward.</i>  <i>As explained by Suli in your tele-conservation, there have been extreme delays in the Compensation Plan evaluation from the evaluator's side. The delay by the evaluator has now run to more than 3 weeks without any responses to the</i>			

*Secretariat emails to the compensation plan evaluation feedback.*

*In turn, this has caused some frustration on all parties, as we understand Bumitama has been graciously working alongside the RSPO Secretariat since July 2014 to complete their RaCP. The urgency of this matter is acknowledged, as Bumitama would be required to complete their RaCP before they are able to attain certification, which is currently set for September 2020.*

*The RSPO Secretariat has raised this matter to the compensation panel and discussed at length to develop a solution for Bumitama to move forward with their RaCP. It was agreed upon that the compensation plan evaluation would be re-assigned to another evaluator with a good track record of timeliness. This portion of the solution is already in motion, as the compensation plan was recently shared to the new evaluator.*

*We are aware that this reassignment would incur an additional 2 - 3 weeks delay. Due to the tight timeline and Bumitama's commitment to the RaCP, the compensation panel has graciously agreed to grant a conditional approval with the condition that the Compensation Plan must be reviewed as Satisfactory by the next Surveillance audit. The decision on this conditional approval is applicable for the following management units:*

<b>No.</b>	<b>Management Units</b>	<b>Total Area of Management Unit (Ha)</b>
1	PT Agro Sejahtera Manunggal (ASM)	5,630
2	PT Karya Bakti Agro Sejahtera (KBAS)	5,879
3	PT Agro Manunggal Sawitindo (AMS)	10,400
4	PT Ladang Sawit Mas (LSM)	6,450
5	PT Gunajaya Karya Gemilang (GKG)	7,261.89
6	PT Gunajaya Ketapang Sentosa (GKS)	7,666.00
7	PT Karya Makmur Bahaqia (KMB)	15,056.00
8	PT Tanah Tani Lestari (TTL)	6,771.00
9	PT Windu Nabatindo Lestari (WNL)	11,550.00
10	PT Windu Nabatindo Sejahtera (WNS)	4,999.00
11	PT Windu Nabatindo Abadi (WNA)	8,753.00
12	PT Nabatindo Karya Utama (NKU)	9,307.34
13	PT Masuba Citra Mandiri (MCM)	4,000.00
14	PT Gemilang Makmur Subur (GMS)	5,190.00

Based on the email sent by the RSPO RaCP process to PT LSM can be received conditionally, the conditions given are that the compensation plan must be re-verified during ASA-1 and get an assessment with the status of Deciding. Based on the explanation above, the non-conformity status has been closed.

**Verified by** : **Bayu Yogatama**

**3.4.2. Identification of Findings, Corrective Actions and Observations at ASA 1 Remote Assessment**

<b>NCR No.</b>	<b>: 2021.01</b>	<b>Issued by</b>	<b>: Rahmat Abdiansyah</b>
<b>Date Issued</b>	<b>: 16 November 2021</b>	<b>Time Limit</b>	<b>: 15 February 2022</b>
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>:</b>
<b>Standard Ref. &amp; Requirement</b>	<b>7.12.8</b> <b>Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15 November 2018, the Remediation and Compensation Procedures (RaCP) applies.</b>		
<b>Evidence observed (filled by auditor):</b>  Based on the results of the document review, the following data are known: <ul style="list-style-type: none"> <li>• Areas of PT LSM that cleared land without prior HCV assessment between 2012 – 2014, as the HCV assessment was only completed in 2014.</li> <li>• Company shows RSPO-approved Final LUCA document for PT LSM. From the report, it is known that the Total Area Conservation Liability is 1,628 Ha and Raw Liability is 3,006 Ha.</li> <li>• Based on the evidence of non-compliance in the previous Audit (IC) there was an email from RSPO Wan Nur Aimy Nadiyah Wan Solah on 12 November 2019 which stated “PT Ladang Sawit Mas is in the last stage of Compensation plan review, whereby they are in clarification process of compensation plan review process. They may proceed with audit, but no certificate can be issued until compensation plan is approved”.</li> <li>• Email from RSPO on 16 July 2020 to BGA with the main discussion on “Conditional Approval: Compensation Plan. Based on the email sent by the RSPO, the RaCP process for PT LSM can be accepted conditionally, while the conditions given are that the compensation plan must be re-verified during ASA-1 and get an assessment with the status of Satisfactory.</li> <li>• There was an email from the RSPO (aryo.gustomo@rspo.org) regarding the Conditional Approval Compensation Plan 1 on 17 June 2021 which stated that After internal inspection and discussion within the RSPO Integrity Unit, we decided to grant Conditional Approval (with a maximum period of up to December 16, 2021, which is 6 months from the date of this email) for Companies under the Bumitama group as listed below. This is to allow all ongoing progress of the RaCP process to be completed by the Company as quickly as possible, and an Annual Oversight audit to be carried out. In the email, one of the companies under the Bumitama Group is PT Ladang Sawit Mas with Raw Liability 3006 with the current status Clarification at Compensation Plan.</li> <li>• Then there was an email from the Company (martin.mach@bumitama.com) to the RSPO (Alicia Khor) on 16 July 2021 asking about the compensation proposal.</li> <li>• Email reply from RSPO (Alicia Khor) to the Company (martin.mach@bumitama.com) on 11 August 2021 regarding approval of the compensation panel on environmental and social responsibility department for 4 management units (PT SSL, PT KMB - Schemed SH, PT WNL-Schemed SH and PT LGI), in the future, Bumitama may proceed to submit a Compensation Plan (2) to the RSPO Secretariat.</li> <li>• Email Reply from Company (martin.mach@bumitama.com) to RSPO (Alicia Khor) on 20 August 2021 regarding compensation plan (2) has been sent to RSPO as well as response schedule from Evaluator.</li> <li>• Email from the RSPO (Alicia Khor) to the Company (martin.mach@bumitama.com) on 25 August 2021 regarding the initial response by the RSPO secretariat regarding the Bumitama compensation plan (2).</li> <li>• Email from RSPO (Khing Su Li) to the Company (martin.mach@bumitama.com) on 12 November 2021 explaining <i>Alicia has left RSPO and I am Copying Wan in this email as he would be following up on your case from here onwards.</i></li> </ul>			
<b>Non-Conformance Description (filled by auditor):</b>  Based on the foregoing and the analysis of several documents including communication emails between BGA and RSPO, it can be concluded that the company has communicated proactively by responding to email replies of no more			

than 2 months as required by the RSPO. However, there is insufficient evidence that the RaCP for PT Ladang Sawit Mas - Bukit Tunggal Jaya POM has been approved by the RSPO. Furthermore, by considering the conditional approval (Conditional Approval) from the RSPO secretariat until December 16, 2021, this indicator is still appointed as NC Critical and the company is obliged to communicate with the RSPO to follow up on the RaCP approval

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

The RSPO Compensation Panel took too long to review & approve the BGA Management Unit RaCP, where the BGA Management Unit RaCP has been submitted to the RSPO Secretariat since February 2017.

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

Provide documentary evidence related to the RaCP approval of PT LSM by the RSPO Compensation Panel to the Auditor

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

Unit Management PT LSM have intensively communicated to the RSPO Compensation Panel review to fulfill the requirements for full RaCP approval of PT LSM by RSPO Compensation Panel review.

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

**Auditor Verification on 18 December 2021**

The company has sent evidences of improvement in the form of:

- Root cause analysis, correction, and corrective action.
- Documentation of the BGA's communication process with the RSPO. There was an email from the RSPO ([rspocompensation@rspo.org](mailto:rspocompensation@rspo.org)) on 15 December 2021 to the Company ([martin.mach@bumitama.com](mailto:martin.mach@bumitama.com)) explaining the process required for the Compensation Plan (2), namely:
  1. Internal review completed on 10 Dec, there are no major issue detected, and moving forward.
  2. On the same day, Dec 10th the plan has been submitted to the Evaluator, we are expecting the evaluator feedback in 2 weeks.

In addition, the email also explains the chronological summary of Bumitama and the background of the Compensation Plan 2: *In Mar 2020, Bumitama's submitted Concept Note 2 (CN2) was approved in principle, however only the conservation compensation project was evaluated. The environmental and social remediation section was left blank, as the LUCA for the proposed management units have not been finalized. In Oct 2020, Bumitama has added 4 management units (PT SSL, PT KMB- Schemed SH, PT WNL - Schemed SH and PT LGI) into their Compensation Plan 1 (CP1) with the clause, to submit the environmental/social liability for the 4 management units for the Compensation Panel's review. (E/S Liability Submitted Jul 2021 and review approved Aug 2021), June 2021, Bumitama has declared in letter, to moved/merge the management units covered in Compensation Plan 1 and placed them under the Compensation Plan 2 (received on 11 Nov 2021) The total FCL for the (13 + 4) = 17 management units is 6,881.86 ha is within the new CP2's 7,704 ha of hectare-to-hectare compensation. Until the email was sent there has been no approval from the RSPO regarding the Compensation Plan (2) Bumitama.*

From the email there is also no more Conditional Approval after the previous Conditional Approval ended on December 16, 2021.

Based on the evidence sent by the company, the non-compliance with this indicator is stated to be still Not Fulfilled because there has been no approval from the RSPO regarding the Company's Compensation Plan (2).

**Auditor Verification on February 12, 2022**

The company sent evidence of improvement in the form of an updated email from the RSPO to the BGA Group via email Aryo Gustomo <[aryo.gustomo@rspo.org](mailto:aryo.gustomo@rspo.org)> to Martin Mach <[martin.mach@bumitama.com](mailto:martin.mach@bumitama.com)> on February 10, 2022 in which the email contains the following information:

*"We would only be giving the conditional approval for those Management Units that **have been certified before** to allow*

*the Company to complete the RaCP process and continue the Annual Surveillance Assessment. And this will only be **valid until the next 6 months** from the date of this email. From time to time, we will review all the progress and status of the Certification and RaCP process for the certified management units, and we may revoke this conditional approval if anything happens that can heavily threaten the integrity of RSPO standard requirements."*

The email also attached the names of the certification units whose RaCP process is currently under review by the RSPO, one of which is PT Ladang Sawit Mas which is the unit of certification for this audit activity. With the "**conditional approval**" given by the RSPO, the non-compliance in indicator 7.12.8 is declared **OPEN until the next surveillance** and will be re-verified regarding the RSPO approval of the RaCP in the next surveillance audit.

*Follow up on next audit (filled by auditor):*

to be NCR No. 2022.02

<b>Verified by</b>	:	<b>Rahmat Abdiansyah / Hasiholan Sihombing/Moh. Arif Yusni</b>
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3.4.3. Identification of Findings, Corrective Actions and Observations at ASA-1 and ASA-2 Assessment

NCR No.	: 2022.1	Issued by	: Benli Manurung
Date Issued	: 26 November 2022	Time Limit	: Next Surveillance
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	<p>6.7.4  All workers are provided medical care and covered by accident insurance. Costs incurred from work related incidents, leading to injury or illness, are covered in accordance with applicable regulations or by the unit of certification if applicable regulations do not provide protection.</p>		
<p><b>Evidence observed (filled by auditor):</b></p> <p>The certification unit has shown participation and letters of payment for Employment Assurance such as proof of payment for <i>BPJS Ketenagakerjaan</i> and <i>BPJS Kesehatan</i> for the period August – October 2022 for Bukit Tunggal Jaya Mill, Hamparan Jaya Estate, Bukit Tunggal Jaya Estate, Nata Jaya Estate, Bangkirai Jaya Estate and Cemara Jaya Estate. However, based on the recapitulation data of employees and data of <i>BPJS Kesehatan</i> participants, it is known that:</p> <ul style="list-style-type: none"> <li>• Bukit Tunggal Jaya Mill: 104 employees where 29 people have registered for <i>BPJS Kesehatan</i> and the remaining 75 people have not registered.</li> <li>• Hamparan Jaya Estate: 190 employees where 20 people have registered for <i>BPJS Kesehatan</i> and 170 people have not registered.</li> <li>• Bukit Tunggal Jaya Estate: 500 employees where 129 people have registered for <i>BPJS Kesehatan</i> and 371 people have not registered.</li> <li>• Nata Jaya Estate: 444 employees where 64 people have registered for <i>BPJS Kesehatan</i> and 380 people have not registered.</li> <li>• Bangkirai Jaya Estate: 509 employees where 31 people have registered for <i>BPJS Kesehatan</i> and 478 people have not registered.</li> <li>• Cemara Jaya Estate: 268 employees where 28 people have registered for <i>BPJS Kesehatan</i> and 240 people have not registered.</li> </ul>			
<p><b>Non-Conformance Description (filled by auditor):</b></p> <p>The company has not been able to show that all workers have been included in the <i>BPJS Kesehatan</i> program.</p>			
<p><b>Root Cause Analysis (filled by organization audited):</b></p>			
<p><b>Correction (filled by organization audited):</b></p>			
<p><b>Corrective Action (filled by organization audited):</b></p>			
<p><b>Assessor Evaluation and Conclusion (filled by auditor):</b></p>			
<p><i>Follow up on next audit (filled by auditor):</i></p>			
Verified by	:		

NCR No.	: 2022.2	Issued by	: Yudhi Yuniarto Tallutondok
Date Issued	: 26 November 2022	Time Limit	: 25 February 2023
NC Grade	: Major	Date of Closing	: 01 February 2023
Standard Ref. & Requirement	7.12.8 <b>Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15 November 2018, the Remediation and Compensation Procedures (RaCP) applies.</b>		
<b>Evidence observed (filled by auditor):</b>  Based on the document verification, known that the certification unit cleared new land after 1 November 2005 without prior HCV identification activities, HCV identification activities were carried out in 2012.  The certification unit shows a Land Use Change Analysis with details of: 1. PT LSM, PT GMS, PT NAS and PT LGI areas cleared land without prior HCV assessment between 2012 – 2014, because the HCV assessment was only completed in 2014. 2. The certification unit shows Final LUCA documents that have been approved by RSP0 for: a. PT LSM with Total Area Conservation Liability of 1628 Ha and Raw Liability of 3006 Ha. b. PT GMS with a Total Area Conservation Liability of 39.54 Ha and a Raw Liability of 4258.08 Ha. c. PT NAS with a Total Area Conservation Liability of 1027.82 Ha and a Raw Liability of 36.78 Ha. d. PT LGI with a Total Area Conservation Liability of 761.35 Ha and a Raw Liability of 345.66 Ha.  Furthermore, regarding RaCP progress in unit under Bumitama Agri Ltd are: 1. Based on the last communication on the previous assessment, it is known that the company received an email from the RSP0 (aryo.gustomo@rspo.org) on 10 February 2022 regarding the Conditional Approval stating that <b>“We would only be giving the conditional approval for those Management Units that have been certified before to allow the Company to complete the RaCP process and continue the Annual Surveillance Assessment. And this will only be valid until the next 6 months (9 August 2022) from the date of this email.”</b> 2. Follow-up communication on 26 August 2022 to the RSP0 (aryo.gustomo@rspo.org) on 26 August 2022 regarding the Conditional Approval and received a response from the RSP0 by asking for time to hold discussions regarding this matter. 3. Email from the RSP0 (sitijoanni.matlan@rspo.org) on 30 August 2022 to the company (martin.mach@bumitama.com) stating that the RSP0 had received an evaluation report from the evaluator with an unsatisfactory conclusion. 4. Email from the company (martin.mach@bumitama.com) on 6 October 2022 to the RSP0 (sitijoanni.matlan@rspo.org) stating that the company has made revisions in accordance with the results of the evaluation. 5. Email from the RSP0 (sitijoanni.matlan@rspo.org) on 12 November 2022 to the company (martin.mach@bumitama.com) stating that the document revision is being reviewed again by the evaluator and will update again when the results have been received.  Verification results of the RSP0 Announcements on 08 September 2021 concerning Disclosure and Continuity of Certification for RSP0 P&C and RSP0 ISH Standard and the supply base data and hectare statement for 2022 of the PT LSM RaCP process are included in scenario 1 so that the surveillance activity process can be continued. Meanwhile, PT GMS, PT NAS and PT LGI's RaCP processes are included in scenario 3  <b>Non-Conformance Description (filled by auditor):</b>  Until the Annual Surveillance Audit 1 and 2 activities are carried out, the certification unit has not been able to show			

evidence that the RaCP has been received by the RSPO but in accordance with the RSPO announcements on 08 September 2021 about Disclosure and Continuity of Certification for RSPO P&C and RSPO ISH Standard surveillance activities can be continued with the issuance of discrepancies on indicator 7.12.8 and can be open until the next surveillance activity.

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

The length of the review process from the RSPO secretariat

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

1. Removing the area affected by the liability from the certification area
2. Making maps and lists of blocks subject to liability in the separation of certified and non-certified FFB
3. Conduct socialization to all related workers regarding the status of FFB which is subject to liability as Non-certified FFB and carry out socialization and simulation of certified and Non-Certified fruit separation in the areas of PT GMS, NAS and LGI

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

Monitor and evaluate through the internal audit mechanism and will be reviewed at the management review meeting

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

**Verification Auditor**

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:

- Map document of the scope of certification where area liability is excluded from the scope of certification, namely 39.75 Ha at PT GMS, 761.41 Ha at PT LGI, 37.00 Ha at PT NAS
- Time Bound Plan update 19 December 2022 where areal liability is planned to be certified in 2023
- List of blocks included in the scope of certification in each audit unit
- Area statement explaining the scope of certification
- Minutes of socialization and simulation of separation of certified FFB and non-certified FFB on December 14, 2022

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

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

**3.4.4. Opportunity for Improvement**

No.	Ref. Std.	Description
-	-	-
-	-	-
-	-	-

**3.4.5. 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**

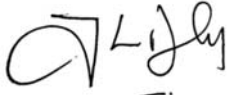

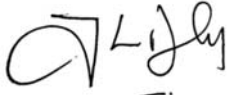

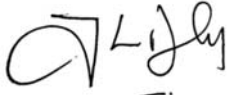

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Agriculture, Husbandry and Plantation Agency of Ketapang District.</b></p> <ul style="list-style-type: none"> <li>• The Company has a Plantation Business License (IUP).</li> <li>• Report on plantation business activities (LKUP) are routinely reported.</li> <li>• Fire Extinguisher Equipment of company is sufficient and one year behind there is no issue of land fires that occurred in the area of PT LSM.</li> <li>• Communication between the company and the agency is also well established, and if the office requested data, the company quickly responded.</li> <li>• There are no issues related to the disturbance of plantation business by the community</li> <li>• No new land clearing on peat soil</li> <li>• An assessment of the 2021 plantation class was carried out with class 2 results</li> </ul>	<p>There are no negative issues that need further verification.</p>
<p><b>Land Agency of Ketapang District</b></p> <ul style="list-style-type: none"> <li>• No negative issue related to land conflict.</li> <li>• Land utilization report done yearly.</li> <li>• Land use title still valid.</li> <li>• No issue related to land fire.</li> <li>• Had good relationship with company.</li> </ul>	<p>There are no negative issues that need further verification.</p>
<p><b>Department of Manpower and Transmigration of Ketapang Regency</b></p> <ol style="list-style-type: none"> <li>1. In the last two-year period, there were no industrial relations problems.</li> <li>2. The Company Regulation is still valid today</li> <li>3. <i>LKS Bipartite</i> has been formed without any intervention from the certification unit.</li> <li>4. Work carried out by third parties has been reported along with the fulfillment of employee rights including salary slips and health insurance.</li> <li>5. There are no complaints regarding the granting of rights and facilities provided by the certification.</li> <li>6. All workers have been registered in the health insurance and employment insurance programs</li> </ol>	<p>There are no negative issues that require further classification in terms of employment issue</p>
<p><b>Environmental Agency of Ketapang Regency.</b></p> <ol style="list-style-type: none"> <li>1. PT LSM has a Schedule Waste Storage and have been approved by Ketapang Regency, while PT LGI, PT NAS and PT GMS do not yet have Schedule Waste Storage.</li> <li>2. Hazardous Waste management activities carried out by</li> </ol>	<ul style="list-style-type: none"> <li>• PT LGI, PT NAS and PT GMS which do not yet have Schedule Waste Storage have become non-conformity.</li> </ul>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>storing hazardous waste in licensed hazardous waste storage and transported have permission by KLH. Quarterly management reporting to relevant agencies.</p> <p>3. The certification unit has POME disposal permit to surface water.</p> <p>4. The certification unit has tested the quality of mill wastewater per month and reported the results of testing to Environmental Agency of Ketapang Regency per quarter.</p> <p>5. The certification unit has conducted POME quality testing per Quarterly and reports the results of testing to Environmental Agency of Ketapang Regency.</p> <p>6. The certification unit has conducted noise, vibration and noise testing and reported the results of testing to Environmental Agency of Ketapang Regency per semester.</p> <p>7. The certification unit has reported Hazardous waste (balance and manifest) management to Environmental Agency of Ketapang Regency per quarter.</p> <p>8. The certification unit has sent the <i>RKLI RPL</i> implementation report to Environmental Agency of Ketapang Regency periodically.</p> <p>9. Requests for information responded quickly by the management unit.</p> <p>10. There have not been any issues and reports from other parties regarding the negative impacts on the environment due to the management operational activity.</p>	<ul style="list-style-type: none"> <li>According to field observation, there are no environment pollution from estate and mill operational.</li> </ul>
<p><b>Gender Committee of PT LSM; PT LGI, PT NAS and PT GSM</b></p> <ul style="list-style-type: none"> <li>Company gives maternity leaves and menstrual leaves for women worker. Maternity leaves are about 1.5 months before and after giving birth. Menstrual leaves are given to worker after checked by company's midwife.</li> <li>Women spraying worker is prohibited to spraying in breastfeeding time. They will be transferred to manual upkeep.</li> <li>Certificate holder gives special time to breastfeeding for women worker.</li> <li>Gender committee members consist of female and male</li> <li>The company has identified the needs of new mothers, where from the results of the identification the company has provided special time for female workers when they want to breastfeed their children every day</li> <li>There is no complaint about sexual harassment and discrimination among workers</li> </ul>	<p>There are no negative issues that need further verification.</p>



Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>LKS Bipartite PT LSM; PT LGI, PT NAS and PT GSM</b></p> <ul style="list-style-type: none"> <li>• The certification unit has implemented the Regional Minimum Wage.</li> <li>• The certification unit lends a place to <i>LKS Bipartite</i> which is used as an office. Audiences with the certification unit are conducted monthly. The certification unit is quite responsive regarding employee complaints.</li> <li>• Work accidents that occur are just like being hit by a thorn, nothing causes disability and death.</li> <li>• The certification unit has distributed PPE to workers, and has carried out periodic and special health checks for workers handling pesticides.</li> </ul>	<p>There were no negative issues that need further verification</p>
<p><b>Local Contractor for Transporting CPO, PK and FFB</b></p> <ul style="list-style-type: none"> <li>• There is a clause on OHS and social insurance that has also socialized to contractors. There are no issues related to labor relations either the unit of certification or the contractor.</li> <li>• Payment of work is done on time in accordance with the agreement that has been made. In addition, contractor workers have been provided with PPE by the contractor in accordance with the risk analysis that has been identified.</li> <li>• Contractors were registered their employees in insurance program</li> </ul>	<p>There are no negative issues that need further verification. The company has contributed in empowering local communities by collaborating with local contractors.</p>
<p><b>Representative of Surrounding Community</b></p> <ul style="list-style-type: none"> <li>- Nanga Tayap Village,</li> <li>- Nek Doyan Village,</li> <li>- Simpang Tiga Sembelangan Village,</li> <li>- Sungai Kelik Village,</li> <li>- Kayung Utara Village,</li> <li>- Regional Dayak Customary Leader</li> </ul> <ol style="list-style-type: none"> <li>1. There are no negative issues, land dispute issues or environmental pollution.</li> <li>2. The certification unit has made efforts to develop the surrounding community through CSR programs, development and partnership with plasma, the use of local labor and local contractors.</li> <li>3. The land compensation process has been carried out with a negotiation process, good administration, involving witnesses and mediation of the traditional leader, village head, sub-district head and police.</li> <li>4. 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> </ol>	<p>There is no negative issue related to local contractor.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Previous Landowner (4 persons)</b></p> <p>Land compensation was done. The compensation process has been held with 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.</p>	<p>There are no negative issues related to the certification unit, and verification has been carried out in the report.</p>
<p><b>Bukit Tunggal Sejahtera Cooperative and Mitra Sejati Cooperative</b></p> <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> <table data-bbox="454 798 1347 1050"><tr><td data-bbox="454 798 779 1050"><p>PT Ladang Sawit Mas Management Representative</p><p><b><u>Jonnes Daulay</u></b> Wednesday, 01 February 2023</p></td><td data-bbox="1039 798 1347 1050"><p>Mutuagung Lestari Lead Auditor</p><p><b><u>Moh Arif Yusni</u></b> Wednesday, 01 February 2023</p></td></tr></table>	<p>PT Ladang Sawit Mas Management Representative</p>  <p><b><u>Jonnes Daulay</u></b> Wednesday, 01 February 2023</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Moh Arif Yusni</u></b> Wednesday, 01 February 2023</p>
<p>PT Ladang Sawit Mas Management Representative</p>  <p><b><u>Jonnes Daulay</u></b> Wednesday, 01 February 2023</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Moh Arif Yusni</u></b> Wednesday, 01 February 2023</p>		

**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	NGO Sawit Watch	Bogor, Indonesia	<a href="mailto:info@sawitwatch.or.id">info@sawitwatch.or.id</a>	Email	15 November 2022		√
2	NGO WWF	Jakarta, Indonesia	<a href="mailto:wwf-indonesia@wwf.or.id">wwf-indonesia@wwf.or.id</a>	Email	15 November 2022		√
3	NGO Walhi	Jakarta, Indonesia	<a href="mailto:info@walhi.or.id">info@walhi.or.id</a>	Email	15 November 2022		√
4	NGO AMAN	Jakarta, Indonesia	<a href="mailto:rumahaman@cbn.net.id">rumahaman@cbn.net.id</a>	Email	15 November 2022		√
5	Agriculture, Husbandry and Plantation Agency	Ketapang District, Kalimantan Barat Province	-	Direct Interview	21 November 2022	√	
6	National Land Agency	Ketapang District, Kalimantan Barat Province	-	Direct Interview	21 November 2022	√	
7	Department of Manpower and Transmigration of Ketapang Regency	Ketapang District, Kalimantan Barat Province	-	Direct Interview	21 November 2022	√	
8	Environmental Agency of Ketapang Regency.	Ketapang District, Kalimantan Barat Province	-	Direct Interview	21 November 2022	√	
9	Nanga Tayap Village,	Ketapang District, Kalimantan Barat Province	-	By Phone	22 November 2022	√	
10	Nek Doyan Village,	Ketapang District, Kalimantan Barat Province	-	Direct Interview	22 November 2022	√	
11	Simpang Tiga Sembelangan Village,	Ketapang District, Kalimantan Barat Province	-	Direct Interview	22 November 2022	√	
12	Sungai Kelik Village,	Ketapang District, Kalimantan Barat Province	-	Direct Interview	22 November 2022	√	
13	Kayung Utara Village,	Ketapang District, Kalimantan Barat Province	-	Direct Interview	22 November 2022	√	
14	Regional Dayak Customary Leader	Ketapang District, Kalimantan Barat Province	-	Direct Interview	22 November 2022	√	
15	Bukit Tunggul Sejahtera Cooperative	Ketapang District, Kalimantan Barat Province	-	Direct Interview	22 November 2022	√	

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
16	Mitra Sejati Cooperative	Ketapang District, Kalimantan Barat Province	-	Direct Interview	22 November 2022	√	
17	Previous Land Owner	Ketapang District, Kalimantan Barat Province	-	Direct Interview	22 November 2022	√	
18	LKS Bipartite PT LSM; PT LGI, PT NAS and PT GSM	Ketapang District, Kalimantan Barat Province	-	Direct Interview	22 November 2022	√	
19	Gender Commite PT LSM; PT LGI, PT NAS and PT GSM	Ketapang District, Kalimantan Barat Province	-	Direct Interview	22 November 2022	√	
20	Bukit Tunggal Jaya Mill: (16 workers)	PT LSM Ketapang District	-	Direct Interview	22 November 2022	√	
21	Cemara Jaya Estate (CMJE) (18 workers)	PT LSM Ketapang District	-	Direct Interview	24 November 2022	√	
22	Natai Jaya Estate (NJYE) (17 Workers)	PT LSM Ketapang District	-	Direct Interview	23 November 2022	√	
23	Hamparan Jaya Estate (15 workers)			Direct Interview	24 November 2022	√	
24	Bengkirai Jaya Estate (18 workers)			Direct Interview	23 November 2022	√	

**Appendix 2. Assessment Program**

**1. Remote Audit**

Date	15 – 16 November 2021	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Monday, 15 November 2021</b>		
08.00 – 09.00	<b>OPENING MEETING (recorded video conference)</b> <ul style="list-style-type: none"> <li>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li> <li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li> </ul>	<b>PT LSM</b>  <b>All Auditor</b>
09.00 – 12.00	<b>Documents Review</b> <ul style="list-style-type: none"> <li>Review of previous (Initial assessment) findings</li> <li>Verification of Basic Information Mill and Estate</li> <li>Confirmation of Time Bound Plan</li> <li>Review of Partial Certification</li> <li>Verification of P n C documents</li> </ul>	<b>All Auditor</b>
12.00 – 14.00	<b>Break</b>	
14.00 – 17.00	Document review and completing audit checklist	<b>All Auditor</b>
<b>Tuesday, 16 November 2021</b>		
08.00 – 12.00	Document review and completing audit checklist	<b>All Auditor</b>
12.00 – 14.00	<b>Break</b>	<b>All Auditor</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 (recorded video conference)</b> <ul style="list-style-type: none"> <li>Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timeline of CAR's, Conclusion)</li> <li>Comments, Responses and Questions</li> </ul>	<b>All Auditor</b>



**2. Onsite Audit**

DATE	21 – 26 November 2022		
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR	
<b>MONDAY, 21 NOVEMBER 2022</b>			
07.00 – 12.00	<b>JAKARTA → KETAPANG</b>	All Auditor	
13.00 – 16.00	<b>KETAPANG → PT LADANG SAWIT MAS</b>	MAYN / RPJ	
16.00 – 17.00	<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>		
13.00 – 15.00	public consultation with stakeholder to relevant agency in Ketapang Regency	YYT / HRW	
15.00 – 18.00	<b>KETAPANG → PT LADANG SAWIT MAS</b>		
<b>TUESDAY, 22 NOVEMBER 2022</b>			
09.00 – 12.00	Verification of Basic Information Mill and Estate	MAY	
	Confirmation of Time Bound Plan	MAY	
	Review of Partial Certification	MAY	
	<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>Stakeholder consultation to affected communities surrounding the plantations and previous land owner</li> </ul>	BLI / HRW YYT	
12.00 – 14.00	• <b>Break</b>	All Auditor	
14.00 – 16.15	<b>Field observation to BUKIT TUNGGAL JAYA MILL :</b> <ul style="list-style-type: none"> <li>Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO)</li> <li>Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond)</li> <li>Implementation of Employment Procedure and Mechanism Aspect</li> </ul>	MAY / YYT BLI / HRW MAY / YYT	
	16.15 – 17.00	Presentation of Daily Progress	ALL AUDITOR
	<b>WEDNESDAY, 23 NOVEMBER 2022</b>		
08.00 – 12.00	<b>Field Observation to Natai Jaya dan Bengkirai Jaya 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>	MAY / HRW BLI / YYT BLI / YYT MAY / HRW BLI / YYT	
	12.00 – 14.00	<b>Break</b>	

DATE	21 – 26 November 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
14.00 – 16.15	<ul style="list-style-type: none"> <li>• Verification of stakeholder consultation result and field visit.</li> <li>• Document review and completing audit checklist.</li> </ul>	All Auditor
16.15 – 17.00	<ul style="list-style-type: none"> <li>• Presentation of Daily Progress</li> </ul>	
<b>THURSDAY, 24 NOVEMBER 2022</b>		
08.00 – 12.00	<b>Field Observation to Cemara Jaya Estate &amp; Hamparan Jaya 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>	MAY / HRW BLI / YYT BLI / YYT MAY / HRW BLI / YYT
12.00 – 14.00	<b>Break</b>	
14.00 – 16.15	<ul style="list-style-type: none"> <li>• Verification of stakeholder consultation result and field visit.</li> <li>• Document review and completing audit checklist.</li> </ul>	All Auditor
16.15 – 17.00	<ul style="list-style-type: none"> <li>• Presentation of Daily Progress</li> </ul>	
<b>FRIDAY, 25 NOVEMBER 2022</b>		
08.00 – 11.30	<ul style="list-style-type: none"> <li>• Verification of stakeholder consultation result and field visit.</li> <li>• Document review and completing audit checklist.</li> </ul>	All Auditor
11.30 – 14.00	<b>Break</b>	
14.00 – 16.30	<ul style="list-style-type: none"> <li>• Document review and completing audit checklist.</li> <li>• Presentation of Daily Progress</li> </ul>	All Auditor
17.30 – 20.30	<b>PT LADANG SAWIT MAS → KETAPANG</b>	All Auditor
<b>SATURDAY, 26 NOVEMBER 2022</b>		
08.00 – 09.30	Internal discussion by auditor team preparing for Closing Meeting	All Auditor
09.30 – 11.00	<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> <li>• Comments, Responses and Questions</li> </ul>	
11.00 – 12.00	<b>KETAPANG → JAKARTA</b>	All Auditor