

***Roundtable on Sustainable Palm Oil Certification
R S P O*****[✓] ASA-1.1**

Name of Management Organisation : **Suayap Mill of PT Mitra Mendawai Sejati Subsidiary of PT Sawit Sumbermas Sarana**
Plantation Name : **PT Mitra Mendawai Sejati: Suayap Estate and Umpang Estate**
Location : **Village of Runtu and Village of Umpang, Sub District of Arut Selatan and Village of Nangamua, Sub District of Arut Utara, District of Kotawaringin Barat, Province of Kalimantan Tengah, Indonesia**
Certificate Code : **MUTU-RSPO/101**
Date of Initial Registration : 27 October 2016
Date of Certificate Issue : 16 February 2022 Date of License Issue : 27 January 2023
Date of Certificate Expiry : 26 October 2026 Date of License Expiry : 26 October 2023

Assessment	Assessment Date	PT Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1.1	19 to 23 September 2022	Moh Arif Yusni (<i>Lead Auditor</i>), Yudhi Yuniarto Tallutondok, Benli Manurung, Firda Tarunajaya	Briyogi Shadiwa	Leonada

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1.1	27 December 2022

PT Mutuagung Lestari • Raya Bogor Km 33,5 Number 19 • Cimanggis • Depok 16953 • Indonesia
Telephone (+62) (21) 8740202 • Fax (+62) (21) 87740745/6 • Email: agri@mutucertification.com •
www.mutucertification.com

MUTU Certification • Accredited by Accreditation Services International
on March 12th, 2014 with registration number *ASI-ACC-055*

TABLE OF CONTENT
FIGURE

Figure 1. Location Map of PT Mitra Mendawai Sejati	02
Figure 2. Operational Map of PT Mitra Mendawai Sejati	03
Abbreviations Used	04

1.0 SCOPE of the CERTIFICATION ASSESSMENT

1.1 Assessment Standard Used	04
1.2 Organization Information	04
1.3 Type of Assessment	04
1.4 Location of Mill and Plantations	04
1.5 Description of Area Statement	06
1.6 Planting Year and Cycle	06
1.7 Description of Mill and Supply Base	06
1.8 Estimate Tonnage of Certified Product	07
1.9 Other Certifications	08
1.10 Time-Bound Plan	08

2.0 ASSESSMENT PROCESS

2.1 Assessment Team	11
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	12
2.3 Stakeholder Consultation and Stakeholders Contacted	15
2.4 Determining Next Assessment	15

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification	16
3.2 Conformity Checklist of Certificate and Logo Use	63
3.3 Summary of RSPO Partial Certification	64
3.4 Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components	67
3.5 Summary of Arising Issues from Public and Auditor Verification	88

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1 Formal Signing of Assessment Findings	92
---	----

APPENDICES

1. List of Stakeholders Contacted in the RSPO Certification Process	93
2. Assessment Program	95

Figure 1. Location Map of PT Mitra Mendawai Sejati

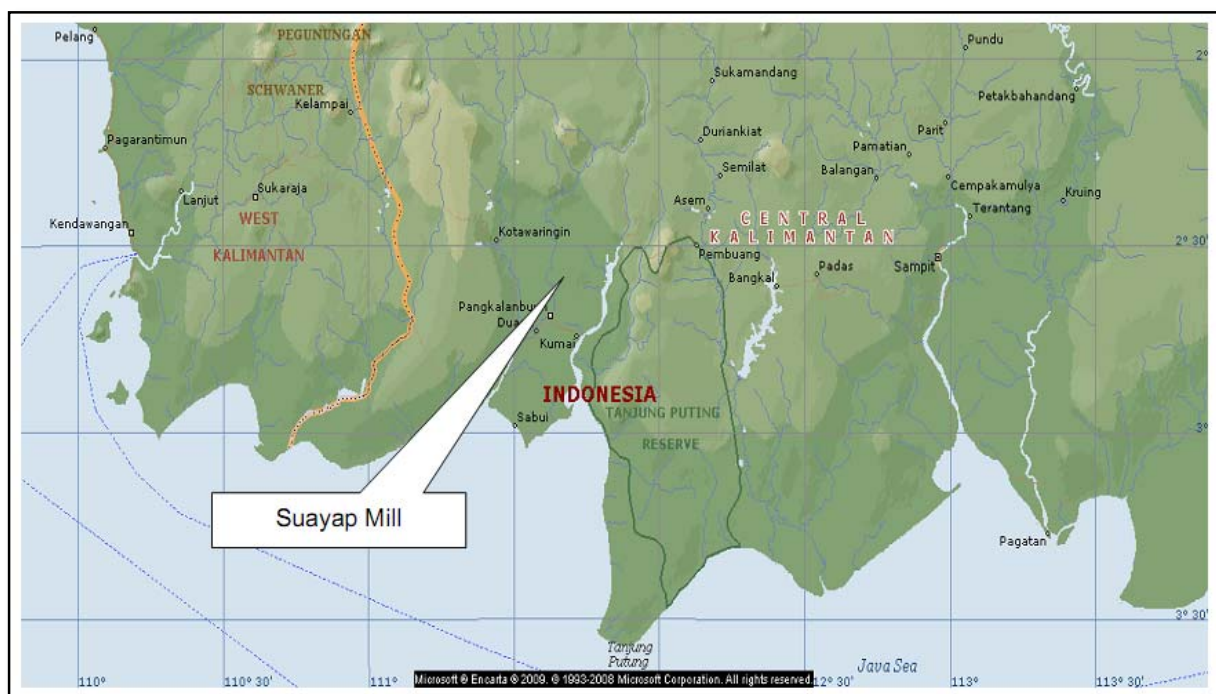
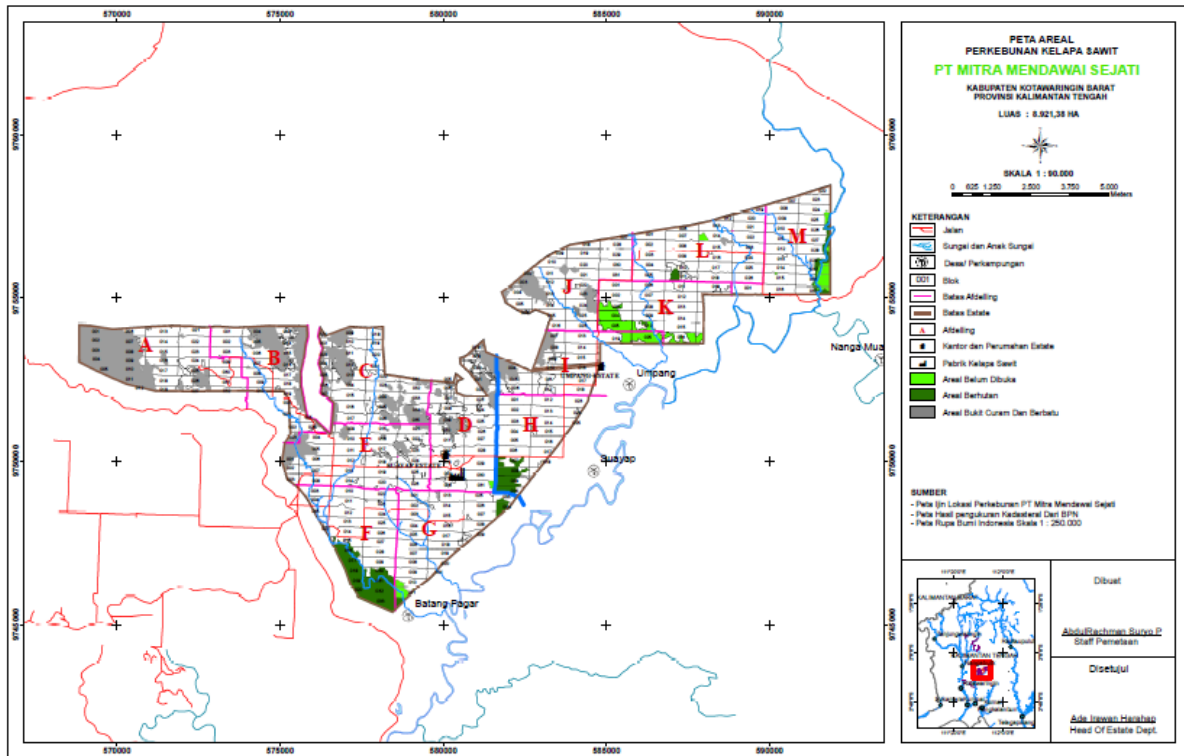


Figure 2. Operational Map of PT Mitra Mendawai Sejati



Abbreviations Used

ASA	: Annual Surveillance Assessment	MUTU	: Mutuagung Lestari
B3	: <i>Bahan Berbahaya dan Beracun</i> (Hazardous and Toxic Materials)	NGO	: Non-Government Organisation
BMP	: Best Management Practices	NFC	: Near Field Communication
BOD	: Biological Oxygen Demand	OER	: Oil Extraction Rate
BPD	: <i>Badan Permusyawaratan Desa</i>	OHS	: Occupational Health and Safety
BPJS	: Workers Social Security Agency	OHSAS	: Occupational Health and Safety Assessment Series
BSI	: <i>Bank Sampah Indonesia</i>	P&C	: Principle and Criteria
CB	: Certification Body	PIC	: Personnel in Charge
CH	: Certificate Holder	PK	: Palm Kernel
CITES	: Convention, International, Threatened, Endangered Species	POM	: Palm Oil Mill
CPO	: Crude Palm Oil	POME	: Palm Oil Mill Effluent
CSPO	: Certified Sustainable Palm Oil	PPE	: Personnel Protective Equipment
CSR	: Corporate Social Responsibility	P2K3	: <i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> OHS Committee
EFB	: Empty Fruit Bunches	QHSE	: Quality, Health, Safety and Environmental
EHS	: Environmental, Health and Safety	RKL- RPL	: Environmental Management and Monitoring Report
EIA	: Environmental Impact Assessment	RSPO	: Roundtable on Sustainable Palm Oil
EMS	: Environmental Management System	RT	: <i>Rukun Tetangga</i>
FFB	: Fresh Fruit Bunches	RW	: <i>Rukun Warga</i>
FPIC	: Free, Prior and Informed Consent	RTE	: Rare, threatened or endangered
GHG	: Green House Gases	SCCS	: Supply Chain Certification System
HCV	: High Conservation Value	SIA	: Social Impact Assessment
HGU	: <i>Hak Guna Usaha</i> (Land Use Title/Right)	SSS	: Sawit Sumbermas Sarana
HIRAC	: Hazard Identification Risk Assessment and Control	SPO	: Sustainability Palm Oil
HSE	: Health Safety and Environment	SOP	: Standard Operating Procedure
IPM	: Integrated Pest Management	SSU	: Soil Sampling Unit
ISCC	: International Sustainability and Carbon Certification	SYE	: Suayap Estate
ISO	: International Standard Organization	SYM	: Suayap Mill
ISPO	: Indonesia Sustainable Palm Oil	TPS LB3	: <i>Tempat Penyimpanan Sementara Limbah B3</i> (Temporary Storage of Hazardous and Toxic Waste)
IUCN	: International Union for Conservation of Nature	UPE	: Umpang Estate
KER	: Kernel Extraction Rate	WA	: WhatsApp
LUC	: Land Use Change	WHO	: World Health Organization
MMS	: Mitra Mendawai Sejati	WTP	: Water Treatment Plant
MSDS	: Material Safety Data Sheet	WWTP	: Wastewater Treatment Plant
LSU	: Leaf Sampling Unit		

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020. Indonesia National Interpretation of Principles and Criteria for Sustainable Palm Oil Production 2018, endorsed on 20th April 2020. 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT Mitra Mendawai Sejati, subsidiary of PT Sawit Sumbermas Sarana Tbk	
1.2.2	Contact person	Henky Satrio Wibowo	
1.2.3	Organisation address and site address	RSPO Registered Company: Jln. H. Udan Said No. 47 Pangkalanbun Kalimantan Tengah, 74113, Indonesia.	
1.2.4	Telephone	+62 532 21 297	
1.2.5	Fax	+62 532 21 396	
1.2.6	E-mail	henky.satrio@citraborneo.co.id	
1.2.7	Web page address	www.ssms.co.id	
1.2.8	Management Representative who completed the application for certification	Henky Satrio Wibowo (Head Of Sustainability)	
1.2.9	Registered as RSPO member	1-0111-07-000-00, 18 April 2007	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply bases <ul style="list-style-type: none"> Suayap Mill, Suayap Estate and Umpang Estate 	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			LatitudeLongitude
	Suayap POM	Village of Umpang, Sub District of Arut Selatan, District of Kotawaringin Barat, Province of Kalimantan Tengah, Indonesia	S 02° 15' 55"E 111° 43' 23"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			LatitudeLongitude
	Suayap Estate	Village of Umpang Village and Village of Runtu, Sub District of Arut Selatan, District of Kotawaringin Barat, Province of Kalimantan Tengah, Indonesia	S 02° 15' 36"E 111° 43' 12"
	Umpang Estate	Village of Umpang – Sub District of Arut Selatan and Village of Nangamua – Sub District of Arut Utara, District of	S 02° 14' 07"E 111° 45' 46"

		Kotawaringin Barat, Province of Kalimantan Tengah, Indonesia					
1.5	Description of Area Statement						
1.5.1	Tenure						
	• State		8,921.38 ha				
	• Community		- ha				
1.5.2	Area Statement						
	• Total area		8,921.38 ha				
	• Planted area (all mature)		7,177.95 ha				
	• Emplacement		30.82 ha				
	• Forest and Rocky Area (HCV)		883.04 ha				
	• Mill		20.22 ha				
	• Unreleased area		2.91 ha				
	• reserve area		806.44 ha				
*471.11 Ha HCV riparian area side a side with Planted area.							
1.6	Planting Year and Cycles						
1.6.1	Age profile of planting year						
	Planting Year	Hectarage (ha)					
		Suayap Estate	Umpang Estate	Total			
	2005	497.51	-	497.51			
	2006	1,159.07	-	1,159.07			
	2007	1,359.46	1,158.47	2,517.93			
	2008	762.54	1,678.61	2,441.15			
	2009	51.20	491.19	542.39			
	2010	-	19.90	19.90			
	TOTAL	3,829.78	3,348.17	7,177.95			
1.6.2	New Planting area after January 2010		- ha				
1.6.3	Planting Cycle		1 st Cycle				
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/2year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Suayap	60	263,110.87	61,850.16	23.51	13,689.83	5.20
*Production data source period from September 2021 to August 2022							
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (ha)	Production Area (ha)	FFB (tonnes/year)	Yield (tonnes/ha/ year)	Supplied to Mill	
						FFB	%

						(tonnes/year)	
	Suayap Estate	5,081.26	3,829.78	75,854.64	19.81	75,854.64	100
	Umpang Estate	3,840.12	3,348.17	73,289.12	21.89	73,289.12	100
	TOTAL	8,921.38	7,177.95	149,143.76	20.78	149,143.76	100
	<i>*Production data source period from September 2021 to August 2022</i>						
1.7.3	FFB description from other source						
	Name of sources/Organization (RSPO certified / non-certified)	Type of Organization	number of smallholders	Production Area (ha)	Supplied to Mill FFB (tonnes/2year)		
	Kenambui Estate (Certified)	PT SSMS	-	2,690.49	5,973.49		
	Sulung Estate (Certified)	PT SSS		1,825.68	21.24		
	Suayap Est. (Non-cert)	PT MMS	-	1,541.36	48,906.72		
	Umpang Est. (Non-cert)	PT MMS	-	1,282.44	41,221.31		
	Kenambui Estate (Non-cert)	PT SSMS	-	1,271.56	9,667.57		
	Sulung Estate (Non Cert)	PT SSMS		364.39	55.80		
	Kelompok Tani Citra Mua (Non-cert)	scheme smallholder of PT MMS	150	102.80	1,716.46		
	Kelompok Tani Mitra Bina Suayap (Non-cert)	scheme smallholder of PT MMS	62	27.01	98.57		
	PT Multi Usaha Abadi (non-cert)	Independent Smallholders	-	-	6,360.90		
	TOTAL					114,022.06	
	<i>*Production data source period from September 2021 to August 2022</i>						
1.7.4	Product categories			FFB, CPO, PK			
1.8	Tonnage of Product						
1.8.1	Past Annual Claim Certified Product		Last Year Projected Certified Volume (mt)		Last Year Actual Certified Volume (September 2021 to August 2022) (mt)		
	FFB Processed		158,000.00		155,138.49		
	CPO Production		36,340.00		36,311.43		
	Palm Kernel (PK) Production		7,900		7,063.71		
1.8.2	Product selling						
	Type of selling product		Actual selling product for last year September 2021 to August 2022 (mt)				
	CSPO sold as RSPO certified product		0				
	CSPK sold as RSPO certified product		5,589.12				
	CSPO sold under other scheme		0				
	CSPK sold under other scheme		0				
	CSPO sold as conventional		36,311.43				
	CSPK sold as conventional		1,474.58				
1.8.3	Estimate of Certified FFB Claim						

	Name of Estates	Total Area (ha)	Production Area (ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Suayap	5,081.26	3,829.78	82,000	21.41			
	Umpang	3,840.12	3,348.17	78,000	23.30			
	TOTAL	8,921.38	7,177.95	160,000	22.29			
	<i>*Projected FFB production for 12 months of certificate</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO	Palm Kernel	Supply Chain Module		
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Suayap	60	160,000	38,400	24	8,400	5.25	MB
	<i>*Projected CSPO and CSPK production for 12 months of certificate</i>							
1.9	Other Certifications							
	ISO 9001:2015			Cert. No. FM 734934 from 25 October 2020 to 24 October 2023				
	ISO 14001: 2015			Cert. No. EMS 734936 from 19 October 2020 to 18 October 2023				
	ISO 45001:2018			Cert. No. OHS 734937 from 19 October 2020 to 18 October 2023				
	ISCC			-				
	Others			Bussiness and Human Rights International Standards for Certification (BHRISC 2011)				
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	MILL	Time Bound Plan						
	Sulung POM (PT Sawit Sumbermas Sarana)	2013	<ul style="list-style-type: none">Sulung EstateKenambui EstateRangda EstatePulau Estate	2013	Arut Selatan Sub-district, Kotawaringin Barat District, Kalimantan Tengah Province	Certified		
			Non HGU Area <ul style="list-style-type: none">Sulung Estate (1,388.35 Ha)Kenambui Estate 1,271.56 Ha)Rangda Estate (333.97 Ha)	2023	Arut Selatan Sub-district, Kotawaringin Barat District, Kalimantan Tengah Province	-		
	Selangkun POM (PT Sawit Sumbermas Sarana)	2013	<ul style="list-style-type: none">Selangkun EstateRungun EstateKondang EstateBatu Kotam Estate	2013	Arut Selatan Sub-district, Kotawaringin Barat District, Kalimantan Tengah Province	Certified		
			Non HGU Area <ul style="list-style-type: none">Selangkun Estate (62.85 Ha)	2023	Arut Selatan Sub-district, Kotawaringin Barat District, Kalimantan Tengah Province	-		

		<ul style="list-style-type: none"> Kondang Estate (28.50 Ha) Rungun Estate (191.58 Ha) Batu Kotam Estate (1,784.00 Ha) Plasma Ardhamewa (96.79 Ha) Plasma Koperasi Sepakat Jaya (256.85 Ha) 			
Suayap POM (PT Mitra Mendawai Sejati)	2016	<ul style="list-style-type: none"> Suayap Estate Umpang Estate 	2016	Arut Selatan Sub-district and Arut Utara Sub-district, Kotawaringin Barat District, Kalimantan Tengah Province	Certified
		Non HGU Area <ul style="list-style-type: none"> Suayap Estate (443.08 Ha) Umpang Estate (589.60 Ha) 	2023	Arut Selatan Sub-district, Kotawaringin Barat District, Kalimantan Tengah Province	-
Natai Baru POM (PT Kalimantan Sawit Abadi)	2018	Natai Baru Estate	2018	Arut Selatan Sub-district, Kotawaringin Barat District, Kalimantan Tengah Province	Certified
Malata POM (PT Tanjung Sawit Abadi)	2020	<ul style="list-style-type: none"> Malata Estate Nanuah Estate Sungai Bulik Estate 	2020	Mentobi Raya Sub-district, Lamandau District, Kalimantan Tengah Province	Certified
		Non HGU Area <ul style="list-style-type: none"> Malata Estate (2,159.84 Ha) Nanuah Estate (4,286.20 Ha) Sungai Bulik Estate (1,547.98 Ha) 	2023	Bulik Timur & Mentobi Raya Sub-district, Lamandau District, Kalimantan Tengah Province	-
Nanga Kiu POM (PT Sawit Multi Utama)	2020	<ul style="list-style-type: none"> Nanga Kiu Estate Sepondam Estate Batu Tunggal Estate Merambang Estate 	2020	Bulik Timur Sub-district, Lamandau District, Kalimantan Tengah Province.	Certified
		Non HGU Area <ul style="list-style-type: none"> Nanga Kiu Estate (2,042.11 Ha) Sepondam Estate (273.46 Ha) Pedongatan Estate (4,097.67 Ha) Merambang Estate (555.99 Ha) Batu Tunggal Estate (788.95 Ha) 	2023	Bulik Timur Sub-district, Lamandau District, Kalimantan Tengah Province.	-

	Sumber Cahaya POM (PT Mirza Pratama Putra)	2022	Sumber Cahaya Estate	2022	Bulik, Belantikan Raya and Mentobi Sub-district, Lamandau District, Kalimantan Tengah Province	-
	Kanamit POM (PT Menteng Kencana Mas)	2023	<ul style="list-style-type: none"> • Badirih Estate • Kanamit Estate • Bahaur Estate 	2023	Maliku, Pandih Batu and Kahayan Kuala Sub-district, Pulang Pisau District, Kalimantan Tengah Province	-
	<p><i>TBP is approve by Head of Sustainability on 3 September 2021.</i></p> <p>There are changed of TBP did not reach the certification target in 2020, this is due to the LUCA process that has not been approved and the process of obtaining the HGU permit has not been completed.</p>					
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	<p>Previously there are non conformity regarding TBP for <i>Kelompok Tani</i> (KT) or smallholder group of Citra Mua Sejati in the Time Bound Plan of PT Sawit Sumbermas Sarana, Tbk, based on latest TBP its planned to be certified in 2023. Based on that's explanation the nonconformity declared closed</p>					

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA 1.1	<p>1. Moh Arif Yusni (Lead Auditor). Indonesian citizen. Bachelor of Agriculture, majoring in Plant Protection. Has experience as an operational staff at a private oil palm plantation company in Indonesia on 2010 to 2012. Has attended several trainings, i.e.: ISO 19011, ISO 9001; ISO 14001, SA 8000, RSPO lead auditor course in 204, ISPO lead auditor, OHS expert, OHS auditor based on National Government No. 50/2012, SCCS, RSPO and ISPO Lead auditor refresher course in 2021 etc. Has conducting ISPO, RSPO and MSPO audit as an auditor and lead auditor with expertise on best management practices for estate and mill, legality, worker welfare, safety, social, environment, conservation, transparency, long term economic management plan and supply chain for palm oil mill aspects. During the audit, he verifies Legality, Social and transparency.</p> <p>2. Yudhi Yuniarto Tallutondok (Auditor). Indonesian citizen, Bachelor of Fisheries, Padjadjaran University. Have experience of working over three years since 2013 as plantation operations staff in private palm oil plantation company in Indonesia. Training have been followed including Lead Auditor of ISO 9001:2015, Lead Auditor of ISO 14001:2015, ISPO Auditor Training, RSPO P&C Lead Auditor Training Course, RSPO SCC Lead Auditor Course, Social Accountability 8000, Basic Management Development Program Agronomy, Fire Anticipation on Land and Forest, Potential Mapping and Conflict Resolution in Production Forests, Awareness of OHS aspects, ISO 45001:2018, ISO 22000:2009, ISO 19011:2011, ISO 17021:2011, dan ISO 17065:2012. Has participated in audit activities for ISPO and RSPO scheme since 2017 for BMP, OHS, labour, social and legal aspects. In this audit activity performs the assessment of worker welfare and smallholders inclusion.</p> <p>3. Benli Manurung (Auditor). 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, RSPO, Lead auditor of ISO 9001: 2015; ISO 14001:20015, IHT Health & Safety 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. In this audit activity, he verified Best Management Practice, Health and Safety aspect.</p> <p>4. Firda Tarunajaya (Trainee Auditor). Indonesian citizen, graduated in 2009 from the Department of Silviculture, Faculty of Forestry, Bogor Agricultural Institute. He has working experienced for 10 years since 2010 as an Operational Staff in an Oil Palm Plantation Company in Indonesia. The training he has followed ISPO Lead Auditor course in 2017, RSPO lead auditor course in 2022, Quality Management Systems (ISO 9001:2015), Environmental Management Systems (ISO 14001:2015), Occupational Health and Safety (ISO 45001 : 2018), ISO 19011:2018, ISO 17021:2011 and ISO 17065:2012. In this audit activity audit, he verified environment, GHG and HCV under supervisions of Lead Auditor.</p> <p>Curriculum vitae (CV) of the members and the assessment team is available at the PT Mutuagung Lestari office.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA 1.1	<p>Number of auditors: 3 auditor and 1 auditor trainee</p> <p>Number of days for onsite audit ASA 1.1. : 5 days</p> <p>Number of working days for onsite audit ASA 1.1: 15 Working days</p>
2.2.2	Assessment Process
ASA 1.1	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Mitra Mendawai Sejati to the requirements of</p> <ul style="list-style-type: none"> - 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 adopted at the 15th Annual General Assembly by RSPO Member on 15 November 2018 - RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.

the scope of certification of consist of one mill (Suayap Mill) and two (2) estate (Suayap Estate and Umpang Estate). 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 directly observe the sufficiency of implementation on site.

Team of auditor started their trip from Jakarta to Pangkalan Bun and continued to site on 19 September 2022. Once arrived, team auditor conducted Opening Meetings in the Meeting Room of Suayap Mill. Opening meeting attended by Estate manager, Mill Manager, Senior Assistant, the Assistant, the Head of Administration, Sustainability staff and the other related personnel.

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.

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 considered in the assessment

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates 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

Closing Meeting conducted in the head office on 23 September 2022 via MS team. Closing meeting attended by Estate manager, Mill Manager, Senior Assistant, the Assistant, the Head of Administration, Sustainability staff and the other related personnel.

Commonly, the audit activities went smoothly with good cooperation from the unit management. The presentation of documents is presented quite well by involving related personnel and unit of certification accepted the recommendation from auditor team regarding certification process.

Some opportunities for improvement of the results of assessment delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase ASA 1.2. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of Recertification reports

The assessment program please find Appendix 2

2.2.3 Locations of Assessment

ASA 1.1

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:

Suayap Mill

- **Security Post.** Observation to **FFB transportation and acceptance process** and interview with 3 Security Officers, on their understanding towards technical, RSPO supply chain, environment, safety and manpower aspect, as well as facilities provided by mill management.
- **Weighbridge Station.** Observation and interview with 2 **Weighbridge Operators**, on their understanding towards technical, environment, safety and manpower aspect, as well as facilities provided by estate management. Sighted weighbridge software namely Plantation Pro Version 2.1.5.7, Near Field Communication System and Micro Macro Mill Program.
- **Laboratory.** Observation to **laboratory works** and interview with Laboratory Foreman, on his understanding towards technical, environment, safety and manpower aspect, as well as facilities provided by mill management.
- **Workshop.** Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- **Sterilizer Station.** Observation of the FFB boiling process according to SOPs, implementation of OHS and environmental aspects
- **Boiler Station.** Observation of boiler work process according to SOP, implementation of OHS and environmental aspects
- **Engine Room Station.** Observation of work processes in the Engine Room according to SOPs, implementation of OHS and environmental aspects
- **Sorting Station.** Observation of FFB sorting work practices according to SOPs, implementation of OHS and environmental aspects
- **WWTP.** Observations and interviews with officers related to work systems, OHS warnings, emergency response systems, and safe work practices.
- **WTP.** Observations and interviews with officers related to the work system, OHS warnings, MSDS, emergency response systems, first aid kits, and safe work practices.
- **Biogas Plant.** Observation and interview related to mill effluent utilization for biogas plant with engine capacity 600 kw and 800 kw
- **Hazardous Waste Temporary Warehouse.** Observation to OHS and environment aspect implementation in the work place, as well as type of hazardous waste stored and facilities of the store.
- **Chemical Warehouse.** Observations and interviews with officers related to the work system, OHS warnings, MSDS, emergency response systems, first aid kits, and safe work practices..
- **Material Warehouse.** Observations and interviews with officers related to the work system, OHS warnings, MSDS, emergency response systems, first aid kits, and safe work practices.
- **Hydrant Simulation.** Observation to readiness of emergency team and fire control devices.

Suayap Estate

- **Afdeling D Central Warehouse (Store) Office.** Observation to OSH and environment aspect implementation in the work place.
- **Chemist (Pesticide) Store.** Observation to OSH and environment aspect implementation in the work place.
- **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.
- **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.
- **Hazardous Waste Temporary Warehouse.** Observation to OSH and environment aspect implementation in the work place, as well as type of hazardous waste stored and facilities of the store.
- **Workshop.** Observation to OSH and environment aspect implementation in the work place.
- **Fire Management Store.** Observation to the facilities of fire monitoring and management devices.
- **Fuel or Gasoline Store.** Observation to OSH and environment aspect implementation in the work place.

- **Housing Complex of Afdeling B in Block G21/G22.** Observation to housing complex facilities, such as house condition, clean (for drink) water refill, Genset House, Nursery of *Turnera* sp., assembly point, fire extinguisher, prayer building, child care and landfill for domestic waste.
- **Afdeling E Block I28/I29.** Observation to HCV 4.1 management of riparian zone of Tabarau River.
- **Afd B Blok G16.** Observation to HCV 4.1 management of riparian zone in Riam Hujan Waterfall.
- **HGU stake number No 87, 88 and 89.** Observation of the condition of the stake and the location around the stake.
- **Pesticide Application, Bravo Division, Block I16.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **Racking Path Manual, Bravo Division, Block F20.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **Harvesting, Bravo Division Block G22.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **Terrace, Block C23.** Observation of terrace conditions and conservation aspects.
- **Land Application block D30.** Observation and interview related to wastewater management and employment.
- **Harvesting, Charlie Division Block J23.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **Terrace, Echo Division Block I32.** Observation of terrace conditions and soils conservation.
- **Pesticide Worker; Circle & Path Spraying Worker, Charlie Division, Block I22.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **EFB Application, Delta Division, Block M26.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **FFB Harvesting, Alfa Division Block D18.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **Burn Owl Box, Alfa Division Block H24.** Observations the box condition whether it is active or not.

Umpang Estate

- **Genset Operator.** Observations and interviews related to wages and overtime, waste management activities, OHS implementations and health inspections.
- **Chemical mixing room.** Observation and interview related pesticide mixing area, PPE storage, safety aspect.
- **Fertilizer storage.** Observation related to management of agrochemical material and waste, MSDS, emergency response facilities and the types of fertilizer used.
- **Chemical storage.** Observation related to management of agrochemical material and waste, MSDS, emergency response facilities and the types of pesticides used
- **Hazardous Waste temporary warehouse.** Observations and interviews with warehouse staff regarding wages, premiums, use of PPE, understanding of the RSPO and procedures for replacing PPE.
- **BPN Pole No. 56; 101,102.** Observation related demarcation and maintenance of boundaries pole and land dispute potency.
- **HCV Area (Cina Butun River)** Observation the implementation of management in HCV of riparian area.
- **HCV Forest Area (Gadung Hill) , Block P13.** Observation the implementation of management in HCV of forest area.
- **Water intake Cina Butun River.** Observation related water management and water supply for estate
- **FFB Harvesting, Block R15.** Observation and interviews with foreman and harvester related FFB quality, harvesting round, OHS, and employment.
- **Pest Census, Block Q18.** Observation and interview with workers related to IPM.
- **Slope Area, Block R13.** Observation of soil and water conservation on slope area.
- **Circle & Path Spraying, Block V10.** Observation and interview of spraying mechanism, chemicals and doses
- **Material Storage.** Observation and interview related stock of PPE.
- **Oil Storage.** Observation and interview related stock of PPE.

	<ul style="list-style-type: none"> • Worker's housing complex, Division Echo Lama. Observation and interview with residents about housing, sports, worship, clean water and electricity facilities, domestic waste management, and complaint mechanism. • Landfill. Observations related to domestic waste management. • Fire Department Warehouse. Interviews of working procedure, OHS, employment, and environmental • Afdeling OC Central Warehouse (Store) Office. Observation to OSH and environment aspect implementation in the work place. • Housing Complex of Afdeling OB. Observation to housing complex facilities, such as house condition, clean (for drink) water refill, Genset House, assembly point, fire extinguisher, prayer building, child care and landfill for domestic waste. • Housing Complex of Afdeling OC. Observation to housing complex facilities, such as house condition, clean (for drink) water refill, Genset House, assembly point, fire extinguisher, prayer building, and landfill for domestic waste. • Pesticide Worker; Circle & Path Spraying Worker, Alfa Division, Block N22. Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices. • FFB Harvesting, Alfa Division Block O22. Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices. • EFB Application, Alfa Division Block O22. Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices. • FFB Harvesting, Echo Division Block V2. Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices. • Burn Owl Box, Bravo Division Block P22. Observations the box condition whether it is active or not.
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-1.1	<p>Consultation of stakeholders for PT Mitra Mendawai Sejati was held by:</p> <ul style="list-style-type: none"> • Public Notification on website on RSPO & PT Mutuagung Lestari on 06 September 2022 • Public consultation meeting with government institution on 20 september 2022 • Public consultation meeting with communities including previous land owner on 20 september 2022 • Public consultation meeting with internal stakeholders and contractor on 20 september 2022 • Public consultation with NGO (WWF for Nature Indonesia, Sawit Watch, AMAN, and WALHI Kalimantan Tengah) by email on 12 September 2022 <p>Numbers of input from stakeholders were clarified by PT Mitra Mendawai Sejati.</p>
2.3.2	Stakeholder contacted
	Please find appendix 1
2.4	Determining Next Assessment
	The next visit ASA-1.2 will be conducted eight (8) month to twelve (12) month after unit of certification had RSPO re-certified.

3.0 ASSESSMENT FINDINGS
3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Suayap Mill – PT Mitra Mendawai Sejati operation consisting of one (1) mill and two (2) oil palm estates.

During the assessment, there are one (1) nonconformities were assigned against Major Compliance Indicators; one (1) nonconformities were assigned against Minor Compliance Indicators; and two (2) opportunity for improvement were identified.

Further explanation of the non-conformities raised, and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditors in form of documentation evidence(s) e.g.: document record, photographic, etc. Those corrective actions taken that consist of three (3) Major non-conformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Suayap Mill – PT Mitra Mendawai Sejati 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 continued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY		
1.1	The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
1.1.1	<p>In the previous assessment, there were non-conformity regarding mandatory report, the certification unit shows evidence of improvement as follows:</p> <ol style="list-style-type: none"> 1. Report on the Use and Utilization of Cultivation Rights in 2021 and 2022 which will be sent to the local Land Agency on July 15, 2022. 2. Contract Worker Registration Report for 2021 to the local Manpower Office on 8 October 2021 and for 2022 on 15 July 2022. 3. The 2021 <i>LKS Bipartite</i> report sent to the local Manpower Office on October 8, 2021. <p>Based on the above, it is known that the non-conformity is declared fulfilled.</p> <p>The CH has a list of information that can be accessed and shared with stakeholders as stated in the procedure for providing information to external parties No. SOP-CS.GN-001. The document contains 10 types of documents that can be accessed by stakeholders, including the following:</p> <ol style="list-style-type: none"> a. Land use certificate/right b. Occupational health and safety plan c. Environmental and social impact planning and assessment d. HCV documentation e. Pollution prevention and reduction plans f. Details of complaints and complaints g. Negotiation procedure 	

- h. Continuous improvement plan
- i. Summary of public reports on certification assessments for certified companies
- j. Human Rights Policy

Documents that are confidential will be treated in accordance with Law no. 14 of 2008 concerning Public Information Disclosure, article 17. Examples of confidential documents are Commercial Data, Financial Data, and details about customers and/or suppliers.

Information that has the potential to cause negative environmental or social impacts is: information on the location of endangered species, which if disclosed would increase the risk of hunting or capturing these species for trade; or the location of holy places that the local community wants to keep secret and protect its existence.

In addition, there are several other documents that can be accessed in general and reported periodically to relevant government agencies such as RKL-RPL reports, fire management reports, waste management and so on.

1.1.2

Compliance with Social and Environment Regulation

The CH can show evidence that information has been received in an appropriate form and language related to stakeholder involvement, company rights and obligations that are conveyed to all relevant stakeholders, including:

- a. Evidence of PT Mitra Mendawai Sejati RKL-RPL Report 1st Semester, 2022 which was reported to the Environmental Service of West Kotawaringin Regency, Central Kalimantan Province on August 5th, 2022 with ID TTE 1659661987-1248.
- b. Evidence of PT Mitra Mendawai Sejati RKL-RPL Report 2nd, Semester 2021, which was reported to the Environmental Service of West Kotawaringin Regency, Central Kalimantan Province on January 05th 2022 with ID TTE 1641370015-1248
- c. Evidence of PT Mitra Mendawai Sejati's Hazardous and Toxic Waste Management Report Quarter 2, 2022, which was reported to the Environmental Service of West Kotawaringin Regency, Central Kalimantan Province on August 5th, 2022 with ID TTE 1659662070-1248.
- d. Evidence of PT Mitra Mendawai Sejati's Hazardous and Toxic Waste Management Report for Quarter 1, 2022 which was reported to the Environmental Service of West Kotawaringin Regency, Central Kalimantan Province on August 5th, 2022 with ID TTE 1659662098-1248
- e. Evidence of the management of PT Mitra Mendawai Sejati's high conservation value/HCV area has been reported to BKSDA Conservation Section Area 2 Kab. Pangkalan Bun, Central Kalimantan Province on January 27th 2022

Employment Aspect

- a. Employment mandatory report with the number 74111.20220527.0001 on behalf of PT MMS (Umpang Estate) dated May 27, 2022 and is required to report back on May 27, 2023.
- b. Employment mandatory report with the number 74113.20220527.0007 on behalf of PT MMS (Suayap Estate) dated May 27, 2022 and is required to report back on May 27, 2023.
- c. Employment mandatory report with the number 74117.20220527.0001 on behalf of PT MMS (Suayap Mill) dated May 27, 2022 and is required to report back on May 27, 2023.
- d. Employment mandatory report with the number 74113.20220527.0008 on behalf of PT MMS (Head Office) dated May 27, 2022 and is required to report back on May 27, 2023.

Compliance with Social and Environment Regulation

The CH can show evidence that information has been received in an appropriate form and language related to stakeholder involvement, company rights and obligations that are conveyed to all relevant stakeholders, including:

- a. Evidence of PT Mitra Mendawai Sejati RKL-RPL Report 1st Semester, 2022 which was reported to the Environmental Service of West Kotawaringin Regency, Central Kalimantan Province on August 5th, 2022 with ID TTE 1659661987-1248.
- b. Evidence of PT Mitra Mendawai Sejati RKL-RPL Report 2nd, Semester 2021, which was reported to the Environmental Service of West Kotawaringin Regency, Central Kalimantan Province on January 05th 2022 with ID TTE 1641370015-1248
- c. Evidence of PT Mitra Mendawai Sejati's Hazardous and Toxic Waste Management Report Quarter 2, 2022, which was reported to the Environmental Service of West Kotawaringin Regency, Central Kalimantan Province on August 5th, 2022 with ID TTE 1659662070-1248.
- d. Evidence of PT Mitra Mendawai Sejati's Hazardous and Toxic Waste Management Report for Quarter 1, 2022 which was reported to the Environmental Service of West Kotawaringin Regency, Central Kalimantan Province on August 5th, 2022

with ID TTE 1659662098-1248

- e. Evidence of the management of PT Mitra Mendawai Sejati's high conservation value/HCV area has been reported to BKSDA Conservation Section Area 2 Kab. Pangkalan Bun, Central Kalimantan Province on January 27th 2022

1.1.3

The CH shows the procedure for requesting information in SOP-SUST.SYS-005 concerning Procedures for Communication, Participation and Consultation on Environment and OSH approved by the President Director on January 01st 2020 which explains the mechanism of communication both internally and externally, participation and consultation on related matters. with the Environment and K3 to interested parties inside or outside the company.

The company has recorded every requested information in the logbook of incoming and outgoing mail. Based on document verification, it is known that during 2022 the most incoming letters were requests for funds and assistance. Based on the logbook verification of incoming and outgoing letters, it can be concluded that all incoming information requests have been responded to directly according to the requested date.

Based on an interview with the Head of the Umpang Village BPD, they stated that they had understood the communication and consultation mechanism. The company provides easy access to the needs of the village community, including providing lighting facilities, pick-up and drop-off for school children, road repairs, distribution of basic necessities, school scholarships for outstanding students and underprivileged communities, and other village activities in accordance with the submitted letters and proposals.

1.1.4

The CH already has a procedure for requesting information in SOP-SUST.SYS-005 concerning Procedures for Communication, Participation and Consultation on Environment and OHS approved by the President Director on January 01st, 2020 which explains the mechanism of communication both internally and externally, participation and consultation on matters relating to relating to the Environment and OHS to interested parties inside or outside the company. The implementation of external communication is adjusted to the schedule set by each department, estate or PKS according to needs. The media used can be in the form of presentations, brochures or internal memos. External problems and complaints regarding the company's environment and OHS that arise are conveyed by the relevant department to the Sustainability Directorate for investigation. Requests for corrective and preventive actions can be issued if non-conformities are found and further follow-up is carried out by the relevant parties in accordance with the procedures for non-conformances, corrective and preventive actions.

In addition, based on interviews with the Head of the Umpang Village BPD, the Secretary of the Umpang Village BPD, LKS Bipartite and the gender committee, it was found that they had a good understanding of communication and consultation procedures.

1.1.5

The CH can shows the latest stakeholder list informing internal and external stakeholders which was updated on August 31st 2022 PT. MMS Suayap Estate, Umpang Estate and Suayap Mill. These stakeholders include government agencies, villages around the company, cooperatives, FFB suppliers, transportation contractors, building contractors, NGOs, buyers, trade union organizations, gender committees and others. In the current list of stakeholders, names, institutions, positions, addresses, contact numbers and identification of interests are also explained. Based on sampling for interviews with stakeholders referring to the stakeholder list document, it can be concluded that all contacts listed in the document are still active and in accordance with the data provided.

Status : Comply

1.2

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

1.2.1

The CH shows the Human Rights Policy document issued on November 30, 2017 by the President Director, with a commitment not to use child labor, prohibition of forced labor and human trafficking, protection of reproductive rights, fair treatment without discrimination against all employees, freedom of association and assembly , a work environment that is safe and free from sexual

harassment, adequate and healthy housing, prohibition of verbal and physical violence, fair wages, avoiding adverse impacts on the surrounding community, commitment to include human rights aspects in every cooperation agreement with business partners and encouraging its implementation and commitment to community development. Besides that, the CH has a policy of ethical behavior which is contained in the employee code of conduct dated March 1, 2018. Several points are explained in it regarding gratuities, bribes, rewards. Occupational safety and health, immoral behavior, narcotics, illegal drugs, gambling, and others.

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

- Minutes of socialization on 12 April 2022 regarding Human Rights Policy to contractors and FFB suppliers attended by 25 employees. The certification unit can show documentation and attendance list of the socialization.
- Minutes of socialization on 15 July 2022 regarding Human Rights Policy to 66 employees of Suayap Estate. The certification unit can show documentation and attendance list of the socialization.
- Minutes of socialization on 3 June 2021 regarding Human Rights Policy to 58 employees of Umpang Estate. The certification unit can show documentation and attendance list of the socialization.

The certification unit shows examples of the implementation of the code of business ethics in terms of recruitment and labour contracts, for example: job vacancy information on August 15, 2022 which was submitted through each village representative to be further submitted to each of its residents, the selection process for prospective employees was carried out for 3 days, and the announcement of the results of the recruitment of new employees which was then followed by the preparation and signing of a work agreement. The certification unit can show an example of documentation of new hires for 2022 as follows:

- Job application letter for prospective employees with the initials LD.
- Employee Identity Document with the initials LD.
- Identity Card (*KTP*) with initial LD
- Work Agreement Letter between the Estate Manager of PT MMS and the employee initials LD for the work of maintenance.

1.2.2

The certification unit has mechanism to monitor the compliance and implementation of the policy and overall ethical business through performance assessment. The Performance assessment was conducted to certification unit through the IAD (Internal Audit Department) and the RSPO Internal Audit. The last internal audit and RSPO internal audit were carried out on 5-7 July 2022. Several findings from the internal audit activities have been followed up by the certification unit.

For contractors, the certification unit also carry out performance assessment when having a work agreement with the certification unit. The performance assessment was conducted after the work finished by the certification unit base on procedure of contractor/ supplier performance evaluation. The performance assessment including implementation of the policy and ethical conduct by third party.

Based on the interviews with contractors (CV Dwita Perdana; CV Rajawali Putra Mandiri; CV Lisanti; CV Lisa Jaya), it is known that the mechanism has been socialized when the contract was made. Then, the informant also stated that the certification unit had evaluated compliance with applicable labor laws such as providing PPE for contractor workers, the absence of child labor, protection of contractor workers through the *BPJS* program, etc. This is in line with the procedure which explains the evaluation of sustainable plantation management which is carried out at least once a year

Status: Comply

PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS

2.1

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

2.1.1

Unit of certification shows several laws and/or regulation pursuance in several aspect, for exampel as follows:

Legal aspect

- Unit of certification has **location permit** as presented in document Decree of Kotawaringin Barat Regent No.

229.480.42/BPN/III/2004 dated 27 March 2004 for area covers 10,000 ha.

- Unit of certification has business permit for oil palm plantation as presented in Kotawaringin Barat Regent Decree No. 525/242/EK in 2012 about **Plantation Business Permit (IUP)** for oil palm plantation activities with area covers **8,921.38 ha** and its processing mill with capacity **60 ton FFB/hour** and 150 ton PKO/day.
- Unit of certification has **Land Title (HGU)** that covers **8,921.38 ha**, as refers to several documents, as follows:
 - Decree of BPN Head No. 35-HGU-BPNRI-2007 dated 18 September 2007 that valid for 35 years in 2042. From this Decree, issued HGU Certificate No. 45 dated 28 November 2007 for area covers **5,922.07 ha**. This HGU is situated in the Village of Runtu and Village of Umpang, Sub District of Arut Selatan, District of Kotawaringin Barat.
 - Decree of BPN Head No. 36-HGU-BPNRI-2007 dated 18 September 2007 that valid for 35 years in 2042. From this Decree, issued HGU Certificate No. 46 dated 28 November 2007 for area covers **2,999.31 ha**. in Siak. This HGU is situated in the Sub District of Arut Selatan and Sub District of Arut Utara, District of Kotawaringin Barat.

Worker Welfare Aspect

- a. Employee wages have been referred to the Decree of the Governor of Central Kalimantan No. 188.44/445/2021 concerning the 2022 Regency Minimum Wage. The decree stipulated the minimum wage for plantation and the processing sector with a value of IDR 3,077,218.
- b. The certification unit has implemented a structure and scale of employee wages based on years of service and work assessment of each employee.
- c. Company Regulation for the period 2021-2023 which has been ratified based on the Decree of the Head of the Manpower and Transmigration Office of Kotawaringin Barat Regency No. KEP. 64/DTT/HIJ-SYAKER/X/2021 dated October 16, 2021.

Environmental Aspect

The Suayap POM certification unit is under the company PT MMS, in compliance with the compliance, the company has complied with all relevant laws and regulations, namely by having the following documents:

- a. The results of the environmental assessment in the form of an Environmental Impact Analysis (ANDAL) document in 2007 for the PT MMS Oil Palm Plantation with an area of 10,000 Ha and a processing plant with a capacity of 45 Tons of FFB/hour. The document has been approved by the Regional Environmental Impact Assessment Commission of Kotawaringin Barat Regency with the endorsement document number 660/34/Bpdl-II.2/II/2008 on February 02nd, 2008.
- b. The results of environmental studies in the form of an addendum to the RKL-RPL document for the development of plantations and palm oil processing plants covering an area of ±10,000 ha, increasing production capacity from 45 Tons of FFB/Hour to 90 Tons of FFB/Hour and Biogas in the Runtu Village Area, Umpang Village, Kec. South Arut and Nanga Mua Village, Kec. North Arut Kab. West Kotawaringin. The document has been approved by the Head of the Office of Investment and One-Stop Integrated Services Kab. Kotawaringin Barat with ratification document number 553/015/DPMPTSP-III/LH/2018 on October 31st 2018.
- c. Permit to use liquid waste on the ground to PT. MMS approved by the Head of the Office of Investment and One-Stop Integrated Services Kab. West Kotawaringin with ratification document number 503/014/LH/DPMPTSP.D dated June 14th, 2019 with the type of processing industry for Palm Oil FFB into CPO with a capacity of 90 Tons FFB/Hour valid for 5 years and ends on July 8th, 2024.
- d. The company already has a Surface Water Extraction and Utilization Permit for PT MMS Suayap Factory unit based on the Decree of the Regent of West Kotawaringin Regency Number 205 on December 28th 2017 and is valid for 5 years from January 19th 2018 to January 18th 2023. In the document there is a quota provision surface water uptake is 1,620 m³/day or 48,600 m³/month.
- e. The company already has the results of the 2013 HCV Identification conducted by PT. Sonokeling Accreditation Archipelago led by Ir. Kresno Dwi Santosa on July 23rd to August 3rd, 2012 for the scope of PT MMS

2.1.2

CH has a mechanism to identify and evaluate the compliance with the law described in the Identification Procedure for Fulfilment of Environmental Regulations and OHS. No. Doc: SOP-EHS.GN-003. Evaluation of relevant standards and regulations that have been identified to ensure their suitability periodically (once a year). PIC who is responsible for identifying the regulation and for evaluating the regulations was Sustainability Department. Information of regulation from national, provincial and district regulatory bodies, and renewal of any changes to prevailing laws and regulations and monitoring of expired regulations/licenses. A list of regulatory identifications ranging from Laws, Government Regulations, Presidential Decrees, Ministerial Regulations,

Ministerial Decrees, Regional Regulations, and the ratification of the ILO. All regulations are noted in the list of rules which are always evaluated regularly at least once a year or if there are regulatory / latest requirements referenced

Unit of certification pursuance towards laws and/or regulations is conducted annually presented in document of "*Evaluasi Kepatuhan Kepada Peraturan, Perundangan Dan Persyaratan Lainnya Periode 2022*" on March 2022 which informing list of compliance regarding Legal and BMP, Environment, Conservation, Safety and health, Manpower and Social aspect. The certification unit have shown list of updated regulation related to the field of worker welfare aspect are

- Government regulations No. 35 of 2021 concerning Specific Time Work Agreements, outsourcing, working hours, rest periods, and layoffs
- Government regulations No 36 of 2021 concerning Wages

To ensure compliance with law or regulations, the company conducts an internal audit. Internal audits have been conducted continuously and are documented and reviewed in the management review activities, latest audit was carried out on 27 – 30 May 2022 that carried out by the Sustainability department

In the previous assessment, there were non-conformity regarding the evaluation of regulatory compliance or contractor compliance with labor aspects. The company shows evidence of improvement as follows:

- a. Evaluation of the CV Garnis (FFB transportation contractor) conducted on July 22, 2022. The evaluation includes work results, age of workers, fulfillment of workers' social security up to wages received by contractor workers. The evaluation results show that the contractor gets a score of 9.46.
- b. Evaluation of the CV Lisa Jaya (FFB transportation contractor) which was carried out on July 8, 2022. The evaluation includes work results, age of workers, fulfillment of workers' social security up to wages received by contractor workers. The evaluation results show that the contractor gets a score of 9.35.
- c. Evaluation of CV Ligar (FFB transportation contractor) conducted on July 25, 2022. The evaluation includes work results, age of workers, fulfillment of workers' social security up to wages received by contractor workers. The evaluation results show that the contractor gets a score of 8.70.

Based on the above, it is known that the non-conformity is declared fulfilled

2.1.3

Procedure of land title poles monitoring is presented in procedure No. SOP-KBN.GN-017 dated 01 February 2018 which mentioned that legal BPN pole monitoring shall be carried out every semester, with period January to June, followed by period July to December. Record of monitoring is presented in document No. F.EHS.GN-033.RO (Rev 0). Summary of monitoring for the first semester 2021 is summarized as follows:

- Report of Suayap Estate dated 30 July 2021 informed that there are totalling 70 BPN poles, which all satisfactory maintained.
- Report of Umpang Estate dated 31 June 2021 informed that there are totalling 59 BPN poles, which all satisfactory maintained.

In previous assessment there are non conformity (NCR No 2021.04) regarding Unit of certification is not be able to shows that all BPN legal boundaries has been satisfactory monitored. Regarding those non conformity the company inform the legal boundaries was unmonitered due to in flooding area. Furthermore can be presented the latest monitoring on July 2022 with numbers of poles in Suayap Estate and Umpang Estate are 92 poles and 64 poles respectively. the audit team auditor visited several boundaries poles (Poles No 87, 88 and 89 in Suayap Estate and Poles No 56; 101,102 in Umpang Estate), and based on field observations it was known all poles are clearly demarcated and visibly maintained

Status: Comply

2.2

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

2.2.1

The certification unit already has a list of local contractors for 2022 that updated on 31 January 2022, which informes stakeholder category, name of PIC, relation, address and contact number. Currently, certification unit has 9 contractors. Based on document

verification show that the number of contractor is in accordance with the list of stakeholders where the number of contractor are 15 stakeholders which also includes hazardous waste transporting and machine maintenance contractors at the mill.

2.2.2

In the previous assessment, there was non-conformity related to cooperation contracts with third parties that did not have a separate clause regarding the fulfillment of applicable legal obligations. The certification unit in this case shows proof of improvement in the form of a work contract between the company and CV Prima Mandiri Perkasa, CV Lisa Jaya and CV Dwita Perdana, where each contract contains the fulfillment of legal obligations including:

- Provision of PPE for employees.
- Include employees in the BPJS Employment/Health program.
- Receive wages in accordance with the provisions of the City/Regency Minimum Wage.

Based on the above, it is known that the non-conformity is declared fulfilled

The certification unit shows a list of contractors who are still active in 2022, for example CV Prima Mandiri Perkasa, CV Lisa Jaya and CV Dwita Perdana. The certification unit in this case shows the work contract documents with the certification unit for each contractor, where each contract contains the fulfillment of legal obligations including:

- Provision of PPE for employees.
- Include employees in the *BPJS Kesehatan/ Ketenagakerjaan* program.
- Receive wages in accordance with the provisions of the Regency Minimum Wage.
- Do not employ workers under 18 years of age.

Based on document verification show that each FFB supplier has good documentation related to the Work Agreement (*SPK*) with the certification unit. However, the certification unit has not been able to show evidence related to the fulfillment of relevant legal obligations, for example but not limited to the provision of PPE, payment of wages, and payment of *BPJS Kesehatan/ Ketenagakerjaan* for each contractor employee. **Based on explanation raised nonconformity No 2022.01 with Major Category**

2.2.3

In the previous assessment, there was non-conformity related to contracts with third parties and FFB suppliers do not contain specific clauses regarding the prohibition of the involvement of child labour, forced labor and workers from human trafficking. The certification unit shows proof of improvement in the form of agreement between the certification unit and CV Prima Mandiri Perkasa, CV Lisa Jaya and CV Dwita Perdana, where each contract contains the fulfillment of legal obligations including:

- Do not employ workers under 18 years of age.
- Not employing forced labor or the result of human trafficking.

Based on the above, it is known that the non-conformity is declared fulfilled.

Based on verification to several work agreements with FFB suppliers, for example through agreement of , it was known that clauses of disallowing child, forced and trafficked labor has been explained in the agreement of CV Prima Mandiri Perkasa, CV Lisa Jaya and CV Dwita Perdana.

The certification unit showed that 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, anti-corruption, anti-forced and trafficked labor. To ensure compliance with these clauses, certification unit always requests the requirements for the completeness before the contractor does work

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

Major 2.2.2	Status: Non-conformity 2022.01 with Minor raised to Major category	
2.3		

All FFB supplies from outside of the unit of certification are from legal sources.
2.3.1

Based on documents verifications and interview with weighbridge operators it was known if the FFB that accepted in Suayap Mill originally from own estate under scope of certifications, estate under PT Sawit Sumbermas Sarana Tbk, uncertified area under PT MMS, Uncertified area estate under subsidiary of PT Sawit Sumbermas Sarana Tbk and scheme smallholders under PT MMS as described below:

1. Estate under scope certifications (Suayap Estate and Umpang Estate)
2. Certified Estate under subsidiary of PT Sawit Sumbermas Sarana Tbk (Sulung Estate and Kenambui Estate)
3. Uncertified area in Suayap Estate and Umpang Estate which planned to be certified on 2023
4. Uncertified area estate under subsidiary of PT Sawit Sumbermas Sarana Tbk (Sulung Estate and Kenambui Estate)
5. Scheme smallholders under PT Mitra Mendawai Sejati (Cooperative of Citra Mua and Cooperative of Citra Mua)

2.3.2

In addition to receiving FFB from the plantation which is included in the scope of certification, Scheme Smallholders and other units undersubsidiaries of PT Sawit Sumbermas Sarana Tbk, PKS Suayap also receives FFB from outside parties who are indirect suppliers on behalf of PT Mitra Usaha Abadi. PT Mitra Usaha Abadi is an indirect supplier who receives FFB from outside parties such as farmers, platforms or collectors which are then sent to the Suayap PKS. Related to that

1. POM cannot show proof of FFB receipt as regulated in indicator 2.3.1 including:
 - Information on the geolocation of the FFB origin;
 - Proof of ownership status or rights/claims to land by planters/farmers;
 - If relevant, a valid planting/operational/trading permit, or as part of a cooperative so that the buying and selling of FFB can be carried out
2. Or the company has obtained approval from the RSPO regarding the announcement of the Interim Measure for Fulfilment of Indicator 2.3.2 of the 2018 RSPO Principles & Criteria — On Legality of Indirect FFB Supplies (Supplies (<https://www.rspo.org/news-and-events/announcements/interim-measure-for-fulfilment-of-indicator-232-of-the-2018-rspo-principles-and-criteria-on-legality-of-indirect-ffb-supplies>)

Regarding that's case Evidence of traceability of FFB for indirect suppliers has not yet been shown or approval from the RSPO regarding compliance with indicator 2.3.2. **Based on explanation raised nonconformity No 2022.02 with minor Category**

2.3.2	Status: Non-conformity 2022.02 with Minor category
--------------	---

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; 3.1.2; 3.1.3

Based on the verification of basic info and interviews with management representatives it is known that the company has a Business Plan – Investor document for the period 2017 – 2025 for companies and smallholders. The document contains crop estimates, CPO production, cost projections, and infrastructure development. The company explained that the evaluation related to the Business Plan has been carried out, by showing the Management Review Meeting document which was held in July 2022 which was attended by the BOD, Planting Advisor, Regional Heads I-III, and Head of Sustainability. The document discusses the effectiveness and results of internal audits of ISO 9001, ISO 14001, ISO 45001, Proper, HAM, and RSPO.

The unit of certification does not yet have a replanting program because the year of oil palm was 2005 – 2010 with the oldest plant being 17 years old. Based on the results of the document review of the annual management meeting, it is known that the cropping cycle is set at around 25 years but it is possible to replant if there are obstacles to achieving production, pest and disease attacks, and other factors.

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 CH implemented implementation and monitoring procedures in the form of a sustainable plantation management policy on September 13th, 2017 which was approved by the Board of Directors. The policy regulates plans to fulfill the company's internal policy commitments, namely

- Operations already in progress

Implement timely plans to achieve 100% RSPO certification by 2019 for companies, RSPO certification by 2020 for associated smallholders and 100% ISPO certification by 2020 for core companies.

- Future Development and New Planting
 - Identify and protect High Carbon Stock (HCS) forests using the HCS Approach Toolkit methodology.
 - Complete a High Conservation Value (HCV) assessment using a High Conservation Value Network Assessor Licensing Scheme (ALS) licensed assessor
 - Respect the land tenure rights of indigenous and local communities, including the right to give or refuse to give their Free Consent
- Environmental Management
 - Committed to managing and protecting areas of forest and peat conservation within our concessions, and taking into account linkages within the wider landscape over the long term
 - Identify and recognize HCV and HCS forests
 - Use Best Management Practices as outlined in the RSPO P&C and other RSPO Manuals.
- Human and Worker Rights

Respect and uphold the rights of all workers, including contract, temporary and migrant workers in accordance with the Universal Declaration of Human Rights, core conventions of the International Labor Organization, United Nations Guiding Principles on Business and Rights -Human Rights, and Free and Fair Labor in Palm Oil Production
- Community Development

Contribute positively to community welfare and positive socio-economic impacts
- Traceability

Work on building a fully traceable palm oil supply chain, achieving full traceability upstream of supply
- Stakeholder Engagement

Resolve complaints and conflicts through an open, transparent and effective process.

In its implementation there is an assessment of plantation and mill operational activities, including environmental monitoring and management activities that are reported regularly every semester and comprehensively to evaluate activities in plantations and factories, including the RKL RPL report on August 5, 2022

3.2.2

Unit of certification shows RSPO metric template version 2.1 during the time of audit. As checked properly, it was known that all data provided were match with actual situation. Based on document verification, for The RSPO metric template known annual data 12-month periods use (January to December 2021) for schedule reporting annual data social and environmental, included monitoring data of water consumption, management dan monitoring HCV. The annual report document using the RSPO metric template format that has been provided to the auditor team at the time of the assessment.

Base on document verification, for The RSPO metric template known annual data 12 months period use (January to December 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; 3.3.2

The certification unit already has operational procedures consisting of SOPs for Agronomy and Palm Oil processing. In the agronomy procedures (SOP-KBN.GN-001 – GN 021 dated 01 February 2012), it is regulated including oil palm planting,

fertilization, weed control, water management, harvesting, pest control, replanting, fire prevention on land, PPE standards, pesticide management, and soil and water conservation. In palm oil processing procedures (SOP-PKS.GN-001 – 009 dated 01 October 2013), among others, regulate the acceptance of FFB, supply chain, boiling (sterilization), stripping, digestion, pressing, clarification, separation of seeds and fiber, core stations, stockpiling of oil and palm kernel, laboratory management, boilers, engine power, types of factory machinery, security, and work safety, shipping, PPE standards, management of spills and spills, Lock Out and Tag Out, investigation of work incidents and accidents, and granting work permits. The SOP was written in Indonesian and stored and is available in SYM, SYE and UPE.

The certification unit has a mechanism for examining the implementation of procedures, which are contained in the SOP - SUST.GN - 003 procedure regarding the Internal Audit Management System Revision 02 Procedure which was ratified by the President Director on January 1, 2020. The procedure describes the implementation, reporting, and documentation of internal audits results. Regarding the implementation of this procedure, the company shows Internal Audit Management System documents for each unit, for example SYM Audit Report No 039/AR-IAD/VI/2022 which was conducted on 07-17 March 2022.

3.3.3

The unit of certification was shown continuous improvement documents, for example, shows Internal Audit Management System, RSPO and ISPO internal audit reports and their follow-up, periodic waste test reports, surface water quality test reports etc.

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

Environmental Impact Assessment (EIA)

The Suayap Factory is under the company PT. MMS, the company already has an Environmental Impact Assessment (EIA) document that has covered all areas that fall within the scope of certification and can be proven based on the following documents:

- The results of the environmental assessment in the form of an Environmental Impact Analysis (ANDAL) document in 2007 for the PT MMS Oil Palm Plantation with an area of 10,000 Ha and a processing plant with a capacity of 45 Tons of FFB/hour. The document has been approved by the Regional Environmental Impact Assessment Commission of Kotawaringin Barat Regency with the endorsement document number 660/34/Bpdl-II.2/II/2008 on February 02nd, 2008.
- The results of environmental studies in the form of an addendum to the RKL-RPL document for the development of plantations and palm oil processing plants covering an area of ±10,000 ha, increasing production capacity from 45 Tons of FFB/Hour to 90 Tons of FFB/Hour and Biogas in the Runtu Village Area, Umpang Village, Kec. South Arut and Nanga Mua Village, Sub District. North Arut District West Kotawaringin. The document has been approved by the Head of the Office of Investment and One-Stop Integrated Services District West Kotawaringin with ratification document number 553/015/DPMPTSP-III/LH/2018 on October 31st 2018.

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

Social Impact Assessment (SIA)

The CH already has a social impact identification document, namely the Social Impact Identification Study for Plantations and Palm Oil Mills (SIA) of PT. MMS dated September 17th 2022. The study was conducted internally by the Social Community Engagement section of the Sustainability Directorate by involving affected parties including a meeting with the Head of the

Umpang Village BPD, the Head of Area 01 Suayap Hamlet and a meeting with the Umpang Village apparatus. The assessment method is carried out by desktop studies, field observations, deep interviews with resource persons and Focus Group Discussions (FGD) with community groups.

The SIA study explains the impacts arising from plantation activities, including limited access to economic resources due to status transitions, labor recruitment competition, increased community income, increased disease vectors in the community, low employee organization, psychological distance between superiors and subordinates becomes more distant, and increase in noise intensity, as well as public perceptions of the existence and benefits of PT MMS. Social impact assessments are included as part of the complement of all environmental impact assessments. Evidence of participation with affected parties is shown in the form of photo interviews at FGD meetings. The report also contains a matrix of Social Management Plan and Social Monitoring Plan which contains recommendations for managing identified social impacts.

Documents of the results of environmental studies, documents of results of HCV studies, local government regulations and CSR implementation are taken into consideration for social impact management recommendations. Based on the verification of these documents, it can be concluded that all social impacts from plantation activities have been identified and their management recommended with reference to relevant laws and regulations.

High Conservation Value Assessment (HCVA)

The certification unit has also conducted studies related to areas with high conservation value as evidenced by the 2013 HCV Study Results document conducted by PT. Sonokeling Accreditation Archipelago led by Ir. Kresno Dwi Santosa. The HCV assessment was carried out from July 23rd to August 3rd 2012 for the scope of PT MMS. This study explains the impacts arising from plantation activities on the environment, social, and protected flora and fauna. The HCV assessment also involves several affected parties, both internal and external stakeholders. Field data collection activities include the following:

- Verification of land cover field
- Field verification of slope conditions, soil type and hydrology
- Survey of flora and ecosystem grouping
- Fauna survey
- Environmental services survey
- Social and cultural survey
- Public consultation

3.4.2

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

Environmental Impact Assessment (EIA)

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

- There is no test result value above the quality standard for POME parameters discharged into water bodies.
- There is no test result value above the quality standard for emission, air quality and ambient parameters.
- Increase socialization and supervision to avoid encroachment on protected areas.
- Utilizing solid waste from palm oil mills as a substitute for fertilizers and fossil fuels.
- Community Development activities for recruiting local communities as employees are considered effective enough to avoid social conflicts and control community unrest.

Based on the results of field observations in the EFB storage area, WWTP area and conservation area, there was no indication or potential for environmental pollution from the company's activities. The results of interviews with the Head of the Umpang

Village BPD and the Secretary also stated that they did not feel any environmental impacts related to the company's operational activities. The company has also carried out environmental management in accordance with the RKL-RPL by installing signboards for conservation areas, prohibiting land burning, planting local plants on canal borders and so on. Based on the results of interviews with sprayer and fertilization officers, they also stated that they were aware of the prohibition on the use of chemicals in locations close to water sources such as canals, reservoirs or artificial ponds.

The CH has also made an RKL-RPL report every semester which refers to the environmental management and monitoring matrix. Environmental management reports are carried out every 6 months and submitted to the relevant agencies, for example the RKL-RPL Report for 2nd Semester of 2021 which is sent to the Environmental Agency of Indragiri Hilir Regency with proof of receipt dated March 17th, 2022 which is equipped with a stamp, signature and name of the recipient as well as proof of document delivery. Based on the results of interviews with the Environmental Service regarding reporting on the implementation of the RKL-RPL, the certification unit routinely does this and up to the time the audit was conducted there were no complaints or conflicts related to the environment from NGOs or local communities around the company.

Social Impact Assessment (SIA)

The results of the 2013 SIA study conducted by PT. Sokeling Akreditas Nusantara is used as a guide in the preparation of social impact management programs which are updated every year, for example, the Environmental Management and Monitoring Plan document with the Affected Parties in 2022. The document contains several social programs, including the provision of regular social assistance for the surrounding community, improvement of economy through cooperation with companies, opening job vacancies, and improving welfare through community empowerment programs. Program planning is carried out based on the results of the Focus Group Discussion on December 31st, 2021 for the scope of internal stakeholders and on December 21st, 2021 for externals including the village community around the company. The results of the potential and risk analysis with evidence of documentation and attendance are attached to the minutes. The program is a general plan that will be implemented by the company based on stakeholder needs analysis and stakeholder mapping related to the company, either directly or indirectly. Thus, the planned program is directed as far as possible to strengthen the company's relationship, communication and cooperation with all stakeholders.

The company also evaluates the Management Plan annually to monitor the progress of program management. Monitoring the management of social impacts in 2022 includes the external environment and the internal environment. Following are some evaluations of social impact in the external environment:

- The company has hired local workers from local villages. The percentage of local workers in Umpang Village, Suayap Village, Runtu Village who are already working in the company is in the range of 20-30%, where most of the residents work as Casual Daily Workers for maintenance
- HRD management has procedures and implemented recruitment and remuneration procedures
- Realizing cooperation in the development of self-help plasma plantations, assisted, and TKD with farmer groups in Umpang Village, Suayap Hamlet, Runtu Village, and Nanga Mua Village.
- Form of corporate CSR assistance
- Currently, there are no disease vectors in the communities surrounding the villages of Umpang, Suayap, Runtu, and Nanga Mua. Health facilities and infrastructure such as Polindes, Pustu, Posyandu, and Polibun are also available as places for community treatment

The evaluation of social impacts in the internal environment, including:

- The company facilitates the establishment of Bipartite cooperation agency and Gender Committees in each estate as a forum for employees to express their aspirations with management
- The practice of communication between superiors and subordinates, often not according to the hierarchy. For example, the manager can order directly to the foreman but the direct supervisor of the foreman does not know the order, resulting in miscommunication between employees
- FFB transportation and company mobilization have used the main corridor route which is far from the village and employee settlements, so that the noise level is low and does not interfere with residents' settlements and employee settlements

Interviews with employees of the OB Division emplacement also stated that there was no discrimination against workers, no underage workers were found, the company has also the rights of its employees, several important facilities for employees have been provided by the company such as housing, water, electricity, places of worship. , and other means. The company also allocates resources for the maintenance of the entire facility. Based on the results of field observations and interviews, it can be concluded that there are no issues related to social impacts that have not been identified by the company. all potential social impacts have been managed properly. Some of the management focuses for 2022 are rejuvenation of buildings and employee residences, potential for flooding around the company's area and provision of clean water

3.4.3

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

Environmental Impact Assessment (EIA)

The company involves the Department of Environment and the Ministry of Environment and Forestry to monitor the results of environmental management that has been carried out by the company in the form of presenting RKL-RPL reports and other environmental management documents sent every certain period which can be proven in indicator 1.1.2. The company also does not block access to all environmental agencies if they are going to carry out field verification to their management areas. It aims to obtain suggestions and improvements in environmental management in accordance with the vision, mission and government programs so that they can run synergistically. This can be proven based on the results of interviews with the West Kotawaringin Regency Environmental Service, it is known that there are no environmental pollution issues. Monitoring and updating related to environmental impact management is also carried out in conjunction with an evaluation of HCV management which is described in more detail in indicator 7.12.4. However, in general, all recommendations from the evaluation of HCV management carried out in a participatory manner will be carried out in line with the management and monitoring of environmental impacts

Social Impact Assessment (SIA)

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

On September 17th, 2021, the company has reviewed the management of social impacts for the period 2021 - 2022, in which the process has involved participation by involving relevant stakeholders, namely the government and community representatives from Umpang Village, Wing Hamlet, Runtu Village and Nanga Mua Village. In this review activity, the company applies 4 methodologies, namely:

- Study Desktop
- Field observation
- Deep Interview with the resource person
- Focus Group Discussion (FGD) with community groups.

There is a recommendation from the SIA document PT. MMS and RKL RPL documents related to the management of social and environmental impacts. For example, there is a problem of limited access to economic resources due to the transition of status and dependence of income sources from the service sector as employees so that residents are no longer interested in pursuing other fields of work. This will be managed through socialization and communication to provide a complete understanding to the community about the company's goals and activities as well as the benefits derived from the company's presence in the community, the realization of plasma plantations and the implementation of the CD/CSR program in the economic field.

Status: Comply

3.5
A system for managing human resources is in place.
3.5.1

The certification unit already has Company Regulations that have been ratified by the relevant manpower office based on the decree of the head of the manpower office No. KEP. 64/DTT/HIJ-SYAKER/X/2021 dated October 16, 2021. The Company Regulation regulates the terms and conditions of employee employment, including the regulation of recruitment requirements, working hours, wages, social security, leave, termination of employment, work rules and discipline, rules for the process dispute resolution, and other provisions. This company regulation has also been socialized to all estate and mill employees on October 25, 2021.

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

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

3.5.2

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

- a. Job vacancies dated August 15, 2022 for harvesting and upkeep workers who will be placed in Umpang Estate.
- b. Job application letter for prospective employees with the initials LD dated August 25, 2022. Attached documents sent by prospective employees are the latest education certificate, police record, identity card, and family card.
- c. Recapitulation of non-structural employee performance appraisal for employees with the initials SL with casual daily worker status with a job as a tractor operator. The assessment is carried out by the direct supervisor with 11 assessment criteria. From the results of the assessment, it is known that employees with the initials SL get a value of 4 with a promotion recommendation to become a permanent daily worker.
- d. Promotion document in the Decision Letter of Estate Manager which states that the employee with the initials SL is appointed as a permanent employee from his previous status of casual daily worker.
- e. Suayap Estate employee leave form with initials RF for 12 working days starting August 15, 2022. The leave has been approved by the Assistant Head and Estate Manager.
- f. Umpang Estate employee leave form with the initials RM for 15 working days starting August 15, 2022. The leave has been approved by the Assistant Head and Estate Manager.

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

Status: Comply

3.6

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

3.6.1

The Company already has Risk Management documents prepared by the P2K3 Secretary for SYM, SYE and UPE. The document describes the risk assessment and its controls for all operational areas of the company which was revised as of January 2022.

Based on field observation, hazard identification risk assessment and control (HIRAC) documents has been implemented adequately and appropriate in Estate and Mill. For examples: operator uses ear muff, harvester uses helmet, etc

3.6.2

Based on document review as well as field observations in warehouses and harvesting activities, known that the company has completed OHS instructions such as banners for gathering points, evacuation routes, and OHS warnings in order to controlling risks and potential hazards for all employees, for example, warning about PPE mandatory areas at each station according to the identification of risks and potential hazards.

In additions, the company carries out activities to monitor the effectiveness of the OSH plan such as:

- Regular monthly OHS meetings for each unit in the context of the effectiveness of the OSH plan that has been prepared in the beginning of the year.
- MCU.

- The company simulates land fires per semester
- Hold a First Aid Kit Simulation for each management unit.

The company has carried out periodic tests according to what is stipulated in the permit, such as the Boiler Emission test conducted by Sucofindo as a KAN accredited Laboratory (LP-024-IDN) on April 21 2022 where according to the test results it is known that there is no value above the standard The applicable quality is PermenLH Number 07 of 2007

The company has also carried out management for disturbances from immovable sources (vibration). The test was carried out by Sucofindo as a KAN accredited laboratory (LP-024-IDN) on April 22, 2022. Based on the results of document verification, it shows that all test results are in accordance with the quality standards set for each applicable law, namely KepmenLH number 49 1996 for vibration test.

To ensure workers have the ability/competence, the company has included training workers as the results of interviews with workers at the boiler station show that the person concerned already has a boiler operator license.

All work accidents have been identified and identified and evaluated in the HIRAC document. The Company already has Risk Management documents prepared by the P2K3 Secretary. The document describes the risk assessment and its controls for all operational areas of the company which was revised as of January 2022.

Status: Comply

3.7

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

3.7.1

The certification unit has a training plan document for 2022 which includes training for staff, workers, smallholders, and outgrowers, for example toxic and hazardous materials control training and waste management for staff, workers, and smallholders planned on November 2022. It was further explained that the 2022 training plan document can be accessed by all interested parties.

Based on interviews with plasma cooperatives revealed that plasma plantations are still in the full management by the certification unit so that related to plasma employee training it is still under the certification unit's control.

In addition, the certification unit also shows examples of training documents to contractors as follows:

- Safety training in driving for FFB supplier drivers on May 25, 2022.
- OHS training while working at height to building contractor employees on July 9, 2022

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

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

3.7.2

The certification unit shows training documents to employees and the public around the 2021 period as follows:

- Socialization of toxic and hazardous materials/ waste on July 26, 2022. The certification unit can show the materials, documentation and attendance list for the event.
- Socialization of human rights policies and ethical behavior which was held on February 23, 2022. The training was attended by employees and representatives of the surrounding community. The certification unit can show documentation and attendance list for the training.
- Emergency response simulation carried out on June 2, 2022. The simulation was followed by employees and representatives of the surrounding community. The certification unit can show documentation and attendance list for the

simulation.

Based on interviews with representatives of contractors, revealed that they had received routine socialization related to certification unit policies, code of conduct, PPE, communication procedures and complaints were routinely provided by the certification unit which causes stakeholders to understand the procedures and work methods that already exist in the certification unit's operational area.

Based interviews with management revealed that the certification unit compiled a training program based on work units, for example training on spray techniques and poisoning prevention for pesticide applicators which was carried out every month.

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

3.7.3

Training of RSPO P&C, SCCS and ISCC to the personel critical control point had been conducted on 31 August 2022 in Suayap Mill. Furthermore, implementation of system should be inline with ISO 9001, ISO 14001 and ISO 45001. Official report of training approved by Quality, Health, Safety, Environment (QHSE)-Staff ISCC and Traceability, Head of Assistant and Mill Manager. According to the attendance document No. F-QMS.GN-012.RI, it was known that the training was attended by 25 participants.

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 implementation of the supply chain of certified products.

Status: Comply

3.8

Supply Chain Requirements for Mills

3.8.1 and 3.8.2

Based on basic info data since previous assesment, as well as observation and interview with Security Officers and Weighbridge Operator, it was known that Suayap Mill has received and process FFB from certified and non-certified sources. Thus, it could be concluded that the mill has only claim its RSPO certified products (CPO and PK) from processing of the RSPO certified FFB as Mass Balance (MB).

3.8.3

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

Product	License Projection	Actual Production	Estimation 1 year 21/22
FFB (mt)	158,000.00	155,138.49	160,000
CSPO (mt)	36,340.00	36,311.43	38,400
CSPK (mt)	7,900	7,063.71	8,400

3.8.4

Registration requirement data of PT MMS for RSPO supply chain on palm oil products in the palm-trace system is presented in the following Table:

Member Name	Suayap Mill of PT Mitra Mendawai Sejati
Member ID	RSPO_PO1000003257

RSPO Membership Number	1-0111-07-000-00 (PT Sawit Sumbermas Sarana)
License ID	CB94750 (issued on 09 December 2019)
Issued By	PT Mutuagung Lestari
Period of License	27 March 2022 to 26 Oct 2022
Total Certified Area (ha)	8,921.38 ha

All transaction has been announced to RSPO IT Platform and confirmed shipped. The Mill has conducted SCCS mechanism such as the announcement in Palm Trace of RSPO CSPO and CSPK sold as certified and confirming the shipping announcement, as well as remove of certified stock for products sold as other scheme or as 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 Supply Chain Procedure No. SOP-PKS.GN-020 rev.12 dated on 25 July 2022. The procedure have referred to the latest RSPO Supply Chain System and RSPO Rules on Market Communication and Claims. 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. Position which responsible for RSPO SCCS implementation is Administration Head of Suayap Mill.

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.

3.8.6

Procedure No. SOP-SUST.GN-003 (Rev. 0) dated 21 March 2018 about internal audit of management system mentioned that internal audit of RSPO SCCS and RSPO Rules of Market Communication and Claims shall be conducted annually. The latest internal audit of SCCS is conducted on 05 July 2022, based on the internal audit there is no non-conformities about SCCS requirements regarding training and management review. The management review was carried out on 29 July 2022 with material discussion has covered the input from internal audit results, correction and corrective action, customer feedback, process Performa and product compliance, follow-up of previous management review, and recommendation for improvement.

3.8.7

Unit of certification has maintain mass balance record of FFB processed. For example, record of FFB RSPO certified and non-certified for period October 2019 to September 2021 is presented in the following Table:

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
Sep-21	9,343.95	5,951.78	15,295.72
Oct-21	8,271.10	5,766.07	14,037.17
Nov-21	9,624.48	6,853.53	16,478.01
Dec-21	10,529.33	7,599.29	18,128.62
Jan-22	13,282.23	8,313.61	21,595.84
Feb-22	13,233.97	8,229.13	21,463.10
Mar-22	14,424.51	10,826.38	25,250.89
Apr-22	15,808.29	12,124.85	27,933.14
May-22	15,051.64	10,514.33	25,565.97
Jun-22	16,535.02	11,316.64	27,851.66

Jul-22	14,118.39	10,628.30	24,746.69
Aug-22	14,915.58	9,903.44	24,819.02
Total	155,138.49	108,027.34	263,165.82

Based on the table above, it could be concluded that there is no overproduction of CSPO and CSPK from the license. Furthermore, Procedure/mechanism of handling non conforming products are described in procedure of Supply Chain procedure SOP-PKS.GN-020 rev.12 dated on 25 July 2022. CH has implemented SCCS in Mass balance model. If there is non conformity of certified product, administration head will coordinate with supplier and marketing and they will wait until there is a decision. The decision is downgrade model or return the product.

3.8.8

Documentation for the Sustainable Crude Palm Oil (Sustainable CPO), consists of: daily record of the FFB acceptance, daily record of CPO production, which classified as the CSPO, CPO (RSPO) sale record, stock record that has been reconciled with the FFB acceptance, monthly production and sale and annual recapitulation.

Documentation for the Sustainable Palm Kernel (Sustainable PK), consists of: FFB dispatch record, which further will be counted the daily production of the Sustainable PK, daily production record of the PK, which classified as the Sustainable PK, monthly recapitulation of the Sustainable PK's sale, stock record, which has been reconciliation with the FFB acceptance record, monthly sale production and annual recapitulation.

Documents verifications and interview with management units obtained information if in last 12 months before audit (September 2021 – August 2022) there is no CSPO that sold as certified products. CPO products sold as conventional. All CSPK products sold PT Mitra Mendawai Sejati – Suayap Kernel Crushing plant. PT Mitra Mendawai Sejati – Suayap Kernel Crushing plant has been registered and met the requirement for reporting supply chain through RSPO IT Platform, describes below:

- o Member name : PT Mitra Mendawai Sejati – Suayap Kernel Crushing plant
- o Member ID: RSPO_PO1000003276

Based on documents verifications it was known there is 5,589.12 sold as certified products. Due to the mill and – KCP being one entity, there is no selling contract between the mill and KCP. Based on documents verifications it is known if claim related CSPK products is no longer than 3 months. For example for shipping announcements with transaction id TR-4211e8b1-1892 dated 29 July 2022, volume 1,416.51 MT is based on shipping on June – July 2022.

3.8.9; 3.8.10; 3.8.11

The physically handling of product are conducted by mill itself since FFB receive in grading station and processed to CPO and PK, except the transportation of product are sourced to third party, which bonded by the agreement. The product is legally owned by the mill since it produced and delivered to specific buyer, and / or the product shipped from bulking. The contractors have been bound in a work agreement, for example work

- Agreement No. 18/LGL/MKT/SSMS.G-NE//2022 dated 05 January 2022 with CV Nuristar Express for CPO and PK transportation.
- Agreement No. 04/LGL/MKT/SSMS.G-NE//2022 dated 05 January 2022 with CV Tri Maha karya for PK transportation.

The clause on the terms of work has also clearly stated that the contractor is willing to be visited by the certification body to verify operational activity and administration and other things related CPO and PK transportation of PT MMS. Based on interview with CPO and PK Transporter it was known they willing to interview about SCCS process in the term of CPO transportation, the transportations of RSPO certified products and etc.

There is no outsourcing milling activities to the independent third parties on processing, storage and RSPO certified products transportation. In the last 23 months, CSPO sold as credit while CSPK sold physically to Kernel Crushing Plant (KCP) of its own PT MMS. However, unit of certification mentioned that there are nine (9) potential contractors that might be handled RSPO physical products in the future. Socialization on company regulation towards RSPO Sustainability Policy dated 13 September

2017 and Supply Chain of Sustainable Palm Oil Policy had been delivered by Marketing Staff of PT Sawit Sumbermas Sarana, Tbk. via email on 08 April 2021. Contractors willingness to be assessed by RSPO Auditor is presented in Point No. 6.

The mill has been recording the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products. Based on review list of transporters verified on in this assessment, there is no new contractor added.

3.8.12

Suayap Mill have maintain accurate, complete and up-to-date for FFB received, FFB processed, CPO produced and PK produced. The record keeping has saves in mass balance. Record for period October 2019 to September 2021 for FFB, CPO and PK are presented in the following tables.

CPO Production and CSPO Dispatch

Period	CPO production (MT)		Total	Cert CPO Dispatch (MT)			Total
	Cert	Non Cert		RSPO	Other scheme	Non Cert	
Sep-21	2,096.65	1,342.36	3,439.01	-	-	2,096.65	2,096.65
Oct-21	1,972.25	1,344.83	3,317.08	-	-	1,972.25	1,972.25
Nov-21	2,242.00	1,602.65	3,844.65	-	-	2,242.00	2,242.00
Dec-21	2,536.32	1,742.09	4,278.41	-	-	2,536.32	2,536.32
Jan-22	3,110.31	1,975.03	5,085.35	-	-	3,110.31	3,110.31
Feb-22	3,176.32	1,982.42	5,158.75	-	-	3,176.32	3,176.32
Mar-22	3,424.43	2,578.72	6,003.15	-	-	3,424.43	3,424.43
Apr-22	3,785.85	2,851.62	6,637.47	-	-	3,785.85	3,785.85
May-22	3,472.56	2,440.79	5,913.35	-	-	3,472.56	3,472.56
Jun-22	3,860.37	2,638.57	6,498.94	-	-	3,860.37	3,860.37
Jul-22	3,267.53	2,401.96	5,669.50	-	-	3,267.53	3,267.53
Aug-22	3,566.84	2,437.68	6,004.52	-	-	3,566.84	3,566.84
Total	36,311.43	25,338.73	61,850.16	-	-	36,311.43	36,311.43

PK Production and CSPK Dispatch

Period	PK production (MT)		Total	Cert PK Dispatch (MT)			Total
	Cert	Non Cert		RSPO	Other scheme	Non Cert	
Sep-21	500.28	323.31	823.59	-	-	500.28	500.28
Oct-21	460.06	318.00	778.06	-	-	460.06	460.06
Nov-21	505.64	362.55	868.19	320.66	-	38.65	359.31
Dec-21	564.09	387.86	951.95	842.21	-	-	842.21
Jan-22	690.09	438.94	1,129.02	815.35	-	-	815.35
Feb-22	653.56	410.20	1,063.76	632.70	-	-	632.70
Mar-22	784.96	591.54	1,376.50	763.91	-	-	763.91
Apr-22	838.42	635.01	1,473.43	900.49	-	-	900.49
May-22	756.12	531.84	1,287.96	799.42	-	-	799.42
Jun-22	834.92	575.77	1,410.68	514.38	-	-	514.38
Jul-22	718.94	530.00	1,248.94	-	-	718.94	718.94
Aug-22	756.65	520.69	1,277.33	-	-	756.65	756.65

Total	7,063.71	5,625.71	13,689.42	5,589.12	-	1,474.58	7,063.70
--------------	----------	----------	-----------	----------	---	----------	----------

Based on the Table above, it was known that CSPK has only dispatch from positive stock.

3.8.13 and 3.8.14

Suayap Mill has performs FFB processing to produce CPO and PK only. Conversion factors are based on actual extraction, in daily, monthly and/or yearly basis.

3.8.15

Suayap Mill has only implementing RSPO mass balance supply chain module. Separation has only conducted through administrative recording by application named Plantation Pro Version 2.1.5.7 and Micro Macro Mill Program (MMP). Source of FFB received is classified from owned estate RSPO-certified, owned estate RSPO Non-certified, agent Non-Certified, smallholders Non-certified, etc., as detailed explained in Indicator 2.3.1. All FFB suppliers has recorded /recapitulated/and maintained its current status.

3.8.16

Documentation for the Sustainable Crude Palm Oil (Sustainable CPO), consist of: daily record of the FFB acceptance, daily record of CPO production, which classified as the CSPO, CPO (RSPO) sale record, stock record that has been reconciled with the FFB acceptance, monthly production and sale and annual recapitulation.

Documentation for the Sustainable Palm Kernel (Sustainable PK), consist of: FFB dispatch record, which further will be counted the daily production of the Sustainable PK, daily production record of the PK, which classified as the Sustainable PK, monthly recapitulation of the Sustainable PK's sale, stock record, which has been reconciliation with the FFB acceptance record, monthly sale production and annual recapitulation.

Documents verifications and interview with management units obtained information if in last 12 months before audit (September 2021 – August 2022) there is no CSPO that sold as certified products. CPO products sold as conventional. All CSPK produces sold PT Mitra Mendawai Sejati – Suayap Kernel Crushing plant PT Mitra Mendawai Sejati – Suayap Kernel Crushing plant has been registered and met the requirement for reporting supply chain through RSPO IT Platform, describes below:

- o Member name : PT Mitra Mendawai Sejati – Suayap Kernel Crushing plant
- o Member ID: RSPO_PO1000003276

Bases on documents verifications it was known there is 5,589.12 sold as certified products. Due to the mill and – KCP being one entity, there is no selling contract between the mill and KCP. Based on documents verifications its known if claim related CSPK products is no longer than 3 months. For example for shipping announcements with transaction id TR-4211e8b1-1892 dated 29 July 2022, volume 1,416.51 MT is based on shipping on June – July 2022. Furthermore, for CSPO and CSPK sold as conventional during this period has been removed from certified stock or allocated to credit. The unit of certification can present removing allocated product or credit allocation from palm trac.

3.8.17

According to transaction, it was known that all CSPK from Suayap Mill are claims as mass balance and conventional, while CSPO has fully sold as credit. Suayap Mil does not use RSPO trademark logo on product or off product.

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 certification unit shows a Human Rights Policy document set on a date of November 30, 2017 by the President Director, with a commitment not to use child labor, prohibiting forced labor and human trafficking, protection of reproductive rights, fair treatment without discrimination against all employees, freedom of association and assembly, a safe work environment and free from sexual harassment, a proper and healthy place to live, prohibition of verbal and physical violence, fair wages, avoiding

adverse impacts on the surrounding community, commitment to include aspects of human rights in every cooperation agreement with business partners and encourage its implementation, and commitment community development. It was further explained that the Human Rights Policy has also regulated the prohibition of retaliation against human rights defenders.

The certification unit showed documentation of the human rights policy socialization, which was carried out on June 11, 2021 and July 16, 2021 which took place at the estate office. The policy was conveyed to employees, the surrounding community and contractors. The certification unit shows a Human Rights Policy document set on a date of November 30, 2017 by the President Director, with a commitment not to use child labor, prohibiting forced labor and human trafficking, protection of reproductive rights, fair treatment without discrimination against all employees, freedom of association and assembly, a safe work environment and free from sexual harassment, a proper and healthy place to live, prohibition of verbal and physical violence, fair wages, avoiding adverse impacts on the surrounding community, commitment to include aspects of human rights in every cooperation agreement with business partners and encourage its implementation, and commitment community development. It was further explained that the Human Rights Policy has also regulated the prohibition of retaliation against human rights defenders.

4.1.2

Based on document verification and field observations revealed that the certification unit did not use security personnel/private security officers. The certification unit uses its own employees as a security unit for estate and mill. Based on interviews with estate and mill employees and village representatives revealed that there were no problems of confrontation and intimidation by the certification unit to maintain peace and order.

Status: Comply

4.2

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

4.2.1

The certification unit has a Complaint SOP with SOP document number SOP-PERS.GN-017. The procedure is a reference in receiving and resolving complaints from external and internal parties. Meanwhile, the personnel responsible for receiving and documenting complaints from the parties are Corporate Affairs. Complaints that exist will be reviewed and consulted with the parties for resolution. It was further explained that each reporter's identity (anonymity/ whistleblower) is kept/ confidential, the certification unit has installed a bulletin board at the front of the office area in each work unit, for example in the plantation and factory offices. The main points of the notification are the address of the complaint (phone number & email) and the guarantee of confidentiality and protection for the complainant.

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

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

4.2.2

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

The procedure has been socialized to estate and mill workers as well as to the surrounding community on January 14, 2021. Certification units can show the minutes and attendance lists for the socialization.

4.2.3

Based on interviews with representatives of the Umpang Village community revealed that during 2022 there have been no complaints submitted to the certification unit, further explained that communication with the certification unit so far has been going quite well. While based on verification of employee complaint documents in 2022, it was found that there were employee complaints related to the damage to the roof of the house, the certification unit in this case has followed up by making gradual improvements.

4.2.4

The certification unit has Procedure for Handling of Complaints. The procedure aims to provide assurance to whistleblowers who have a good will to report suspected abuse or divergent practices. Whistleblowers will be protected from retaliation or actions that may harm the whistleblower. Furthermore, regarding Confidentiality, it is explained that the certification unit encourages the whistleblower to write a clear and complete identity when reporting irregularities that occur. All forms of reporting irregularities will be guaranteed confidentiality by the certification unit. If the complaint cannot be resolved by consultation, it can follow up the next step or go through the process to the RSPO.

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

Based on interview with Megah Timur and Sungai Enau head of village sighted that if any conflict resolution, they have access to independent legal and technical advice.

Status: Comply

4.3

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

4.3.1

The company has evaluated and realized the CSR program for 2021 – 2022 as an effort to support the welfare of the surrounding community. The program covers social aspects (electricity assistance), assistance for activities in Umpang Village, education (teaching staff honors), scholarships for school children, honorarium assistance for the Head of the BPD, to the improvement of road infrastructure in Umpang Village. The program is prepared based on the results of discussions with community representatives, this is in line with the explanations of the Head of the BPD and the Secretary of the Umpang Village BPD.

Based on the document review and explanation from the representative of the sustainability manager, the company has partnerships that support plantation operations such as plasma development and replanting activities

Status: Comply

4.4

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

4.4.1

Based on interview with BPN of Kotawaringin Barat, as well as with surrounding communities, it was known that there are no customary rights within estate operational areas. Unit of certification has **Land Title (HGU)** that covers **8,921.38 ha**, as refers to several documents, as follows:

- Decree of BPN Head No. 35-HGU-BPNRI-2007 dated 18 September 2007 that valid for 35 years in 2042. From this Decree, issued HGU Certificate No. 45 dated 28 November 2007 for area covers **5,922.07 ha**. This HGU is situated in the Village of Runtu and Village of Umpang, Sub District of Arut Selatan, District of Kotawaringin Barat.
- Decree of BPN Head No. 36-HGU-BPNRI-2007 dated 18 September 2007 that valid for 35 years in 2042. From this Decree, issued HGU Certificate No. 46 dated 28 November 2007 for area covers **2,999.31 ha**. in Siak. This HGU is situated in the Sub District of Arut Selatan and Sub District of Arut Utara, District of Kotawaringin Barat.

4.4.2

Unit of certification has shows evidence that land compensation had conducted voluntary through participative ways and fair negotiations, also involving surrounding communities elders and leaders. For example, land compensation during 2010 is presented in the following Table

Month	Payment	Number of	Total	Compensation
-------	---------	-----------	-------	--------------

	Date	Land Owner	Area (ha)	(IDR)
January	07 & 19 Jan 2010	5	37.75	60,195,000
February	23 Feb 2010	4	22.10	33,940,000
March	15-17 Mar 2010	3	6.75	40,832,500
April	15 Apr 2010	3	14.44	41,060,000
May	31 May 2010	1	0.35	5,700,000
November	03 Dec 2010	4	12.42	29,142,500

The CH has shown that land acquisition has been done through by negotiation. Based on field visits and interviews elderly in (including previous land owner) obtained information if currently there is no issue related land tenurial or land disputes between the CH and other parties. The whole area that managed by the CH has been compensated. The compensation process involved all community witnessed also by the Village Head, Sub district head and others relevant parties. Records of land compensation process consist of: document of land identification and inventory, land location maps, statement of release of land rights by owner, Receipt of Payment, Minutes of compensation/Compensation and witnesses. This is stored in their respective estate according to the location of the land. Until the audit was carried out, there was no written complaint from the community regarding the land dispute

Furthermore, statement letter which informed that process of compensation or acquisition has conducted through FPIC manners and did not diminish any legal rights and/or customary rights is presented in several documents, for example as follows:

- Letter No. 001/MMS-SYE/SP/II/2013 dated 23 January 2013 for area covers 2.72 ha owned by Hanimah, with value of compensation about IDR 27,200,000.-.
- Letter No. 012/MMS-SYE/SP/IV/2013 dated 23 January 2013 for area covers 10.95 ha owned by Hamdi, with value of compensation about IDR 131,400,000.-.
- Book No. 31 with Letter No..../MMS/HMS/XI/2017 dated 27 September for area covers 84.43 ha owned by M. Djauhari Saidnor, Maria Ulfah and M. Ali Badri, with value of compensation about IDR 900,000,000.-.

Land compensation is summarized in the following Table:

Year of Compensation	Area (ha)	Land Owners Compensated
2006	608.56	84
2007	4,993.55	459
2008	1,228.20	144
2009	230.20	46
2010	93.81	20
2011	158.22	26
2012	262.35	36
2013	17.49	3
2016	16.72	9
2017	84.43	3
Total	7,693.53	830

Participative map of land compensated, statement from Head of Village about land status, witnesser, and list of compensation points were available. Apart from company and land owners signature, all compensation payment and negotiation has involving RT, Head of Village and Head of Subdistrict

4.4.3

Participative map has conducted for every compensation process, involving and must be agreed by the land owners of compensated borders. The partisipative map has also signed by land owner, land owners from every borders, head of Village, RT, RW and witnesser. Example of land map situation has sighted and further mentioned in Indicator 4.4.2.

4.4.4

Based on interview with representative of BPN, previous land owners and surrounding communities, it was known that process of compensation has been carried out smoothly, transparent, voluntary and fair through participative and FPIC approach. Land compensation process has been recorded on several documents such as: certificate of compensation letter, head of village information letter regarding land ownership status, land testimony of sided borders, payment receipt, etc. All documents mentioned above are available in Bahasa and signed by the respective parties. Thus, it could be concluded that process of compensation or acquisition has conducted through FPIC manners and did not diminish any legal rights and/or customary rights.

4.4.5

Based on land compensation document review and interview with previous land owners, it was known that the land owners has directly involves in the process of negotiation.

4.4.6

Land compensation has final as the unit of certification obtain the land title (HGU) and there is no new land compensation negotiations process. All compensation process in the past has conducted through participative and FPIC approach, without any conflicts. Based on interview with village representative (Head of Umpang Village; Head of Nanga Mua Village; Umpang Village Secretary) , lot of village occupants works as company employee. information on towards job vacancy was transparent with fair recruitment process. furthermore, socialization regarding existence of HCV area has been carried out by estate unit. village community is suggested to be involved in HCV management through socialization. so far there were no conflict regarding HCV existence.

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 new land acquisition since the unit of certification has obtained the last land title (HGU) Certificate in 2007, and there is no new planting conducted. Identification of legal and customary rights had been settled up since 2017.

Based on interview with representative of BPN, previous land owners and surrounding communities (Head of Umpang Village; Head of Nanga Mua Village; Umpang Village Secretary) it was known that process of compensation has been carried out smoothly, transparent, voluntary and fair through participative and FPIC approach. Process of compensation or acquisition has conducted through FPIC manners and did not diminish any legal rights and/or customary rights.

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

Procedure of land acquisition matters is presented in several documents, as follows:

- Procedure No. SOP-LEGAL.GN-014 dated 18 June 2012 about land conflict resolution.
- Procedure No. SOP-SPD.GN-001 dated 01 Janury 2015 about land preparation or land clearing.
- Procedure No. SOP-SPD.GN-002 dated 01 Janury 2015 about land acquisition.

Based on review towards procedures mentioned above, it could be concluded that the procudure has considering legal, traditional, customary, utilization, tenure and gender rights aspect.

4.6.2 – 4.6.4

There is no new land acquisition since the unit of certification has obtained the last land title (HGU) Certificate in 2007, and there is no new planting conducted. Identification of legal and customary rights had been settled up since 2017. Furthermore, based on interview with representative of BPN, previous land owners and surrounding communities, it was known that process of compensation has been carried out smoothly, transparent, voluntary and fair through participative and FPIC approach. Process of compensation or acquisition has conducted through FPIC manners and did not diminish any legal rights and/or customary rights.

	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 Procedure of land acquisition matters is presented in several documents, as follows: <ul style="list-style-type: none"> • Procedure No. SOP-LEGAL.GN-014 dated 18 June 2012 about land conflict resolution. • Procedure No. SOP-SPD.GN-001 dated 01 January 2015 about land preparation or land clearing. • Procedure No. SOP-SPD.GN-002 dated 01 January 2015 about land acquisition. <p>Based on review towards procedures mentioned above, it could be concluded that the procedure has considering legal, traditional, customary, utilization, tenure and gender rights aspect. However, there is no new land acquisition since the unit of certification has obtained the last land title (HGU) Certificate in 2007, and there is no new planting conducted. Identification of legal and customary rights had been settled up since 2017.</p> 4.7.2 Procedure regarding land compensation including calculation towards compensation payment has mentioned in Indicator 4.7.1. Based on compensation record from 2006 to 2017, it was known that compensation had conducted to 830 previous land owners for area covers totaling about 7,693.53 ha. Participative map of land compensated, statement from Head of Village about land status, witnesser, and list of compensation points were available. Apart from company and land owners signature, all compensation payment and negotiation has involving RT, Head of Village and Head of Subdistrict.		
4.7.3 Unit of certification has shows evidence that land compensation had conducted voluntary through participative ways and fair negotiations, also involving surrounding communities elders and leaders. Statement letter which informed that process of compensation or acquisition has conducted through FPIC manners and did not diminish any legal rights and/or customary rights is presented in several documents, for example as follows: <ul style="list-style-type: none"> • Letter No. 001/MMS-SYE/SP/II/2013 dated 23 January 2013 for area covers 2.72 ha owned by Hanimah, with value of compensation about IDR 27,200,000.-. • Letter No. 012/MMS-SYE/SP/IV/2013 dated 23 January 2013 for area covers 10.95 ha owned by Hamdi, with value of compensation about IDR 131,400,000.-. • Book No. 31 with Letter No. .../MMS/HMS/XI/2017 dated 27 September for area covers 84.43 ha owned by M. Djauhari Saidnor, Maria Ulfah and M. Ali Badri, with value of compensation about IDR 900,000,000.-. <p>Some benefit obtained by the land owners was become a part of development of plantation community, as shows in document of Agreement with Cooperative Smallholder, as follows:</p> <ul style="list-style-type: none"> • Agreement No. 001/LGL/KBN/MMS-Citra Mua Sejati/IV/2013 dated 16 April 2013 with smallholder group "Kelompok Tani Citra Mua Sejati" from Village of Nanga Mua, Sub District of Arut Utara, signed by both parties, Head of Village and Head of District (Head of Subdistrict). Planted area covers 115.00 ha for 150 members. • Agreement No. 19/LGL/KBN/MMS-SPM-Mitra Bina Suayap/X/2014 dated 07 October 2014 with smallholder group "Kelompok Tani Mitra Bina Suayap" from Village of Umpang, Sub District of Arut Selatan, signed by both parties, Head of Village, Head of Sub-District (Head of Subdistrict) and Head of Plantation Agency. Area covers 27 ha for 62 families. 		
	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 There is no change from previous assessments related Land Acquisition SOP, Land Clearing SOP and Land Resolution Conflict SOP. In that's procedure described related land acquisition, land clearing process and land dispute resolution, <p>Based on field visits and interviews elderly in (including previous land owner) obtained information if currently there is no issue related land tenurial or land disputes between the CH and other parties. The whole area that managed by the CH has been</p>		

compensated. The compensation process involved all community witnessed also by the Village Head, Sub district head and others relevant parties. Records of land compensation process consist of: document of land identification and inventory, land location maps, statement of release of land rights by owner, Receipt of Payment, Minutes of compensation/Compensation and witnesses. This is stored in their respective estate according to the location of the land. Until the audit was carried out, there was no written complaint from the community regarding the land dispute.

Proses of land compensation had carried out during 2006 to 2017, implemented to 830 previous land owners with total compensated areas for about 7,693.53 ha. Participative map of land compensated, statement from Head of Village about land status, witnesser, and list of compensation points were available. Apart from company and land owners signature, all compensation payment and negotiation has involving RT, Head of Village and Head of Subdistrict. However, according to hectare statement, it was known that there is existing occupation areas within PT MMS land title (HGU), totalling for about 2.91 ha. Unit of certification did not forced the respective land owners for any compensation process. Based on interview with representative of BPN, previous land owners and surrounding communities, it was known that there is no land conflict existed.

4.8.2; - 4.8.4

As explained in Indicator 4.8.1, it was known that currently there is no land conflict within estate operational areas.

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, 5.1.2, 5.1.3, 5.1.4, 5.1.5 and 5.1.6

PT. MMS in collaboration with PT. Multi Usaha Abadi (PT. MUA) in terms of procuring the sale and purchase of FFB at a price as agreed in the FFB sale and purchase agreement. In addition, PT. MMS received FFB from plasma including Citra Mua Sejati plasma and Mitra Bina Suayap plasma. The price of FFB received by plasma is in accordance with the FFB price that has been determined by the District Plantation Office. Kotawaringin Barat and direct communication is carried out every time there is a decision on the FFB price from the Disbun. In addition, farmers and cooperatives know the price of FFB every month on the SHU distribution sheet. Agreed payments are made in a timely manner and a receipt is provided explaining the price, weight, deductions and amount paid. For example, there is proof of payment of FFB from plasma, including:

- TBS Plasma Bina Suayap Partners Per. April 2022 a total of 11310 Kg with proof of payment Voucher No. 0059/BPR LS443 IDR MMSPKN/PV/08/2022 Date 12/08/2022
- TBS Plasma Citra Mua Sejati Per. July 2022 a total of 15,310 Kg with proof of payment Voucher No. 0019/BPR LS443 IDR MMSPKN/PV/08/2022 Date 09/09/2022

Plasma Citra Mua Sejati and Plasma Mitra Bina Suayap are fully regulated through the management of PT. MMS, for example there is a Cooperation Agreement between PT. MMS with Mitra Bina Suayap Farmer Group No. 19/LGL/KBN/MMS-SPM-Mitra Bina Suayap/X/2014 dated October 7th, 2014 which was known by the Head of Umpang Village, Head of South Arut Sub-district and Head of District Plantation Service. West Kotawaringin. The term of this agreement follows one cycle of oil palm plantation cycle, which is 25 years or in accordance with the agreement of the Parties based on considerations of economic feasibility

5.1.7

PT. MMS has shown the results of re-calibrating 2 units of scales carried out by the Department of Industry, Trade, Cooperatives, Small and Medium Enterprises West Kotawaringin Regency on 27th to June 30th 2022. Based on the minutes of testing by means of cross check in out weigh bridge, corner load setting, repeatability test and calibration using standard stone and ballast, it is known that the test results are in accordance with the permitted error limit according to the regulations applicable laws

5.1.8

Based on the results of the document review and interviews during the ASA 1.1 Assessment, it is known that the company has RSPO certified plasma under the name of the Independent Oil Palm Smallholders Association (APKSM). APKSM accompanied by PT Sawit Sumbermas Sarana is registered as a member of the RSPO with number 1-0279-19-000-00.

5.1.9

The CH has a complaint mechanism for farmers in the procedure for handling complaints and stakeholder complaints. SOP-SUST.GN-009 which was ratified on December 28th, 2021 by the President Director of PT. MMS. The process of submitting complaints includes stakeholders submitting complaints directly or contacting the company's call center. The communication staff records the complainant's complaint into the complaint form and re-verifies to the reporter whether the recorded report is in accordance with the complainant's complaint. The communication staff reports to the complaints committee and will be followed up 1 day after the complaint file is reviewed. The communication staff will prepare a follow-up plan for resolving the complaint with all relevant parties for 3 working days. The deadline for resolving complaints will be adjusted to the follow-up to the settlement that has been agreed.

Status: Comply

5.2

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

5.2.1

Based on interview with village representative, socialization towards RSPO in order to enhance social economic for its members has been conducted by estate management. apart from that, it also giving knowledge on how to manage estate better through best management practices in oil palm cultivation, by considering work safety and environment factor. However, involvement in RSPO scheme is informed as voluntary.

Currently, PT SSMS has engaged 2 farmer groups to participate in the oil palm certification program, namely APKSM and Bumdes Mekarmulya. APKS Since 2019 has been certified and continues to grow and is currently targeted at 1500 Farmers by 2023 Bumdes Mekarmulya is in the process of obtaining an RSPO certificate, targeted at the end of 2022 to be audited by the RSPO by involving 160 farmers with a total area of 550 Ha. The engagement process has started from March 2022

5.2.2

Development of smallholder livelihood has conducted through BMP related training. however, RSPO is basicly voluntary and trend interest is expected to be increased on the coming years. however, estate management is ready to assisting RSPO implementation for smallholder

5.2.3

Based on the results of interviews with representatives of smallholder cooperative, it was known that the company has provided assistance towards managing the legality of land owned by farmers through assistance in the management of Ownership Certificates since the beginning of the development of oil palm plantations or agreement has being made. In addition, at the beginning of the development of smallholder/cooperative oil palm plantations, the company provided assistance in providing certified oil palm seeds.

5.2.4

Training of pesticide application and its management has conducted by estate management to smallholders on March 2019 and 13 April 2021. Based on interview with committee of Citra Mua Cooperative, it was known that socialization or training towards BMP has periodically carried out by estate management, as the procedure refers to PT MMS procedure.

5.2.5

The unit of certification regularly reviews and publicly reports on the progress of the smallholder support programme in the sustainability reports which updated every years. The report can be accessed in the company website.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

6.1

Any form of discrimination is prohibited.

6.1.1

Certification unit has a commitment to respecting human rights and describe in the Equal Employment Opportunity Policy, it stated that CBI Group committed to provide equality in employment opportunities to every employee. It also stated that the

certification unit's beliefs and labor standards confirm that the certification unit will not discriminate in every decision-making related to all workers, promotion or retire works/ candidates based on race, color, sex, age, social class, religion, sexual orientation, politics, or disability.

Based on the workers' recruitment document, certification unit had provided equal opportunities in recruitment and operational activities. In addition, in Company's Regulation period 2021-2023, it stated the qualifications of workers and there were no requirements that refer to discriminate against gender, race or ethnicity, disability, sexual orientation, age, or belief.

6.1.2

The certification unit shows an employee list document that informs religion, ethnicity and gender for the period July – September 2022. From the document it is known that the employees in each unit come from different regions, for example: Cilacap, Sleman, Binjai, Purworejo, Kebumen, Purbalingga, Lumajang, Flores and Blitar. From the document it is also known that the employees who work consist of Muslims, Catholics, and Protestant Christians.

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

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

6.1.3

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

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

- a. Job vacancies dated August 15, 2022 for harvesting and upkeep workers who will be placed in Umpang Estate.
- b. Job application letter for prospective employees with the initials LD dated August 25, 2022. Attached documents sent by prospective employees are the latest education certificate, police record, identity card, and family card.
- c. Recapitulation of non-structural employee performance appraisal for employees with the initials SL with casual daily worker status with a job as a tractor operator. The assessment is carried out by the direct supervisor with 11 assessment criteria. From the results of the assessment, it is known that employees with the initials SL get a value of 4 with a promotion recommendation to become a permanent daily worker.
- d. Promotion document in the Decision Letter of Estate Manager which states that the employee with the initials SL is appointed as a permanent employee from his previous status of casual daily worker.
- e. Suayap Estate employee leave form with initials RF for 12 working days starting August 15, 2022. The leave has been approved by the Assistant Head and Estate Manager.
- f. Umpang Estate employee leave form with the initials RM for 15 working days starting August 15, 2022. The leave has been approved by the Assistant Head and Estate Manager.

6.1.4

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

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

6.1.5

The certification unit has a gender committee in each unit. The certification unit in this case shows the Estate Management Decree No. 003/MMS/-UPE/MM/VII/2021 dated July 1, 2021. A gender committee has been formed chaired by the chair of the committee and coordinators in several sections and there are representatives in each unit. Based on the verification of the

organizational structure of the gender committee document revealed that the management consisted of female and male workers. The main purpose of establishing a gender committee is to provide a forum that can accommodate the aspirations or complaints of workers (women and men), as certification unit partners in carrying out socialization activities related to gender and other policies related to workers' reproductive rights.

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

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

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 and daily employees in 2022 based on the Decree of the Governor of Central Kalimantan No. 188.44/445/2021 concerning the 2022 District Minimum Wage. The decree stipulates the minimum wage for the estate and mill sector at IDR 3,077,218. 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 machine room operators and mill security for the period of August 2022 where overtime payments have been paid in accordance with applicable regulations and the working hours of employees.

The certification unit also has a document on the structure and scale of wages set by the CEO on October 10, 2022. In the document it is known that the minimum wage is IDR 2,900,000, the medium wage is IDR 4,250,000, the maximum wage is IDR 5,600,000. Based on document verification and interviews with management revealed that the structure and scale of wages applies to monthly employees. Meanwhile, permanent daily worker receive fixed allowances and in-kind allowances that are tied to the basic salary so that it can be concluded that permanent daily worker with a working period of more than 1 year have received basic wages above the minimum wage set by the local government.

It was further explained that the structure and scale of wages were determined based on years of service and an annual performance appraisal by each supervisor.

Status: Comply

6.2

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

6.2.1

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

- Job vacancies dated August 15, 2022 for harvesting and upkeep workers who will be placed in Umpang Estate.
- Job application letter for prospective employees with the initials LD dated August 25, 2022. Attached documents sent by prospective employees are the latest education certificate, police record, identity card, and family card.
- Work Agreement between PT MMS and the employee with the initials LD. The document explains the duties and responsibilities of employees, rights obtained by employees and the term of the work agreement.
- A doctor's certificate stating that the employee with the initials LD has undergone a medical examination with the results being healthy and ready to work.

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

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

The certification unit already has Company Regulations that have been ratified by the relevant manpower office based on the decree of the head of the manpower office No. KEP.63/DTT/HIJ-SYAKER/X/2021 dated 16 October 2021.

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

6.2.2

The certification unit shows the Company Regulation of PT Mitra Mendawai Sejati for the period 2021-2023 which have been ratified by the relevant manpower office based on the decree of the head of the manpower office No. KEP.63/DTT/HIJ-SYAKER/X/2021 dated 16 October 2021. The Company Regulation explains several things, including: work relations, employee career management, working days and hours, overtime work, leave, wages, workforce development, social security, OHS, work procedures for resolving complaints and industrial relations disputes. The Company Regulation has been conveyed to all workers through socialization carried out in stages in estate and mill starting from November 2021 - February 2022.

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

Based on verification of work agreement documents and employee salary slips for the July – September 2022 period, it is known that all work agreements have been registered to the manpower agency. Regarding employee payroll, the certification unit has implemented a structure and scale of wages for employees with a service period of more than 1 year.

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

Based on field observations and interviews with estate and mill employees, it is known that the certification unit has implemented labor regulations properly in accordance with applicable regulations. It was further explained that until now, there has never been a case related to employment.

6.2.3

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

1. Mill employee salary slip with employee number 13100056 for August 2022 period. The salary slip explains that employees get a basic salary in accordance with the prevailing wage structure and scale and receive benefits, attendance incentives and overtime whose calculations are in accordance with applicable regulations.
2. Suayap Estate employee leave form with initials RF for 12 working days starting August 15, 2022. The leave has been approved by the Assistant Head and Estate Manager.
3. Umpang Estate employee leave form with the initials RM for 15 working days starting August 15, 2022. The leave has been approved by the Assistant Head and Estate Manager.

Regarding the wages of employees who work more than 7 hours, the certification unit sets 2 payment systems, namely overtime and premiums. For payment with a premium system, it is intended for office employees who do not routinely work beyond working hours where work that exceeds working hours is only carried out at the time of employee payroll at the end of the month. The auditor in this case calculates overtime and premiums by conducting simulations based on working hours in August 2022. The simulation results of calculations between premiums and overtime for employees with the initials PL show that payments based on the premium system are higher than the overtime system.

Based on field observations and interviews with mill and estate employees revealed that the certification unit had paid employee wages and overtime in accordance with applicable regulations, further explained by the employee that there were no difficulties in applying for employee leave.

Based on field observations and interviews with harvester in each unit are known that the certification applies a penalty system for harvesting activities where the penalty system has been socialized to each employee every week during the morning briefing with the foreman and field assistants. As for the penalties given to employees related to remaining FFB, harvesting unripe fruit, harvesting overripe fruit, harvesting empty bunches, and not picking loose fruit cleanly.

6.2.4

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

Based on interviews with residents of Division OC (Umpang Estate) housing are known that the number of houses provided by the certification unit is sufficient and even excessive because there are employees who prefer to live in their own homes due to the distance of the house which is not far from the certification unit location.

6.2.5

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

Based on interviews with management representatives revealed that the calculation of a Decent Living Wage is based on actual and rational prices at the certification unit location.

6.2.6

The certification unit has calculated the prevailing wages and in-kind benefits based on the guidelines issued by the RSPO. Prevailing wages are taken from prevailing wages such as basic wages/ minimum wages. Meanwhile, in-kind benefits are taken from all costs incurred by the certification unit for the provision and maintenance of facilities provided by the certification unit to employees, such as electricity, housing, water, schools, health facilities, and baby care. For example, to calculate the in-kind benefit of housing, the costs considered in the calculation include building material costs, construction costs, and including maintenance costs for 25 years (technical considerations of buildings are feasible to use). The calculation result of prevailing wages and in-kind benefits received by employees is IDR. 4,891,207/ month (Minimum wages in 2022, IDR. 3,077,218/ month + in-kind benefit, IDR. 1,813,989/ month).

6.2.7

In the previous assessment, there was non-conformity related to the main work is not carried out by permanent workers. The certification unit in this case shows evidence of improvement as follows:

- a. Socialization on employment relations and confirmation regarding casual and contractual daily workers conducted online on December 15, 2021. The certification unit can show documentation and attendance lists for these activities.
- b. Example of employee appointment document through Agreement No. 005/SK/PHT/MMS-UPE/I/2022 dated January 1, 2022. The agreement explained that harvesting employees (casual daily worker) with the initials MS were appointed as permanent employees.
- c. Example of employee appointment document through Agreement No. 099/MMS-PERS/SKM/SYE/III/2022 dated March 1, 2022. The agreement explained that harvesting employees (BHL) with the initials EM were appointed as permanent employees.

Based on the above, it is known that the non-conformity is declared fulfilled

In this assessment, all workers working in the certification unit are permanent workers. Since 2019 until now there are no longer migrant workers. For work that is permanent in its entirety by permanent workers. Non-permanent work employed by contractor

workers is maintenance workers in the plantation. For the work given to the contractor, it has completed the regulated requirements such as a work agreement, wages that match the minimum wage, providing PPE, being registered as a member of *BPJS*, the contractor has a business license (*SIUP*), certificate of company registration (*TDP*) and others.

Status: Comply

6.3

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

6.3.1

The certification unit has a policy regarding the freedom of workers to associate in the Decree of the Board of Directors No: 002/SSS-DIR/SKD/IV/2017 concerning Human Rights Policy dated April 1, 2017 which stipulates that the Management and all employees of PT. Sawit Sumbermas Sarana, Tbk and its subsidiaries are committed to upholding the values of Human Rights which are internationally recognized and stated in the bill of Human rights and the core conventions of the Declaration of the International Labor Organization on Fundamental Principles and Rights in the workplace, as well as Regulations relevant Indonesian.

Based on interview with management of LKS Bipartite known that the certification unit has accommodated employee rights to argued, associate and organize in a organization. Employees, including migrant and transmigrant workers and contract workers were allowed to form associations and bargain collectively with their employer. There was no migrant and transmigrant since August 2019.

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

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

6.3.2

Related to the regular meeting of the LKS Bipartite, the certification unit explained that meetings are only held when there are matters that need to be discussed with other members. In this case, the certification unit shows an example of documenting a worker union meeting, for example:

- a. Meeting on June 27, 2022 with the main discussion regarding prevention and control of work accidents in the field.
- b. Meeting on July 25, 2022 with the main discussion regarding handling cases of sexual harassment in the field.
- c. Meeting on August 29, 2022 with a discussion regarding safe and secure storage of work tools.

Based on the foregoing, it is known that the certification unit already has good documentation regarding the labor union's internal meetings.

6.3.3

The certification unit shows a document for the formation of a *LKS Bipartite* without any interference from the certification unit as follows Decree of the Head of the Manpower and Transmigration Department of Kotawaringin Barat District No. KEP. 61/DTT/HIJ-SYAKER/X/2021 dated October 21, 2021 regarding the *LKS Bipartite* of PT Mitra Mendawai Sejati Cooperation Institution for the 2021-2023 term of service

Based on interview with the *LKS Bipartite* management revealed that the certification unit fully supports all organizational activities without any intervention.

Based on interviews with estate and mill workers found that workers were satisfied with the performance of *LKS Bipartite* in handling every worker complaint that came in. So that until the audit activities were carried out there was no intention on the part of the workers to form a labour union.

	Status: Comply	
6.4		
Children are not employed or exploited.		
<p>6.4.1</p> <p>The certification unit has a policy regarding the age requirements of workers in the Decree of the Board of Directors No. 002/SSS-DIR/SKD/IV/2017 concerning Human Rights Policy dated April 1, 2017. The policy explains that the certification unit does not employ children. The certification unit strictly enforces this policy in any case related to work. The certification unit will equate matters relating to the policy of employing children to contractors and related parties in the work process and become an inseparable part of the contract. The policy was socialized to workers on 20 June 2022 and to the contractor in 22 June 2022.</p> <p>This policy has been socialized to all employees in each estate, mill and local contractor. The certification unit can show documentation, attendance list and information dissemination of the policy.</p> <p>Based on field observation and interviews with estate and mill workers, known that the minimum age for work is 18 years, and no workers found below the minimum age specified. This is supported by the results of a review of certification unit and contractor workers' document which proves that there are no workers under the age of 18 at the time of entering work, the youngest age of workers is 25 years old when entering work in 2019.</p> <p>6.4.2</p> <p>The certification unit shows a list of employees accompanied by date of entry and date of birth. In addition, an example of proof of recruitment is also shown in the form of a copy of the employee's ID card and family card. From these data it is known that there are no employees under 18 years of age when accepted to work at the certification unit.</p> <p>Based on field observations and interviews with estate, mill, and contractor employees revealed that there were no employees under the age of 18 when they started working.</p> <p>6.4.3</p> <p>The certification unit showed the list document of 2022 Student Internship. In the document it was explained that there were 7 students from SMK Sumbermas Sarana who did internships for 3 months from 27 June 2022. Based on interviews with management revealed that these students did internships in the processing department and administration.</p> <p>6.4.4</p> <p>Based on interviews with the gender committee and management of <i>LKS Bipartite</i> revealed that the workers had understood the rules regarding the prohibition of bringing children to work. The certification unit also showed the news of the socialization and education on child protection and development on June 20, 2022 attended by 20 participants.</p>		
	Status: Comply	
6.5		
There is no harassment or abuse in the workplace, and reproductive rights are protected.		
<p>6.5.1</p> <p>The certification unit has established a policy regarding the prevention of sexual harassment and violence as stated in the Decree of the Board of Directors No. 002/SSS-DIR/SKD/IV/2017 concerning Human Rights Policy dated April 1, 2017. The letter explained that all employees have the right to work in an environment free from harassment of any kind, including harassment based on religion, disability, gender, sexual orientation, political persuasion, race, marital status, ethnicity or age. All reports of discrimination or harassment will be handled properly and kept confidential to obtain a fair statement in reducing the risk of harm. The certification unit will take firm action and immediately address employee harassment by management, co-workers or non-employees regardless of where and when it occurs.</p> <p>This policy has been socialized to all employees in each estate, mill and local contractor on 20 June 2022 took place at Afdeling Delta Suayap Estate. The company can show documentation and attendance list for the event.</p>		

Based on interviews with the gender committee management and female employees in each unit revealed that in the last 2 years there were no cases of sexual harassment.

6.5.2

The certification unit has established a policy regarding the protection of reproductive rights, especially for women as stated in the Decree of the Board of Directors No: 002/SSS-DIR/SKD/IV/2017 concerning Human Rights Policy dated April 1 2017. The policy explains that the certification unit will follow all applicable regulations relating to reproductive rights, including the right to maternity leave, and will provide pregnant and lactating women with tasks that do not pose a health risk to themselves or their children. The policy has been socialized to all employees, starting from implementing workers, contractors, staff and their own management. This is evidenced by the existence of warnings with the sexual harassment, violence at work/reproductive rights at several points of operational locations, then the results of interviews with related workers and contractors stating that they understand these policies.

Based on documents verification related to reproductive rights, it is known that female workers have received the same benefits as male workers, including rice allowance with the same value as workers, given the same freedom of association, getting leave menstruation (H1) and maternity leave (H2), getting special time to breastfeed while working and placing the location/type of work that is not related to chemicals or other hazardous areas.

Based on interview with committee gender, estate and mill worker known that the policy had disseminated to workers through gender committee meetings with workers and in the last year period, that hasn't any issue/ incident related to sexual harassment, violence at work/ reproductive rights. All of the same benefits have been obtained by all female workers, starting from the provision of wages, leave, promotions, rice allowances, and other benefits, including the provision of special time while working to breastfeed their children.

6.5.3

In the previous assessment there was a discrepancy regarding the lack of an assessment of the new mother's needs. The certification unit in this case shows evidence of improvement as follows:

- a. Employees who are pregnant and breastfeeding are not allowed to do work related to chemicals.
- b. Mothers who are breastfeeding are given the right to give exclusive breastfeeding for 1 hour outside of rest hours.

Based on the above, it is known that the non-conformity is declared fulfilled

The certification unit shows the document for the list of new mothers in 2022. From the list, it is known that from January to June 2022 there were 13 employees.

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

6.5.4

The mechanism for submitting complaints is open to all affected parties, resolve disputes in an effective, timely and appropriate manner was described within Procedure of Communication and Consultation with the Community (SOP-LEGAL.GN-13), procedures of Land & Land Conflict Resolution (SOP-LEGAL.GN-014), procedure of Handling of Employee Complaints (SOP-PERS.GN-017), and Company Regulations. The procedure includes ensuring anonymity of complainants and whistleblowers. Further explained that If the complaint is not resolved by deliberation and consensus, then the certification unit and the party submitting the complaint want a resolution through the Mediation Forum. The Mediation Forum meeting must take place at the location of the third party or other agreed place of neutrality.

Besides that, the certification unit has formed gender committee for handling the harassment issue around female workers. Complaint can be submitted to board of gender committee, or their foreman. Based on interview with the board of gender committee, the certification unit provides the female worker with menstrual leave, pregnant and nursing leave for about 3 months.

Pregnant and nursing female worker is prohibited to work related to chemical. And also, certification unit give special breast feeding time for female worker, but prohibit the worker from working with chemical material.

Status: Copmply

6.6

No forms of forced or trafficked labour are used.

6.6.1

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

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

6.6.2

There are no migrant workers who work in the certification unit's operational area. All workers come from within one country (although from various regions). In addition, each worker has been provided with a clear work contract. The rights and obligations of workers are also clearly stated in certification unit regulations, company regulation, and in work agreements. Based on the employee list, it is known that all employees are permanent and 3rd party worker. In addition, based on interview with LKS Bipartite management sighted that so far, there has never been a penalty for termination of employment, bonded labour practices, withholding wages, and forced overtime.

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 certification unit shows the document ratifying the OHS committee organizational structure through the Decree of the Head of the Manpower and Transmigration Office of Central Kalimantan Province with No. KEP. 89/DISNAKERTRANS/IX/2021 dated September 29, 2021. The document explains that Agustian is the secretary of OHS committee. The certification unit in this case shows the following documents:

- Decree of the Minister of Manpower of the Republic of Indonesia with No. 5/5641/AS.02.04/VII/2020 dated July 7, 2020 regarding the Appointment of OHS Expert on behalf of Agustian and valid for 3 years from the date of stipulation.
- OHS Expert Authority Card on behalf of Agustian with No. Reg. 13596/PK3/AJ/62/2020/P1 which is valid until July 7, 2023.

Based on interview result with Manpower Agency of Kotawaringin Barat District, revealed that the management unit has submitted the the manpower report and OHS report every 3 months. The guiding committee for occupational health and safety report covers the entire occupational health and safety activity within company's operation activity.

6.7.2

The certification unit has emergency and work accident response procedures (SOP – SUST.EHS-003 dated July 15, 2019), which are listed in the Emergency Response Procedure. These procedures, among others, regulate emergency response to fires, leaks, accidents, explosions, natural disasters, riots and pollution. In addition, there are also First Aid Procedures, Work Accident Reporting Procedures and Work Accident Investigation Procedures.

Company has emergency facilities and infrastructure such as fire extinguisher, first aid kit, hydrant, water tank, and other supporting equipment. Based on field observation in emplacement for e.g. known that hydrant is functioned properly and the fire

extinguishers there check and monitored every month (checklist of inspection provided in each fire extinguisher), also it is known that the contents of first aid box are available as determined by the company.

Based on the results of field visits at Mill and Offices, it is known that the company has completed signs for evacuation routes and assembly points in case of an emergency. In addition, based on the results of field visits in SYE and UPE, it is known that the foreman has been equipped with first aid kits and has understood how to use them.

6.7.3

The certification unit already has SOP for Personal Protective Equipment. The SOP explains the PPE standards for each job starting from harvesting, spraying, fertilizing, heavy equipment operators, loading FFB, mechanics, welders, manual maintenance, field staff, civil engineering, gardeners, foremen, warehouse officers, generator operators and solar tank activity.

The company can show the minutes of the handover of PPE where PPE is given 2 times per year. Based on the results of interviews with workers at SYM, SYE and UPE, it is known that workers have been equipped with PPE which is provided free of charge.

6.7.4

The certification unit shows proof of payment of *BPJS Kesehatan* and *BPJS Ketenagakerjaan* for estate and mill for the period June – August 2022. From the results of document verification, it is known that all workers have been included in the *BPJS Kesehatan* and *BPJS Ketenagakerjaan* program, for example: proof of payment for *BPJS Ketenagakerjaan* for the August 2022 period for 1750 employees paid on September 15, 2021 and for *BPJS Kesehatan* for the August 2022 period paid on August 10, 2022 for 1513 employees, there is a difference of 237 employees where based on the document verification it is known that 237 people are included in the contribution assistance category (*PBI*).

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

Based on verification document of work accident show that work accidents that occur within 1 year are only work accidents with a minor category and can be handled by the certification unit's clinic facilities so that there are no work accident claims.

6.7.5

The company has recorded the number of work accidents and the number of days lost in each unit, for example LTA for the period January – August 2022 with the number of work accidents as much as 47 times and the number of days lost as much as 8 days where the company has calculated the Fatality Rate and Severity Rate.

Status: Comply

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

7.1

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

7.1.1

The company is still using SOP-KBN.GN-007 which was ratified on February 1, 2015. The procedure for setting up an early warning system is routine enumeration of potential pests and diseases, with emphasis on mechanical and biological control, such as planting beneficial plants (*Turnera subulata*, *Cassia coganensis*, and *Antigonon leptopus*) to anticipate fire caterpillars, as well as installation and monitoring of gupons (owl cages) to anticipate rat attacks. The procedure also sets an economic threshold for each pest and disease, that chemical control is only carried out if the attack is above the economic threshold.

Based on document review and interviews with the person in charge of IPM, it is known that the pest and disease census is carried out regularly every month. If the census results show pest and disease attacks above 5%, it will be continued with chemical control according to R&D recommendations

7.1.2

The company shows the types of flora and fauna in the Manage company area. The list of flora and fauna species in the company does not contain invasive species in accordance to Environment and Forestry Minister Regulation number P.94/MENLHK/SEKJEN/KUM.1/12/2016. As for the plantation management, the types of plants used for beneficial plants are *Turnera* and *Antigonon*. Both types are not included in the invasive type. Based on the results of a field visit to Alfa Division Block D18, Suayap Estate found that the company only planted beneficial plants such as *Turnera* and *Antigonon* where the growth and distribution were controlled by the company.

7.1.3

Based on interviews with management representatives, field workers and the surrounding community, there is no indication of the use of fire materials for pest control. From the results of field observations at SYE and UPE there were no indications of burning. The company also does not use certain species to control pests and diseases.

Status: Comply

7.2

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

7.2.1

The certification unit already has a justification for pesticide application in the form List of Agrochemical Recommendation 2022 for controlling weeds, pests and diseases in palm oil plantations, for example weed *Stenochlaena palustris* with the active ingredient glyphosate, Horn beetle using the active ingredient pesticide Deltamethrin, etc.

7.2.2

The certification unit can show records of pesticide use carried out at SYE and UPE for example use in July 2022 with active ingredient Isopropyl Amine Glyphosate 480 g/l, LD50 4,467.0 mg/kg, active ingredient 480 g/l, total usage 186 liters, total active ingredients 89.3 kg, total area of application 744 Ha, total active ingredients per application 0.12 kg

7.2.3

CH has documented the use of pesticides for all estate, for example the use of pesticides in SYE Estate for the period 2020-July 2022, for example Starlon 665 EC (active ingredient: *Triklopir Butoksi Etil Ester 665 g/l*) where respectively the use in 2020-2022 is 309 liters; 162 liters and 22 liters. From the use of pesticides above known that the CH has reduced the use of pesticides from year to year.

7.2.4

Steps taken to avoid the emergence of resistance in target species are done such as the rotation of pesticide use. There is no Prophylactic usage of pesticide. Based on interview with management representative the economic threshold of 5% according to the procedure is being implemented. The company is currently optimizing the usage of *Turnera* and *Antigonon* to tackle caterpillar pest.

7.2.5

The certification unit does not use WHO class 1A and 1B pesticides, or is included in the Stockholm convention ratified in Law No. 19 of 2009, and does not use paraquat. For example, the use of pesticides in SYE with the active ingredient Triclopir (WHO class 3 = broad leaf weed), Deltamethrin (WHO class 2 - *Oryctes rhinoceros*), and saflufenacil (WHO class 2 - ferns)

7.2.6

The certification unit has conducted training for workers related to pesticides, for example the socialization carried out by the QHSE Assistant regarding safety work using chemicals and MSDS to spray workers on 29 July 2022 in Afdeling Alfa SYE and socialization of safety work practices using chemicals at Afdeling Alfa UPE on 07 May 2022.

7.2.7

The result of observations from the Agrochemical Warehouse in UPE, known that agrochemicals and agrochemical waste have been managed properly where MSDS, emergency response facilities and types of pesticides are available.

Based on the explanation above, known that CH has handled Hazardous Chemicals referring to PP No. 74 of 2001 concerning Management of Hazardous and Toxic Materials.

7.2.8

The CH can shown documents for recording and monitoring used pesticide containers by using a logbook of incoming and outgoing goods at the Agrochemical warehouse. In addition, the company also has a pesticide storage procedure contained in the Hazardous and Toxic Waste Management Procedure with the Number SOP-SUST.EHS-002 dated February 01st 2020. The SOP explains the details of the procedure including the person in charge of waste, waste classification, storage and handling of chemicals, waste management methods, approval for transportation of Hazardous and toxic materials waste, waste transfer, management and handling of Hazardous and toxic materials waste of employee vehicles and inspection of incident reporting and emergency response. On April 2nd, 2022, the company has conducted socialization to employees related to Hazardous and toxic materials and the environment, including Hazardous and toxic materials waste management.

Based on field observations at the agrochemical warehouse and hazardous waste storage area in Umpang Estate, it is known that the pesticide storage area is specially provided with adequate ventilation and an isolated location. Used pesticide packages classified as Hazardous Waste were also found stored in a well-monitored Hazardous Waste storage warehouse which was then handed over to licensed collectors.

Based on interviews with warehouse officers at Umpang Estate and Suayap Estate, it was found that all containers used for pesticide packaging were returned and sent to TPS LB3 at Suayap Mill and were not used for any other purpose other than pesticide application activities. All used packaging containers, work tools and work clothes are stored in a special storage area, so that no contaminated items are taken home. The results of observations in the employee housing area showed that no used pesticide packaging was found.

7.2.9

Workers also explained that pesticide mixing is conduct in the special place and after work, all of equipment and PPE was washed and stored in a special place that is in the house of premix area. The spraying team foreman also equipped himself with a first-aid kit with complete contents. Based on that interview and field observation, its known that there's no pesticide with aerial spraying.

7.2.10

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

7.2.11

The certification unit has an internal memorandum that prohibits pregnant and lactating personnel from working with chemicals. Based on interviews with several female spraying officers, it was found that there were no pregnant or lactating female officers who worked with pesticides. However, the certification unit conducts monthly pregnancy tests and examinations to ensure that none of the chemical workers are pregnant. The auditor further obtained information that the personnel had understood that female personnel could not work with chemicals if they were pregnant or breastfeeding.

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 CH has identified waste resulting from operational activities contained in the Waste Type Identification document for Estate and Factory. The identification is grouped based on the activity that generates the waste, the name of the waste, the code of the waste, the type of solid or liquid, and its management. The determination and classification of waste codes uses Government Regulation number 101 of 2014. The company also has several procedures related to waste management and utilization, which are procedure Number SOP-SUST.EHS-002 which was approved by the President Director on February 01st 2020.

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

Hazardous and Toxic Waste

In the management of hazardous and toxic waste, the company does not re-use it but only does temporary storage located at Suayap Mill. The company already has a licensed hazardous waste storage area, namely the Temporary Storage Permit for Hazardous and Toxic Waste for PT MMS Suayap Mill unit based on the Decree of the West Kotawaringin Regent Number 660/26/DLH/VIII/2017 dated August 18, 2017 and is valid for 5 years, namely the date of 17 August 2022. Regarding the permit for temporary storage of hazardous and toxic waste PT. MMS has expired, on August 10th, 2022 the Company has submitted an application for integration of environmental approvals based on Government Regulation no. 22 of 2021. The company will integrate land application permits and increase the area for the drainage of liquid waste from the Suayap Factory to the plantation area. In addition, the Company applied for the integration of temporary storage of hazardous and toxic waste permits, emissions and domestic waste permits in environmental approvals. Based on this, the company has the opportunity to ensure that the temporary storage of hazardous and toxic waste permit has been renewed. **OFI.**

Hazardous waste stored in TPS LB3 Suayap Mill is transported by a licensed party once a year. The latest transportation is proven through the Electronic Manifest document and the official report of the transportation carried out on June 10th, 2022 by PT Semesta Langgeng Sentosa which is a licensed party. The company can show a cooperation agreement with the carrier, which is based on the document of the Cooperation Agreement Number 33/LGL/QHSE/MMS-SLS/XI/2019 which was made on November 1st, 2019 and is valid until October 30th, 2022. The company can also show the legality documents of the carrier such as a valid transportation permit from the Ministry of Environment and Forestry, a valid transportation permit from the Ministry of Transportation, as well as a Cooperation Agreement between the carrier and the licensed processor and/or user

Companies can also show documents for storing and handling Hazardous Waste in accordance with their SOPs and Government Regulation Number 101 of 2014. These documents include manifests, balance sheets, and logbooks. Based on the results of the document review by comparing the manifest, balance sheet and logbook, it can be seen that the data on waste transported on June 10, 2022 is in accordance with the data recorded in the balance sheet and logbook for the period before the transportation is carried out. The company records all waste that enters and leaves the warehouse properly so that waste management data can be tracked easily and there are no recording differences.

The results of the field visit to the hazardous waste storage warehouse at Suayap Mill indicate that the company has carried out hazardous waste management quite well. All obligations listed in the waste storage permit have been fulfilled, such as the availability of fire extinguishers, showers, eyewash, coordinates, alarms, first aid kits, oil traps and appropriate labeling. In addition to good lighting and air ventilation, the company also has drainage channels on the outside of the warehouse to anticipate pollution to the surrounding environment. The results of interviews with warehouse managers also show that managers fully understand the SOP for hazardous waste management and mitigation actions in the event of potential pollution. The company has also reported the results of hazardous waste management which is carried out every quarter with evidence of the PT MMS Suayap Mill Hazardous Waste Management Report Document Report for the Second Quarter 2022 which is reported to the Environmental Service of West Kotawaringin Regency on August 5, 2022 and to the Ministry of Environment and Forestry. on April 13, 2022 with proof of TTE ID 1659662098-1248.

Non-hazardous and toxic waste

Non-hazardous waste such as domestic waste and used fertilizer sacks is managed in the form of reuse for goods that can still be used. In addition, waste that cannot be reused will be collected, if it still has economic value such as scrap metal and used tires, it will be sold to parties who cooperate with the company. Non-hazardous waste that cannot be reused will be disposed of in landfills. The transportation of non-hazardous waste from employee housing or emplacement areas is directly disposed of into a landfill, and when the landfill is full, it will be stockpiled and put up signboards marking the opening and closing dates. The company has a policy regarding the prohibition of burning waste, including in landfill areas

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

Liquid, Solid and Air Waste

Solid waste from the FFB processing process in the form of empty leaves, shells and fiber is reused by the company as a substitute for fossil fuels (diesel) for electricity generation in boilers. Data on solid waste utilization is explained in more detail in indicator 7.9.1.

The CH has made use of POME by applying it to the Land Application. The regulation and management of POME are explained in more detail in indicator 7.8.3. In addition to air waste, the company has also made use of the Biogas Plan which produces 1.8 MWatt per 1 m³ POME.

7.3.2

Based on interviews with the Suayap Mill and Umpang Estate Warehouse Managers, it is known that they have an understanding of the handling of waste disposal, especially hazardous waste and domestic waste and its management as regulated in the company's procedures. Warehouse managers can also explain technicalities related to waste management, such as treatment of incoming and outgoing goods, recording and reporting, transportation periods, handling in case of an emergency and other actions regulated in company procedures. The results of the verification of the Hazardous Waste Logbook document also show that all incoming and outgoing waste has been properly documented and in accordance with the actual conditions. All hazardous waste generated in each division will be sent to the hazardous waste warehouse within a maximum of 1 week from the date the waste was generated, previously stored in a special room that has been provided in each division office.

The results of interviews with workers who live in the emplacement area also stated that the waste management carried out by the company was very good and regular. Garbage bins are provided properly, all waste disposal facilities have also been provided by the company such as organic and non-organic waste bins that will be replaced if damaged, hazardous waste warehouses and landfills. The resource persons also understand very well how to separate the types of waste they produce and what types of waste should not be reused. Respondents' understanding of waste management is the result of routine and consistent socialization and training as evidenced by the minutes that were held on August 30th, 2022 to staff and employees at Umpang Estate

7.3.3

The company does not do open burning to destroy waste, this can be proven from field observations in the housing area of the OB Division and OC Division of Umpang Estate, which did not find any traces of burnt waste. The results of interviews with employees also stated that they had never burned waste, because they were aware of the prohibition on burning activities and the sanctions they would receive if they burned them. Garbage from housing is disposed of in the bins provided and then transported to landfill and buried when it is full. The results of field observations in housing areas for OB and OC employees also show many warnings to prohibit waste burning activities as well as the dangers that can arise from burning activities. Interviews with workers in the OB Division housing also explained that the regulations regarding the prohibition of burning have been understood by all workers and strict action would be taken if they violated.

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; 7.4.2

The company has fertilization procedures in SOP-KBN.GN-003 signed by the President Director and effective February 01, 2021. This procedure contains guidelines for inorganic, EFB, and solid fertilization for Mature and Immature Plants. The certification unit has documented LSU and SSU data at SYE and UPE. LSU and SSU are conducted annually based on LSU Procedure No. SOP- RND.GN-002 dated September 1, 2011, and SSU Procedure No. SOP-RND.GN-031 dated October 1, 2015. LSU and SSU are carried out by the Department of Agronomy CBI (Citra Borneo Indah) which has been registered with KAN as a testing laboratory with number LP-1056-IDN in March and April 2021. Test parameters for LSU are N, P, K, Mg, Ca, B, Cu, and Zn. For SSU the test parameters are more or less the same as LSU, with the addition of C-organic levels.

The results of the document review and interviews revealed that the company has a fertilizer recommendation for 2022 which is based on the results of the 2021 soil and leaf analysis above.

7.4.3

The company shows Production and Utilization Data for Liquid and Solid Waste in 2022. The document shows EFB applications until July 2022 for SYE as much as 19,393.69 Tons. The results of the field visit at the Delta Division, Block M26 SYE, it is known that the company has applied 40 tons/ha of EFB per year.

7.4.4

Companies can show the realization of fertilization in 2022 which is carried out in accordance with fertilizer recommendations, for example the realization of fertilization for the period January - August 2022 UPE as much as 41%. According to the fertilizer recommendation document and explanation from company representatives, it is known that most of the fertilization plans will be carried out in the fourth quarter of 2022 so that the achievement of realization until August 2022 is still 41%.

Status: Comply

7.5

Practices minimise and control erosion and degradation of soils.

7.5.1

The unit of certification shows the UPE Marginal Area Map, the UPE Slope Map, and the SYE Slope Map. The following is the UPE Marginal Area Map, scale 1: 50,000, updated September 2019, made by a Cartographer, and approved by the Head of the Department of Soil and Survey SRS (Sulung Research Station), the data source for the Semi Detailed Soil Survey and Precision Agriculture, SRS, 2014, which informs the distribution of marginal areas in UPE.

The SYE Slope Map has a scale of 1: 50,000, updated December 2016, with data sources for the Shuttle Radar for Topography Mission, NGA and NASA. The map was made by Drafter, and approved by the Head of the Soil RnD Department of PT Sawit Sumbermas Sarana. This map informs the distribution of the area based on slope class, which is flat, wavy, wavy, slightly hilly, and hilly.

Based on the results of the field visit in the hilly area of Block I32 Echo Division, it is known that the management of the hilly area has been carried out by making terracing.

7.5.2

The unit of certification shows the UPE Marginal Area Map, the UPE Slope Map, and the SYE Slope Map. The following is the UPE Marginal Area Map, scale 1: 50,000, updated September 2019, made by a Cartographer, and approved by the Head of the Department of Soil and Survey SRS (Sulung Research Station), the data source for the Semi Detailed Soil Survey and Precision Agriculture, SRS, 2014, which informs the distribution of marginal areas in UPE.

The SYE Slope Map has a scale of 1: 50,000, updated December 2016, with data sources for the Shuttle Radar for Topography Mission, NGA and NASA. The map was made by Drafter, and approved by the Head of the Soil RnD Department of PT Sawit Sumbermas Sarana. This map informs the distribution of the area based on slope class, which is flat, wavy, wavy, slightly hilly, and hilly.

When the ASA1.1 audit was conducted, it was found that there were no new plantings or replanting. This is because the plant is still under 25 years old and still productive.

7.5.3

The unit of certification shows the UPE Marginal Area Map, the UPE Slope Map, and the SYE Slope Map. The following is the UPE Marginal Area Map, scale 1: 50,000, updated September 2019, made by a Cartographer, and approved by the Head of the Department of Soil and Survey SRS (Sulung Research Station), the data source for the Semi Detailed Soil Survey and Precision Agriculture, SRS, 2014, which informs the distribution of marginal areas in UPE.

The SYE Slope Map has a scale of 1: 50,000, updated December 2016, with data sources for the Shuttle Radar for Topography Mission, NGA and NASA. The map was made by Drafter, and approved by the Head of the Soil RnD Department of PT Sawit Sumbermas Sarana. This map informs the distribution of the area based on slope class, which is flat, wavy, wavy, slightly hilly, and hilly.

When the ASA1.1 audit was conducted, it was found that there were no new plantings or replanting. This is because the plant is still under 25 years old and still productive.

	Status: Comply	
7.6 Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.		
7.6.1; 7.6.2; 7.6.3 <p>The unit of certification shows the UPE Marginal Area Map, the UPE Slope Map, and the SYE Slope Map. The following is the UPE Marginal Area Map, scale 1: 50,000, updated September 2019, made by a Cartographer, and approved by the Head of the Department of Soil and Survey SRS (Sulung Research Station), the data source for the Semi Detailed Soil Survey and Precision Agriculture, SRS, 2014, which informs the distribution of marginal areas in UPE.</p> <p>The SYE Slope Map has a scale of 1: 50,000, updated December 2016, with data sources for the Shuttle Radar for Topography Mission, NGA and NASA. The map was made by Drafter, and approved by the Head of the Soil RnD Department of PT Sawit Sumbermas Sarana. This map informs the distribution of the area based on slope class, which is flat, wavy, wavy, slightly hilly, and hilly.</p> <p>Based on the results of the field visit in the hilly area of Block I32 Echo Division, it is known that the management of the hilly area has been carried out by making terracing.</p>		
	Status: Comply	
7.7 No new planting on peat, regardless of depth after November 15th, 2018 and all peatlands are managed responsibly.		
7.7.1; 7.7.2; 7.7.3; 7.7.4; 7.7.5; 7.7.6; 7.7.7 <p>According to the SYE and UPE soil maps sourced from the Semi Detailed Soil Survey, Soil Dept, R&D 2014, there is no peat area in the company area. In addition, based on the results of field observations, known that there is no indication of peatland in the company's operational area.</p>		
	Status: Comply	
7.8 Practices maintain the quality and availability of surface and ground water		
7.8.1 <p>Based on the ANDAL Document Addendum, RKL-RPL 2018, the results of the 2013 HCV identification, as well as a map of high conservation value areas, it is known that there are water sources in the operational area. Based on the document, it is known that the water source management plan is to test the quality of surface water on several rivers every 6 months, namely the Sintang River, Baah River, Kelalai River, and Umpang River. In addition, water quality testing is carried out in the Suayap PKS Office area, at the Estate Office, 1 Point at the Resident Well and the Application Land Monitoring Well. All tests were carried out by a KAN accredited laboratory (LP-024-IDN). Related to this, the company shows the results of testing the quality of surface water for the period of 1st semester of 2022 which was carried out on April 27th, 2022. The company carried out surface water testing with 26 indicators carried out at the sample points above. Based on the test results data for the 1st Semester 2022 period, there are no parameters that are above the quality standard.</p> <p>The results of interviews with employees of the OB & OC Division stated that there were never any complaints about river water. The results of interviews with the Chairman of the Umpang BPD and related agencies also did not reveal any negative issues related to the condition of the river water.</p> <p>The unit of certification also does not limit access to clean water, and all workers also have access to adequate clean water. Based on the results of field observations in the housing areas of OB and OC as well as interviews with workers, information was obtained that clean water facilities for housing were obtained from reservoirs and rainwater storage facilities. Drinking water testing is also carried out by the company to see the quality of drinking water taken from drilled wells carried out by a KAN accredited laboratory (LP-024-IDN) on April 27th, 2022. The results of testing the quality of drinking water also show that all parameters of the test results are still in accordance with the standards. The applicable quality is the Regulation of the Minister of Health Number 32 of 2017</p> <p>The CH has procedures on Guidelines for Sustainable Plantation Management, which include protection against HCV. Based on the results of document verification and field observations to several sampling locations, it shows that the company has carried out activities in an effort to improve water quality, including:</p>		

- Conduct socialization to all employees and the surrounding community to maintain water quality.
- Maintain the cleanliness of the environment around the water source and provide a sign prohibiting littering in the river.
- Report the results of the examination in accordance with the provisions of the applicable laws and regulations.
- Testing the quality of river water listed in the RKL/RPL report
- Management of erosion and surface water runoff, management of water in the lowlands and monitoring of surface water quality as stated in the implementation of RKL-RPL every semester.
- Waste water management using WWTP.
- Monitoring the use of water for palm oil processing and evaluating its use

7.8.2

The CH has procedures related to identification, management and maintenance of water sources and quality as stated in the Riparian Management Procedure and Areas Around Danu/Reservoir or Other Springs No. SOP-EHS.GN-027 which was ratified by the President Director on May 23rd, 2017. In the procedure it is explained that river borders must be protected at least 100 meters from the left and right of the big river and 50 meters from the left and right of the small river, for buffer areas in lakes are given a radius of 100 meters and springs with a radius of 200 meters. For the boundaries of rivers and lakes that have been planted, a stake or red paint is given on the radius as a marker for the Protected Area or Chemical Free Zone. The procedure is in accordance with Presidential Decree no. 32 of 1990.

The company has carried out border protection, carried out socialization to all parties involved in plantation operational activities to participate in carrying out water protection activities, making boundary markings, and monitoring water resources. The company also has topographic data in the form of maps with a scale of 1 : 55,000 covering Umpang Estate and Suayap Estate. The company shows a topographic map which shows that the dominant slope level ranges from 0 – 15 %.

The company continues to make efforts to manage water sources such as periodically monitoring the potential for pollution, testing surface water quality standards to ensure water quality is still within normal limits every semester, and marking the boundaries of chemical application areas in red. In addition, the company also conducts socialization to employees and the surrounding community in conservation efforts which can be proven based on the minutes of socialization to Umpang Estate workers on April 12th, 2022 and there are sign boards related to HCV at several predetermined points

7.8.3

The CH has facilities for the management of POME produced from palm oil processing with a capacity of 60 Ton FFB/hour using WWTP. POME which has been managed at WWTP is then disposed of to the designated land application area according to the permit obtained by the company from the Investment and One Stop Service Office No. 503/014/LH/DPMPTSP.D June 14th, 2019 which is valid until July 8th, 2024. Before being distributed to the land application area, all POME is included in the WWTP to reduce pollutant elements so that it is suitable for application, namely the BOD does not exceed 5,000 mg/Lt and the value The pH ranges from 6 to 9. The waste treatment facilities owned are 6 ponds consisting of 1st Cooling pond and 5th Anaerobic Ponds and the outlet is in the 3rd anaerobic pond.

To determine the feasibility of POME quality, the company conducts monthly testing using quality standards that refer to the Ministry of Environment Decree Number 5th of 2014. The company can show evidence of the results of POME quality measurements in the form of test results documents carried out by a laboratory accredited by KAN (LP-024- ID). Based on the results of the analysis of the test results for the period January - August 2022, it shows that all parameters are in accordance with the applicable quality standards. This shows that the POME generated from FFB management activities is suitable for land applications.

In accordance with Permen LH No. 28 and No. 29 of 2003 concerning Permits for Assessment and Permits for Utilization of Liquid Waste to oil palm plantations, then after obtaining Permits for Assessment and Utilization of Liquid Waste, PT. MMS conducts monitoring of parameter tests for BOD, COD, pH, Oil & Fat , Pb, Cu, Cd and Zn periodically every 1 (one) month conducted by PT. MMS. Based on the results of PT SUCOFINDO's analysis for the January to August 2022 test period, there were no results of testing the quality of liquid waste that exceeded the Threshold Value (NAV).

The company has also reported the results of liquid waste management which is incorporated in the RKL-RPL report every 6 months to the District Environmental Office. Kotawaringin Barat, Central Kalimantan Province. The reporting of RKL RPL for the

1st semester of 2022 has been reported on August 5th, 2022 through the SIMPEL application (Electronic Environmental Reporting Information System) with No ID TTE 1659661987-1248.

7.8.4

The CH already has a Surface Water Utilization Permit for PT MMS Suayap Mill unit based on the Decree of the Regent of West Kotawaringin Regency Number 205 dated December 28th, 2017 and is valid for 5 years until January 18th, 2023. In the document there is a provision for a quota of surface water intake of 1,620 m³/day or 48,600 m³/day. The location for taking water is at coordinates x: 582349, point y: 9748027 is located on the Arut River, Umpang Village, Arut Selatan District, Kab. West Kotawaringin.

The company can also show documents for recording daily water use, as well as the results of the recapitulation of water use for palm oil processing units each month, for example for the period January - August 2022. Based on surface water utilization data, the average use of water for FFB processing is between 26,188.00 m³/month to 35,848.70 m³/month. This shows that there is no excess use of surface water from the applicable permit.

The company can also show proof of payment of the water levy to the Regional Revenue Service Technical Implementation Unit (UPTPPD) for the period January to December 2021 with the payment period being made annually. The last example of proof of payment of water levies is based on proof of payment made on March 8th, 2022 for the total use of water in January to December 2021, the water tax paid is not only for the FFB processing process but for the use of Boilers, Domestic Water and Biogas plans.

The results of field observations in the Water Treatment Plan (WTP) also show that the flowmeter used is still functioning well. The results of interviews with WTP operators also show that operators understand very well how WTPs work and record flowmeter data. Officers can also show data in and out of water which is recorded every day.

Status: Comply

7.9

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

7.9.1

The Certification Unit has made efforts to increase the efficiency of the use of fossil fuels and optimize renewable energy, these efforts are also monitored and documented in the form of a document Conversion of Biofuel to Solar at the Suayap Mill Period 2020 - 2022. The biofuel in question is solid waste in the form of shells and fiber which used for substitution of fossil fuels (diesel) as a producer of electrical energy using a boiler. The recapitulation of solid waste utilization for the period January – August 2022 shows that from 198,834 tons of FFB processed, it can produce biofuel in the form of 15,341 tons of shells and 25,609 tons of fiber, all of which are used for the combustion process in the boiler.

Based on the analysis of energy calculation data, PT. MMS in 2018 to 2022 there is an increase in energy efficiency of up to 100% after substitution of renewable energy, as shown in the following data :

Monitoring	Energy Performance Indikator (kWh/Ton TBS)				
	2018	2019	2020	2021	2022
Total use of Non-Renewable energy (diesel) and Renewable energy (fiber - shell - Biogas)	35,67	40,12	40,70	41,78	32,30
Substitution of the use of non-renewable energy (Solar) with renewable energy (Fiber - Shell - Biogas)	33,96	39,91	40,55	41,62	32,26
RASIO EFISIENSI ENERGY	95,21%	99,48%	99,62%	99,60%	100%

The results of interviews with the company stated that this efficiency is very beneficial because it can reduce diesel consumption. Currently it is needed only to turn on the generator as the initial power plant. Energy efficiency is also applied to all of the company's operational activities by minimizing the use of fuel by contract workers, including all machinery and transportation operations. The total utilization of diesel for the month of January to August 2022 is 40,473 liters of which 2,853 liters are used

for generators as initial power plants, 11,516 liters for vehicles and 26,104 for heavy equipment. Currently, the company is also using methane gas to produce biogas, producing an average of 1.8 MWatt/M³ POME

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 CH has carried out a GHG inventory contained in the Greenhouse Gas Emissions Mitigation Program document for the period 2021, based on document analysis it can be concluded that the company has identified the source of GHG produced by the Suayap Mill unit and its suppliers. Identification of significant sources of GHG emissions are identified and mitigation plans have been developed by the company covering mills and plantations. Significant GHG emissions include land use change, POME processing, use of fertilizers and pesticides, use of fossil fuels for operations and transportation. The mitigation plans include, among other things, the correct dosage and application of fertilizers as recommended, reducing reuse and recycling, limiting the use of electricity, transportation and machine maintenance, as well as periodic air quality tests. The company has also reported the results of the GHG calculation to the public which was submitted to the RSPO GHG website.

Reduction of fossil fuels at the Suayap Mill has been carried out by using fiber and shells for fuel substitution. The company also uses POME to be applied to land with test results from the monitoring period January – August 2022 which show that all wastewater testing parameters have met the applicable quality standards. Based on the review of documents for example: monitoring of pesticide use, monitoring of diesel fuel, identification of HCVs and others it is found that accurate data has been entered into the RSPO GHG Calculator version 4.0. The summary of GHG emissions for the January - December 2021 period is as follows:

General Information

Association	No. of Estates/Plantations	FFB Processed (t)	Planted Area (ha)
Own Plantation	2	198,103.66	7,177.00
Group Plantation	1	13,861.92	1,364.03
3rd Party	2	2,555.99	0.00
Total	5	214,521.57	8,541.03

Summary Emissions

Description	Value	Unit	Description	Value	Unit
CPO	1.08	tCO ₂ e/tProduct	Oil palm planted on mineral soil	8,269.65	Ha
PK	1.08	tCO ₂ e/tProduct	Oil palm planted area on peat	271.38	Ha
PKO	1.18	tCO ₂ e/tProduct	Total oil palm planted area	8,541.03	Ha
PKE	1.18	tCO ₂ e/tProduct	Conservation area (Forested)	1,021.79	Ha
OER	23.20	%	Conservation area (non-Forested)	0.00	Ha
KER	5.30	%	FFB Production per hectare	25.12	t/ha

Mill Emissions and Credits & Emissions from Palm Kernel Crusher

Mill Emissions and Credits				Emissions from Palm Kernel Crusher	
Emission Credits	Source	and tCO ₂ e	tCO ₂ e/t FFB	Emission Source	tCO ₂ e
POME		255.37	0.00	PK from own mill	5,8841.32
Fuel Consumption		180.70	0.00	PK from other sources	0.00
Grid Electricity Utilization		0.00	0.00	Fuel Consumption	0.00

Export of Excess Electricity to			Total	Crusher
Housing & Grid	0.00	0.00	Emissions	5,8841.32
Sale of PKS	0.00	0.00		
Sale of EFB	0.00	0.00		
Total	436.07	0.00		

Estate / Plantation Field Emissions and Sinks

Description	Emission (tCO2e)			TOTAL
	Own	Group	3rd Party	
Emission Source				
Land Conversion	108,104.44	16,425.57	0.00	124,530.01
CO2 Emissions from Fertilizer	4,230.64	1,109.34	0.00	5,339.98
N2O Emissions from Peat	0.00	2,031.49	0.00	2,031.49
N2O Emissions from Fertilizer	4,439.95	1,031.43	0.00	5,471.38
Fuel Consumption	930.29	853.95	0.00	1,784.24
Peat Oxidation	0.00	14,817.35	0.00	14,817.35
Crop Sequestration	-67,189.16	-12,769.70	0.00	-79,958.86
Sequestration in Conservation Area	-8,095.18	-1,274.63	0.00	-9,369.81
Total	42,420.98	22,224.79	0.00	65,489.25

FFB Supplier

Supplier Name	FFB Production by Estate/Plantation (t)	FFB Supplied by Estate/Plantation (t)	Percentage of FFB supplied by Estate/Plantation (%)
Suayap Estate	103,974.92	103,974.92	100.00
Umpang Estate	94,128.74	94,128.74	100.00
Kenambui Estate	13,861.92	13,861.92	100.00
MUA	1,555.19	1,555.19	100.00
Kelompok Tani Citra	1,000.80	1,000.80	100.00
Mua Sejati			

Palm Oli Mill Effluent Treatment

Description	Unit	Value
POME Produced	t/yr	61,999
Diverted to Compost	%	0
Diverted to anaerobic digestion	%	100
POME to anaerobic pond	%	0
POME to methane capture (flaring)	%	0
POME to methane capture (electricity generation)	%	100
COD value before anaerobic digestion	mg/l	12,500
COD value after anaerobic digestion	mg/l	3,515
COD removed during digestion	tCOD/tPOME	0.1
POME Produce	t/yr	61,999.00
CH ₄ (Total)	t/yr	11.48
Applied N in POME	t/yr	27.90
Total N ₂ O emission from POME	tCO ₂ e/yr	0.19

**POME is processed in WWTP & Biogas Plan*

Based on the results of the above data analysis, it can be seen that the emission value from CPO and PK production is very low, namely 1.08 tCO₂e/tProduct. Likewise, when compared to the emission value of the previous period, it shows that there was an increase in CPO and PK emissions from 0.87 tCO₂e/tProduct to 1.08 tCO₂e/tProduct. The

results of interviews with management stated that the emission reduction was due to an increase in production which caused the supply of FFB to increase, so that the factory operating hours were not the same as the previous period. The low emission value is also due to the fact that the company's entire planted area is located on mineral land.

7.10.2

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

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

7.10.3

The unit of certification has identified the source of pollution and the mitigation plan contained in the greenhouse gas mitigation procedure no. SOP-SUST.SYS-013 which was approved by the President Director on November 1st, 2021 which explains the identification of emission sources from plantation operations and palm oil mills. The company has also carried out management and monitoring related to the results of the identification and mitigation plans as evidenced by the RKL-RPL document for 1st semester of 2022 and has reported it to the Environmental Service of West Kotawaringin Regency on August 5th, 2022.

Based on the verification of the document, it shows that in the management of air pollution, the certification unit has tested the air emissions of the boiler and ambient air. The test was carried out by Sucofindo as a KAN accredited Laboratory (LP-024-IDN) on April 21st, 2022. Based on the analysis of the value of the test results, it can be concluded that there is no value that is above the applicable quality standard, namely PermenLH Number 07 of 2007 for Boilers and PPRI No. 22 of 2021 for ambient air

In addition, the company has also carried out management for interference from immovable sources. The test was carried out by Sucofindo as a KAN accredited Laboratory (LP-024-IDN) on April 22nd, 2022. The tests carried out by the company included testing for odor, vibration, and noise in the work area and housing. Based on the results of document verification, it shows that all test results are in accordance with the quality standards set for each applicable statutory regulation, namely KepmenLH Number 48 of 1996 for noise, KepmenLH number 49 of 1996 for vibration, and KepmenLH Number 50 of 1996 for odors

The company manages greenhouse gases at the factory, including:

- Utilizing solid waste (fiber and shells) as boiler fuel and calculating the efficiency of using fossil fuels
- Monitoring the quality of immovable emissions with procedures on environmental and K3 monitoring and measurement
- Efforts to control greenhouse gas emissions from wastewater treatment plants or POME as raw material for biogas that can be used as fuel for power plants to reduce the use of fossil fuels in generators.

The management of greenhouse gases in the garden includes preventing land fires through daily monitoring at the monitoring tower

The results of interviews with boiler and generator officers stated that there had never been any hearing-related disturbances. The company has also carried out related health checks on a regular basis. In addition, the company has required all employees to use PPE in the work area.

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

7.11

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

7.11.1

The company has a land clearing policy by not burning land (zero burning) which is contained in the SOP for Fire Management in Plantation Land No. SOP – EHS.GN – 013 which has been in effect since April 6, 2018. The results of field observations and verification of area statement documents known that there were no replanting activities or new plantings in the certification unit from RC to ASA1.1. In addition, based on the results of field observations, it is known that there are no replanting activities or new plantings.

7.11.2

The company has an emergency response organizational structure within the P2K3 organizational structure which oversees the fire brigade. The results of the APAR simulation during the audit show that the fire extinguisher is functioning properly and the officers understand the procedures for applying the fire extinguisher.

7.11.3

The company presented a document of simulation land and forest fires carried out at the company, for example a firefighting simulation conducted on August 6, 2022 at Afdeling Fanta Suayap Estate which was attended by 24 participants (photo and attendance attached). In addition, the company can show a document of cooperation with Forest Fire Control with the Umpang Village Head and an official report on the handover of fire fighting equipment to the *Masyarakat Peduli Api* of Umpang Village on November 11, 2021.

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

In line with the previous assessment, PT MMS cleared the land after November 1st 2005 without a prior HCV assessment, so that the unit of certification followed the Remediation and Compensation Procedures. PT SSS as the parent of PT MMS has submitted the LUCA disclosure and analysis document to the RSPO secretariat on 20 September 2014. On April 6th, 2016 PT MMS has received the LUCA Review Approval. On October 10th 2017 the Concept Note was approved by the RSPO compensation panel and the Certification Unit submitted a Compensation Plan on January 25th, 2018. There was a comment from the RSPO compensation panel regarding the PT MMS Compensation Plan and this comment was received on August 1st, 2018.

The certification unit has not cleared land since November 15th, 2018. Based on interviews with the Sustainability Manager and a review of documents on the area statement, it is known that the last oil palm plantation was carried out in 2009 covering an area of 562.29 Ha.

The company showed the Compensation Plan Evaluation Report document for PT Sawit Sumbermas Sarana including PT Mitra Mendawau Sejati. The document has been evaluated by Dominic Rowland with satisfactory results. The Compensation Panel's Endorsement on November 5th, 2018

7.12.2

In line with the previous assessment, based on the verification of land clearing data, there is no indication of new land clearing after November 15th, 2018, therefore the company does not have an obligation to conduct a High Carbon Stock (HCS) study. The HCV assessment for PT MMS was conducted before the Assessor Licensing Scheme (ALS) requirements came into effect, namely in July - August 2012 with the final document in 2013. HCV assessment activities were carried out by PT. Sonokeling Accredited Archipelago. chaired by Ir. Kresno Dwi Santosa, MSi (RSPO Approved) using the 2008 HCV toolkit. The HCV identification assessment was carried out for PT MMS which consisted of 1 POM namely Suayap Mill and 2 Estates namely Suayap Estate & Umpang Estate.

In the 2012 HCV Identification Report it was found that the total identified HCV area was 1,361.61 Ha, but the company has delineated the HCV area based on GIS calculation data so that the total HCV area is 1,354.15 Ha consisting of 471.11 Ha river border areas and 883.04 Ha forest area and hilly area. The HCV area in the river border area is already planted with oil palm, while the forest and hilly areas are not planted with oil palm

The HCV assessment has been carried out by involving the participation of stakeholders, in the 2012 HCV assessment report it is explained that community involvement is during the interview process and direct discussions, for example during the determination of HCV5 and HCV 6

7.12.3

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

7.12.4

Based on the results of the field visit to the HCV area, it was found that the HCV was in a preserved condition, there was no indication of destruction or hunting. This indicates that the management has been carried out properly in accordance with the procedures. The current management plan has been through consultation results, in addition the input from the annual monitoring results has been added to the management plan. The basis for the preparation of the HCV management program consisted of several villages including Umpang Village, Suayap Village, Nanga Mua Village and Runtu Village.

The implementation of HCV management and monitoring for 2022 is carried out in accordance with the 2022 HCV Management Plan, including:

- Socialization of the HCV area to employees of the Suayap Estate OD Division on April 11, 2022, which was attended by 31 people.
- Socialization of the HCV area to the residents of Suayap Village on July 13, 2022 which was attended by 3 people
- Socialization of the HCV area to Umpang Village residents on 15 July 2022 which was attended by 6 people
- Periodic reports on management and monitoring of conservation areas which are carried out every month. For example, the August 2022 report which consists of the following activities:
 - Conservation Area Management
 - a. Protected Area Patrol
 - b. Installation of Protected Area Boundary Signs
 - c. Installation of Signboards / Warning Signs for Conservation Areas
 - d. Outreach to Employees and Village Communities around the Company
 - e. Tree Planting for Species Enrichment and Conservation Area Rehabilitation
 - f. Monitoring of Tree, Orchid, and Fruit Nurseries
 - Conservation Area Monitoring
 - a. Weekly Wildlife Encounter
 - b. Priority Animal Monitoring
 - c. Invasive Alien Species (IAS) control of the type *Muccuna bracteata*
 - d. Monitoring of Protected Area Boundaries
 - e. Monitoring of Conservation Area Signboards
 - f. Monitoring the Success Rate of Tree Planting

The company also has a map of the HCV area and topography with a scale of 1:55,000, the map is also equipped with information about: map title, cardinal directions, map legend, map update date, and map source.

7.12.5

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

The unit of certification has also considered various ways of land management and tenure to protect HCV areas while protecting community rights and livelihoods. The company's environmental conditions both within the scope and in the community area are almost entirely planted areas of plantation plants. Currently, the company is also conducting monitoring and patrolling in the HCV area, including socializing to the community not to hunt and trade wild animals. The company has also approached relevant stakeholders, including:

- Submit a list of protected species found in the *BKSDA* area.
- Provide executive summary to relevant parties such as local government and surrounding communities.
- Socialization regarding HCV is carried out periodically to find out the extent of community understanding of the existence of HCV in the PT MMS

7.12.6

Based on the HCV assessment in the oil palm plantation area of PT. MMS in 2013 in collaboration with PT. Sonokeling Accredited Archipelago there are plant species with rare and protected categories, namely:

- a. Critically Endangered (CR), namely bengkirai (*Hopea mangarawan*), belangiran (*Shorea balangeran*), keruing (*Dipterocarpus costulatus*) and meranti majau (*Shorea johorensis*) found in forested areas Blocks I7 – I11, forested areas of blocks A1 – Block A12, forested area F15 – Block F33 (Sintang River border), forested area Block H8 – Block H10, and forested area Blok J23 – Block J24

- b. Endangered (EN), namely Meranti Batu (*Shorea dasyphylla*) and Meranti Putih (*Shorea bacteolata*) found in forested areas Block F15 – Block F33 (Sintang River border), Forested Area Block J23 – Block J24, Forested Area Block I7 – Block I9 and Forested Area Block M25 – Block M32
- c. Vulnerable, namely Ulin (*Eusideroxylon zwageri*) found in forested areas, forested areas Block A1 – Block A12, forested areas Block J23 – Block J24 and Forested Areas Block I7 – Block I9
- d. Protected under government regulation No. 7 of 1999, namely Tengawang (*Shorea pinanga*) which is found in forested areas Block J23 – Block J24 and forested areas Block I7 – Block I9

In addition there are species of animals with rare and protected categories, namely:

- a. Endangered (Threatened), namely 4 types of mammals including the Kalawat Gibbon (*Hylobates agilis albibarbis*), Pangolin (*Manis javanica*), Bahau Proboscis Monkey (*Nasalis larvatus*) and Orang Utan (*Pongo pygmaeus*)
- b. Vulnerable (Vulnerable Category), namely
 - 1 type of bird, namely the Borneo pheasant (*Lophura bulweri*)
 - 3 Types of Mammals namely Sambar Deer (*Cervus unicolor*), Sun Bear (*Helarctos malayanus*), and Clouded Tiger (*Neofelis nebulosa*)
 - 1 Type of Reptile, namely the Tedung Snake (*Ophiophagus hannah*)

The company has sent periodic data collection related to flora and fauna which is carried out every month in the management and monitoring reports of conservation areas. For example, the August 2022 report to the Central Kalimantan Conservation Agency.

7.12.7

The company has compiled and determined the HCV management plan in the 2022 Conservation Area Management Plan document with the management scope and targets every year. An integrated management plan is developed in consultation with relevant stakeholders and covers areas that are directly managed. The company manages the HCV area by providing boundary markers, signboards and markers for the boundaries of the HCV area.

The implementation of HCV management and monitoring for 2022 is carried out in accordance with the 2022 HCV Management Plan, including:

- a. Socialization of the HCV area to employees of the Suayap Estate OD Division on April 11, 2022, which was attended by 31 people.
- b. Socialization of the HCV area to the residents of Suayap Village on July 13, 2022 which was attended by 3 people
- c. Socialization of the HCV area to Umpang Village residents on 15 July 2022 which was attended by 6 people
- d. Periodic reports on management and monitoring of conservation areas which are carried out every month. For example, the August 2022 report which consists of the following activities:
 - Conservation Area Management
 - Protected Area Patrol
 - Installation of Protected Area Boundary Signs
 - Installation of Signboards / Warning Signs for Conservation Areas
 - Outreach to Employees and Village Communities around the Company
 - Tree Planting for Species Enrichment and Conservation Area Rehabilitation
 - Monitoring of Tree, Orchid, and Fruit Nurseries
 - Conservation Area Monitoring
 - Weekly Wildlife Encounter
 - Priority Animal Monitoring
 - Invasive Alien Species (IAS) control of the type *Mucuna bracteata*
 - Monitoring of Protected Area Boundaries
 - Monitoring of Conservation Area Signboards
 - Monitoring the Success Rate of Tree Planting.

7.12.8

In line with the previous assessment, PT MMS cleared the land after November 1st, 2005 without a prior HCV assessment, so that the unit of certification followed the Remediation and Compensation Procedures. PT SSS as the parent of PT MMS has submitted the LUCA disclosure and analysis document to the RSPO secretariat on September 20th, 2014. On April 6th, 2016 PT MMS has received the LUCA Review Approval. On October 10th, 2017 the Concept Note was approved by the RSPO compensation panel and the Certification Unit submitted a Compensation Plan on January 25th, 2018. There was a comment

from the RSPO compensation panel regarding the PT MMS Compensation Plan and this comment was received on August 1st 2018.

The certification unit has not cleared land since November 15th, 2018. Based on interviews with the Sustainability Manager and a review of documents on the area statement, it is known that the last oil palm plantation was carried out in 2009 covering an area of 562.29 Ha.

The company showed the Compensation Plan Evaluation Report document for PT Sawit Sumbermas Sarana including PT Mitra Mendawau Sejati. The document has been evaluated by Dominic Rowland with satisfactory results. The Compensation Panel's Endorsement on November 5th, 2018

The company showed the Compensation Plan Evaluation Report document for PT Sawit Sumbermas Sarana including PT Mitra Mendawai Sejati. The document has been evaluated by Dominic Rowland with satisfactory results. As for the Compensation Panel's Endorsement on November 5th, 2018.

Status: Comply

3.2 Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or √
ASA 1.1	The Mill does not use RSPO Trademark on its product (on-product) and non-product (off-product).	√
	Status : Comply	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or √
ASA 1.1	The Mill does not use RSPO Trademark on its product (on-product) and non-product (off-product).	√
	Status : Comply	
3.	Implementation of Certificate and Logo is not used on product	X or √
ASA 1.1	The Mill does not use RSPO Trademark on its product (on-product) and non-product (off-product).	√
	Status : Comply	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or √
ASA 1.1	The Mill does not use RSPO Trademark on its product (on-product) and non-product (off-product).	√
	Status : Comply	

3.3 Summary of RSPO Partial Certification.

Compliance of the uncertified management units of PT Sawit Sumbermas Sarana, Tbk 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.

Sawit Sumbermas Sarana, Tbk Time Bound Plan is explaining in table 1.10. Sawit Sumbermas Sarana run eight (8) mills and twenty five (25) estates in Indonesia (own and smallholders) and has achieved RSPO certified for six (6) mills and supply base in Indonesia. Sawit Sumbermas Sarana, Tbk has informed the Time Bound Plan progress, MUTU has considered that Sawit Sumbermas Sarana is comply with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by Sawit Sumbermas Sarana, Tbk on April 2022

MUTU has verified partial certification for un-certified unit's subsidiary of PT Sawit Sumbermas Sarana, Tbk on their Time Bound Plan. There are two (2) uncertified management unit of Sawit Sumbermas Sarana, Tbk. MUTU Auditor verified positive assurance against The CH internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.2.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>PT Sawit Sumbermas Sarana has conducted Internal audit for their un-certified Units, with audit result :</p> <p>PT Mirza Pratama Putra, Official letter on forest release has been approved on 2018, Land Use Change Analysis is being reviewed and no NPP assessment in placed. The positive assurance was determined to achieve the target 2019 certified (as per time bound plan) and the remains gaps would be closed during this 2 years period.</p> <p>PT Menteng Kencana Mas, Land Use Change Analysis is being reviewed and no NPP assessment in placed, HCV assessment is being finalised. The positive assurance was determined to achieve the target 2019 certified (as per time bound plan) and the remains gaps would be closed during this 2 years period.</p> <p>Auditor Verification The company has conducted an internal audit for the uncertified unit, namely PT Mirza Pratama Putra and PT Menteng Kencana Mas on July 1, 2021. Based on the results of the internal audit, it is known that there is a change in the timebound plan due to the process of obtaining HGU and RaCP which has not yet received approval.</p>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.2.2	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 7.12	<p>According to the internal audit reports noted that all uncertified areas has been conducted HCV assessment and land use change analysis (LUCA) by external consultant (Remark Asia). The internal audit report confirmed that no replacement of primary forests on those uncertified areas.</p> <p>According to the interview with senior sustainability team of SSS, no plan for take NPP procedure as an option to comply with criterion 7.3 instead RaCP procedure.</p> <p>PT MKM and PT MPP are new acquired on 2015, such areas has been cleared before acquired by PT SSMS, therefore, PT SSMS prefer to take land use change analysis since 2016 to a whole uncertified areas then follow RaCP procedure.</p> <p>Auditor Verification According to the internal audit reports noted that all uncertified areas has been conducted HCV assessment and land use change analysis (LUCA) by external consultant (Remark Asia). The internal audit report confirmed that no replacement of primary forests on those uncertified areas.</p>
2.2.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>According to the area statement, following are new planting since 1 January 2010 of the un-certified areas:</p> <ol style="list-style-type: none"> 1. PT MKM : 7,257 ha 2. PT MPP : 3,489 ha <p>According to the interview with senior sustainability team of SSS, no plan for take NPP procedure as an option to comply with criterion 7.3 instead RaCP procedure.</p> <p>For all of those areas, the company prefer to take Land Use Change Analysis then RaCP procedure. The land use change analysis has been initiated since 2016 and now being finished.</p> <p>Auditor Verification The RaCP of PT Mirza Pratama Putra and PT Menteng Kencana Mas has not yet been approved.</p>
2.2.4	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 P&C criteria 4.4, 4.5, 4.6, 4.7 and 4.8	<p>Based on Internal Audit result and desktop study known that there is no land conflict on uncertified unit.</p> <p>Auditor Verification Based on Internal Audit result and desktop study known that there is no land conflict on uncertified unit.</p>
2.2.5	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 4.2	<p>Based on Internal Audit result and desktop study known that there is no labor dispute on uncertified unit.</p> <p>Auditor Verification</p>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		Based on Internal Audit result and desktop study known that there is no labor dispute on uncertified unit
2.2.6	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1	<p>Based on Internal Audit result known that NC on legal requirement were being resolved by management unit.</p> <p><i>Auditor Verification</i></p> <p>Legal process is still going on and there is a detail update progress documented by the company for each year.</p> <ul style="list-style-type: none"> - PT Mirza Pratama Putra (Sumber Cahaya Mill and supply base), doesn't have land use title (HGU), the HGU is still on process. - PT Sawit Multi Utama: there is an area is still in process for HGU in Nanga Kiu Estate (2,042.11 Ha), Sepondam Estate (273.46 Ha), Pedongatan Estate (4,097.67 Ha), Merambang Estate (555.99 Ha), Batu Tunggal Estate (788.95 Ha). - PT Tanjung Sawit Abadi: there is an area is still in process for HGU in Malata Estate (2,159.84 Ha), Nanuah Estate (4,286.20 Ha), Sungai Bulik Estate (1,547.98 Ha). - PT Mitra Mendawai Sejati: there is an area is still in process for HGU in Suayap Estate (443.08 Ha), Umpang Estate (589.60 Ha). - PT Sawit Sumbermas Sarana (Selangkun POM and supply base): there is an area is still in process for HGU in Selangkun Estate (62.85 Ha), Kondang Estate (28.50 Ha), Rungun Estate (191.58 Ha), Batu Kotam Estate (1,784.00 Ha), Plasma Ardhamewa (96.79 Ha), Plasma Koperasi Sepakat Jaya (256.85 Ha). - PT Sawit Sumbermas Sarana (Sulung POM and supply base): there is an area is still in process for HGU in Sulung Estate (1,388.35 Ha), Kenambui Estate 1,271.56 Ha), Rangda Estate (333.97 Ha).

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 at ASA-4 (remote)

NCR No.	:	-	Issued by	:	-
Date Issued	:	-	Time Limit	:	-
NC Grade	:	-	Date of Closing	:	-
Standard Ref. & Requirement	:	-			
Evidence observed (filled by auditor):					
There is non-conformity detected during remote audit					
Non-Conformance Description (filled by auditor):					
-					
Root Cause Analysis (filled by organization audited):					
-					
Correction (filled by organization audited):					
-					
Corrective Action (filled by organization audited):					
-					
Assessor Evaluation and Conclusion (filled by auditor):					
-					
Verified by	:	-			

3.4.2. Identification of Findings, Corrective Actions and Observations at at ASA-4 & Re-Certification (Onsite) Assessment

NCR No.	:	2021.01	Issued by	:	Yudhi Yuniarto
Date Issued	:	16 October 2021	Time Limit	:	ASA-1.1
NC Grade	:	Minor	Date of Closing	:	22 September 2022,
Standard Ref. & Requirement	:	1.1.2 Non Critical Information is provided in appropriate languages and accessible to relevant stakeholders			
Evidence observed (filled by auditor): Unit of certification is able to shows evidence on compulsory periodic report delivery to the respective agencies, such as: RKL/RPL, Scheduled Waste Management, Effluent Management, Fire Monitoring, WLTK, OSH Committee (P2K3) and LPUP. However, there are several compulsory report that not available during re-audit assessment, describes as follows: <ol style="list-style-type: none">1. Employee Report. Based on list of employee period September 2021 verification, it was known there are 229 and 177 employees with status daily contract worker in Suayap Estate and Umpang Estate, respectively. According to Minister of Manpower Regulation No. 100 in 2004 Article 12 Point 3, it was mentioned that list of contract workers shall be reported to the respective agency not more than seven (7) days since contract agreement is applied. Such kind of report is not available.2. Semester 1 period 2021 Bipartite Report, as as required by Degree of Manpower Agency of Kotawaringin Barat District No. KEP. 36/DTT/HIJ-SYAKER/V/2019 about LKS Bipartite of PT MMS Period 2019 to 2022; and Minister of Manpower Regulation No. 100 in 2004 Article 17 Point 2.3. Land Title (HGU) Usage Report Period 2020 or 2021, as required by Minister of ATR Regulation No. 7 in 2017. This is inline with information from BPN of Kotawaringin Barat District representative.					
Non-Conformance Description (filled by auditor): Unit of certification I not be able to shows that compulsory periodic reports such as Employee Report, semester Bipartite Report and annual HGU Usage, has been conducted, as required by the respective regulations.					
Root Cause Analysis (filled by organization audited): <ol style="list-style-type: none">a. Not routinely report PHL employees to the local Manpower Office.b. Bipartite LKS activities and reporting to the local Manpower Office are not routinely carried out.c. HGU Utilization Reports are not reported consistently because the PIC has not yet been assigned to report.					
Correction (filled by organization audited): <ol style="list-style-type: none">a. Report daily casual employee records to the local Manpower Office.b. LKS Bipartite are held regularly and report these activities to the local Manpower Office.c. Determine the PIC for reporting the use of HGU by the LA & License Department					
Corrective Action (filled by organization audited): <ol style="list-style-type: none">a. HR Manager ensures that regular PHL employee reporting is reported to the local Manpower Office.b. The Chairperson of the Bipartite LKS ensures that meeting activities are carried out regularly as well as reporting.c. Department leaders ensure that HGU utilization reports are consistently reported					
Assessor Evaluation and Conclusion (filled by auditor): Auditor Verification on 22 September 2022, The certification unit shows evidence of improvement as follows:					

- Report on the Use and Utilization of Cultivation Rights in 2021 and 2022 which will be sent to the local BPN on July 15, 2022.
- Contract Worker Registration Report for 2021 to the local Manpower Office on 8 October 2021 and for 2022 on 15 July 2022.
- The 2021 *LKS Bipartite* report sent to the local Manpower Office on October 8, 2021.

Based on the foregoing, it is known that the discrepancy is stated to be fulfilled with the observation notes in the next assessment.

Verified by : **Yudhi Yuniarto Tallutondok**

NCR No.	:	2021.02	Issued by	:	Yudhi Yuniarto
Date Issued	:	16 October 2021	Time Limit	:	15 January 2022
NC Grade	:	Major	Date of Closing	:	12 January 2022
Standard Ref. & Requirement	:	2.1.1 Critical The unit of certification complies to relevant regulations			

Evidence observed (filled by auditor):

License of Operators with OSH Competency

1. Based on observation to Engine Room and Boiler Station of Suayap Mill, it was known devices capacity, as follows:

- Turbine capacity: 1,600 kW / 2,000 kVA.
- Genset capacity: 455 kVA / 487.93 HP.
- Boiler capacity: 45 ton FFB/hour.

2. Based on field observation an interview with operators in Engine Room and Boiler Station, it was known that the stations has lack of operators with OSH competency license, as follows:

- There is no OSH-Electricity Expert (AK3 Listrik) as required by Minister of Manpower Regulation (*Permenaker*) No. 12 in 2015 (Article 7).
- There is 4 engine room operators but 2 of them has no license at all. This is not comply with *Permenaker* No. 38 in 2016, which in Table E has mentioned that power station with capacity > 214.47 HP, the unit is required to have one (1) operator with License Class I and one (1) operator with License Class II in every working-shift.
- There is only 3 Boiler Operators for 2 working shift. This is not comply with *Permenaker* No. 1 in 1988 which in Appendix 1 has mentioned that device with steam capacity 40 to 60 ton/hour is compulsory to have one (1) operator with license Class I and two (2) operators with License Class II in every working-shift.

Daily Contract Workers

1. Based on review towards daily contract workers absence for period June to September 2021, it was known several workers which works more than 20 days in 4 months consecutively, for example as presented in the following Table:

Division	Employees Number	Mandays			
		June	July	August	September
OE	125210005	22	24	23	24
	125200004	22	26	22	24
OF	L13130168	22	23	21	24
	L13080007	24	25	23	26
OD	L13150237	23	26	23	26

2. Minister of Manpower Regulation (Permenaker) No.100 in 2004 on Article 10 Point 3 mentioned that in the condition of labour has works for 21 days per month in three (3) consecutive months or more, thus the contract workers agreement (PKWT) is changes into permanent worker agreement (PKWTT).

Non-Conformance Description (filled by auditor):

Unit of certification is not be able to shows that compliance towards OSH and manpower aspect has in accordance with the respective applicable regulations.

Root Cause Analysis (filled by organization audited):
License of Operators with OSH Competency

- Identification on operator with OSH competency as required by applicable regulations is currently not available. Thus, there is no budget allocation on this matter.
- Training for OSH-Electric Expert has not yet conducted. Currently unit has certifying an electrician.
- A lot of operator has resign and replaced with un-licensed operators.

Daily Contract Workers

Lack of understanding from the PIC towards daily contract worker regulation, as refers to Permenaker No. 100 in 2004.

Correction (filled by organization audited):
License of Operators with OSH Competency

- To identified and allocate training budget on operator with OSH competencies, as required by applicable regulations.
- To conduct training to the recognized agencies (PJK3) as scheduled in 2022.

Daily Contract Workers

- Human Resources Department (HRD) will study more about the respective manpower regulation towards daily contract worker and make it as company regulation/policy.
- The HRD will conduct socialization regarding daily contract worker to all management unit under group.

Corrective Action (filled by organization audited):
License of Operators with OSH Competency

- Monitoring and evaluation of operator training program progress will be conducted by OSH-Sustainability Staff as PIC on this matter every three month. Furthermore, the PIC will make coordination with Administration Head (KTU) if there is any movements of operators due to mutation or resignation.
- OSH-Sustainability Staff will propose a budget if there is a need for another trainings.

Daily Contract Workers

- The HRD will conduct socialization to Manpower Agency of Kotawaringin Barat District every two (2) month.
- Administration Head (KTU) will monitor daily contract workers status, as well as its time of works.

Assessor Evaluation and Conclusion (filled by auditor):
Verification 22 December 2021
License of Operators with OSH Competency

Unit of certification shows several evidence, as follows:

- Identification of operators with OSH Competency of PT MMS which informs database of operators, licensed operators and certificate number, monitoring of license, un-licensed operators, training proposal for 25 operators, training program, regulation reference, etc. this document approved by QHSE System and Certification Manager and Head of Sustainability.
- Statement Letter of PT Samudra Karya Mustika (PJK3) Director No. 3398/SPSKM/XII/2021 dated 01 December 2021 which mentioned that workers with initial AB from PT MMS has passed OSH-Electricity Expert (AK3-Listrik) that conducted on 08 November to 01 December 2021.
- Training program of operator with OSH competency which approved by QHSE System and Certification Manager and the Head of Sustainability. The budget will be allocated for 2022. For example, from January to March 2022 training that will be conducted are OSH-Fire Management Expert Class A and B, Welder Class I, Boiler Operator Class I and License for operators that works in high altitude.

- Budget operating expense 2022 of Sustainability Department Code P-PRO 621202002. For group, budget allocated was about IDR 1,050,265,000.-.

Based on root cause and corrective action analysis, as well as correction evidence for subject on license of operators with OSH competency, it could be concluded this subject is **closed** and its consistency will be verified on the next surveillance assessment. However, root cause analysis, corrective action and evidence of correction for subject daily contract workers is not available. Thus, NCR No. 2021.02 is still remain **open**.

Verification 28 December 2021

Daily Contract Workers

Root cause analysis and corrective action for daily contract workers evaluation are accepted. Furthermore, unit of certification shows several correction evidence, as follows:

- Virtual socialization on daily contract workers regulation that conducted in 15 December 2021, attended by 8 participants from unit, Regional 1, Regional 2 and Head Office.
- Internal Memorandum of HRD and GA Head Division No. 1725/SSS_HR/IM/XII/2021 dated 27 December 2021 about daily contract workers has mentioned that monthly mandays of daily contract worker shall be less than 21 days or maximum 20 days in a month. List of contract workers to be reported to Manpower Agency by Regional HRD. This memo has approved by the COO and delivered to all unit manager under group.

The company has not shown the document Monitoring daily contract workers status, as well as its time of works, which is carried out by the Head of KTU in accordance with the corrections submitted. **NCR No. 2021.02 is still remain open.**

Verification 12 January 2022

Daily Contract Workers

Unit of certification shows several additional correction evidence, as follows:

- Identification of daily contract workers for period September to December 2021. The document informed that there were 57 workers related to harvesting activities (harvester, clerk, foreman and FFB loader) will be promoted as permanent worker as priority. As for realization, sighted three promotion letter to three harvester and one FFB loader, for example as shows through document Decree of Estate Manager No. 0014/MMS-PERS/SKM/SYE/XI/2021 dated 29 October about promotion of worker from contract into permanent worker with main job as FFB Loader.
- Monitoring sheet of mandays which inform that contract workers maximum mandays is less than 21 days per month. Example of Payment slip for several workers is available as evidence.

Based on explanation above, NCR No. 2021.02 is stated **closed**.

Verified by : Mohamad Amarullah and Yudhi Yuniarto Tallutondok

NCR No.	:	2021.03	Issued by	:	Mohamad Amarullah
Date Issued	:	16 October 2021	Time Limit	:	ASA-1.1
NC Grade	:	Minor	Date of Closing	:	20 September 2022
Standard Ref. & Requirement	:	2.1.2 Non Critical A 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.			
Evidence observed (filled by auditor):					
<ul style="list-style-type: none">• Law/regulation pursuance monitoring and evaluation for contractors and service providers which presented in					

document Form No. F-LOG.GN-020.A.RI Rev (01) about “*Penilaian Kinerja Kontraktor*” or evaluation of contractor and supplier has informs name of contractor, address, contact person, product or service provided, conformity and quality performance, delivery performance, improvement performance, cost performance, service performance and safety performance.

- Document of contractor evaluation which informs regulation evidence towards manpower aspect such as minimum age of worker, minimum wage, overtime calculation, insurance coverage, BPJS, etc. are not available.

However, evaluation towards manpower aspect pursuant of contractor such as minimum age, wage and work insurance (BPJS) is not available. Raised **NCR No. 2021.03 with minor category**.

Non-Conformance Description (filled by auditor):

Unit of certification is not be able to shows that laws/regulations pursuant evaluation of third parties contracted has covers all manpower aspect.

Root Cause Analysis (filled by organization audited):

Lack of understanding of the company regarding the implementation of legal compliance evaluations for all FFB contractors and suppliers.

Correction (filled by organization audited):

- Create a contractor evaluation mechanism related to the fulfillment of legal obligations (employment, OHS, and others) that are relevant in Indonesia.
- Appoint 1 person as PIC in evaluating contractor performance on a regular basis.

Corrective Action (filled by organization audited):

Departemen Logistik memastikan evaluasi kontraktor terkait pemenuhan kewajiban hukum (ketenagakerjaan, K3, dan lainnya) yang relevan di Indonesia dilakukan secara berkala sesuai prosedur.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification on 22 September 2022,

The certification unit shows evidence of improvement as follows:

- Evaluation of the CV Garnis TBS transportation contractor conducted on July 22, 2022. The evaluation includes work results, age of workers, fulfillment of workers' social security up to wages received by contractor workers. The evaluation results show that the contractor gets a score of 9.46.
- Evaluation of the TBS transportation contractor CV Lisa Jaya which was carried out on July 8, 2022. The evaluation includes work results, age of workers, fulfillment of workers' social security up to wages received by contractor workers. The evaluation results show that the contractor gets a score of 9.35.
- Evaluation of CV Ligar's TBS transport contractor conducted on July 25, 2022. The evaluation includes work results, age of workers, fulfillment of workers' social security up to wages received by contractor workers. The evaluation results show that the contractor gets a score of 8.70.

Based on the foregoing, it is known that the discrepancy is stated to be fulfilled with the observation notes in the next assessment.

Verified by : **Yudhi Yuniarto Tallutondok**

NCR No.	: 2021.04	Issued by	: Mohamad Amarullah
Date Issued	: 16 October 2021	Time Limit	: ASA-1.1

NC Grade	: Minor	Date of Closing	: 22 September 2022															
Standard Ref. & Requirement	2.1.3 Non Critical Legal or authorised boundaries are clearly demarcated and visibly maintained, and there is no planting beyond these legal or authorised boundaries.																	
Evidence observed (filled by auditor): <ul style="list-style-type: none"> Based on review on the previous audit surveillance assessment (ASA) data, it was known number of BPN poles is not consistent, as presented in the following Table: <table border="1"> <thead> <tr> <th>Estate</th><th>ASA-1</th><th>ASA-2</th><th>ASA-3</th><th>ASA-4/ReCert</th></tr> </thead> <tbody> <tr> <td>Suayap*</td><td>92</td><td>70</td><td>70</td><td>70</td></tr> <tr> <td>Umpang</td><td>82</td><td>64</td><td>64</td><td>59</td></tr> </tbody> </table> (*Note: in Suayap Estate, there are 15 poles cannot be installed due to stony areas and 7 poles situated on occupation areas. Thus, the total number of poles in Suayap Estate is still 92) Information of the remining 26 poles is not available 				Estate	ASA-1	ASA-2	ASA-3	ASA-4/ReCert	Suayap*	92	70	70	70	Umpang	82	64	64	59
Estate	ASA-1	ASA-2	ASA-3	ASA-4/ReCert														
Suayap*	92	70	70	70														
Umpang	82	64	64	59														
Non-Conformance Description (filled by auditor): Unit of certification is not be able to shows that all BPN legal boundaries has been satisfactory monitored and maintained.																		
Root Cause Analysis (filled by organization audited): The HGU stakes in the Baig Estate can only be monitored as many as 59 of the 64 stakes because at the time of monitoring the stakes, 5 stakes could not be monitored because they were in flooded land.																		
Correction (filled by organization audited): Make improvements to the HGU stake monitoring report by adding information that the stake cannot be monitored because it is located in a flooded area.																		
Corrective Action (filled by organization audited): The GIS Department ensures that all HGU stakes must be monitored periodically according to actual conditions in the field, if they cannot be monitored, then additional information is added.																		
Assessor Evaluation and Conclusion (filled by auditor): Verification September 21, 2022 The company can show evidence of monitoring of boundary stakes which was last carried out in July 2022 at Suayap and Umpang Estate where based on the results of monitoring there are 92 stakes and 64 stakes in each estate. Furthermore, based on the results of field visits, several boundary markers (No. 5, 6, 7; 94; 134; 135 and 136) are in good and well-maintained condition. Based on the proof of improvement sent, the discrepancy in this indicator is declared to have been fulfilled.																		
Verified by	: Moh Arif Yusni																	

NCR No.	: 2021.05	Issued by	: Bayu Yogatama
Date Issued	: 16 October 2021	Time Limit	: ASA-1.1
NC Grade	: Minor	Date of Closing	: 22 September 2022
Standard Ref. & Requirement	2.2.2 Non Critical All contract, including those for FFB supply, contain specific clause on meeting relevant legal requirements and this can be demonstrated by the third party		

Evidence observed (filled by auditor):

List of stakeholder and basic info 2021 has informed that the unit of certification has cooperation with nine (9) transporters of CPO, kernel and FFB; and five (5) FFB suppliers which bonded based on work agreement that valid up to October 2021. Several agreement documents sighted for example as follows:

- No. 05/LGL/MKT/MMS-MUA/I/2021 dated 02 January 2021 about FFB trade with PT Multi Usaha Abadi.
- No. 54/KBN/BSJ.027-LS/V/2020 dated 01 May 2020 about FFB transportation with CV Lisa Jaya.
- No. 17/LGL/MKT/SSMS.G-LGR/I/2021 dated 04 May 2021 about kernel transportation with CV Ligar.

According to documents verified above, it was known that clauses containing Indonesian regulation pursuance towards manpower and OSH and legal requirements are not available on the agreement.

Non-Conformance Description (filled by auditor):

Unit of certification is not be able to shows that clauses regarding Indonesian applicable regulation pursuance towards manpower and OSH and legal requirements are included on the contract agreement.

Root Cause Analysis (filled by organization audited):

The certification unit does not yet have a contractor evaluation mechanism related to the fulfillment of relevant legal obligations (employment, OHS, etc.) in Indonesia.

Correction (filled by organization audited):

Create a contractor evaluation mechanism related to the fulfillment of legal obligations (employment, K3, and others) that are relevant in Indonesia.

Corrective Action (filled by organization audited):

The Marketing Department ensures that contractor evaluations regarding the fulfillment of relevant legal obligations (employment, K3, and others) in Indonesia are carried out periodically according to procedures.

Assessor Evaluation and Conclusion (filled by auditor):
Auditor Verification on 22 September 2022,

The certification unit shows proof of improvement in the form of agreement between the certification unit and CV Prima Mandiri Perkasa, CV Lisa Jaya and CV Dwita Perdana, where each contract contains the fulfillment of legal obligations including:

- a. Provision of PPE for employees.
- b. Include employees in the BPJS Employment/Health program.
- c. Receive wages in accordance with the provisions of the City/Regency Minimum Wage.

Based on the foregoing, it is known that the discrepancy is stated to be fulfilled with the observation notes in the next assessment.

Verified by : **Yudhi Yuniarto Tallutondok**

NCR No.	: 2021.06	Issued by	: Bayu Yogatama
Date Issued	: 16 October 2021	Time Limit	: ASA-1.1
NC Grade	: Minor	Date of Closing	: 22 September 2022
Standard Ref. & Requirement	: 2.2.3 Non Critical All contracts, including those for FFB supply, contain clauses disallowing child, forced and trafficked labour		

Evidence observed (filled by auditor):

List of stakeholder and basic info 2021 has informed that the unit of certification has cooperation with nine (9) transporters of CPO, kernel and FFB, which bonded based on work agreement that valid up to October 2021. Several agreement documents sighted for example as follows:

- No. 05/LGL/MKT/MMS-MUA/I/2021 dated 02 January 2021 about FFB trade with PT Multi Usaha Abadi.
- No. 54/KBN/BSJ.027-LS/V/2020 dated 01 May 2020 about FFB transportation with CV Lisa Jaya.
- No. 17/LGL/MKT/SSMS.G-LGR/I/2021 dated 04 May 2021 about kernel transportation with CV Ligar.

According to documents verified above, it was known that clauses containing disallowing child, forced and trafficked labour are not available on the agreement.

Non-Conformance Description (filled by auditor):

Unit of certification is not be able to shows that clauses regarding disallowing child, forced and trafficked labour are included on the contract agreement.

Root Cause Analysis (filled by organization audited):

The contract between the company and the CPO transporter does not include clauses related to the prohibition of child labor, the prohibition of using labor from human trafficking and forced labor.

Correction (filled by organization audited):

Added new clauses to the employment contract with CPO transporters regarding the prohibition of child labor, the prohibition of using labor from human trafficking and forced labor.

Corrective Action (filled by organization audited):

Drafters and Users ensure that every new employment contract includes clauses related to the prohibition of child labor, the prohibition of using labor from human trafficking and forced labor.

Assessor Evaluation and Conclusion (filled by auditor):
Auditor Verification on 22 September 2022,

The certification unit shows proof of improvement in the form of agreement between the certification unit and CV Prima Mandiri Perkasa, CV Lisa Jaya and CV Dwita Perdana, where each contract contains the fulfillment of legal obligations including:

- a. Do not employ workers under 18 years of age.
- b. Not employing forced labor or the result of human trafficking.

Based on the foregoing, it is known that the discrepancy is stated to be fulfilled with the observation notes in the next assessment.

Verified by : **Yudhi Yuniarto Tallutondok**

NCR No.	:	2021.07	Issued by	:	Bayu Yogatama
Date Issued	:	16 October 2021	Time Limit	:	15 January 2022
NC Grade	:	Major	Date of Closing	:	22 December 2021
Standard Ref. & Requirement	:	2.3.1 Critical For all directly sourced FFB, Palm Oil Mill (POM) requires: <ul style="list-style-type: none"> • Information regarding the geolocation of FFB origins; • Proof of ownership status, right/claim of the land by grower/smallholder; 			

	<ul style="list-style-type: none"> • If relevant, valid planting/operational/trading license, or is part of a cooperative which allows the buying and selling of FFB.
Evidence observed (filled by auditor): Based on basic info verification, it was known that FFB supplier for Suayap Mill for period October 2020 to September 2021 are: <ul style="list-style-type: none"> • Kenambui Estate of PT Sawit Sumbermas Sarana. • Non-certified areas of Suayap Estate and Umpang Estate of PT Mitra Mendawai Sejati. • Agent of PT Multi Usaha Abadi • Four (4) smallholder groups or <i>Kelompok Tani</i> (KT), i.e.: KT Citra Mua Sejati, KT Sawit Raya, KT Sungai Pasir Mandiri and KT Rabing Raya. 	
Non-Conformance Description (filled by auditor): Unit of certification is not be able to shows several data and/or information of FFB suppliers as required by the Indicator, i.e.: <ul style="list-style-type: none"> • Geolocation of FFB sources (non certified areas, third party suppliers, smallholder and agent). • Evidence of land ownership. • Business permit or operational license. 	
Root Cause Analysis (filled by organization audited): <ol style="list-style-type: none"> Unit of certification is do no have a traceability system on data collection towards FFB suppliers. There is no PIC of traceability program who responsible on organizing FFB suppliers, included identification of suppliers database towards geolocation or site of FFB sources, business permit, legal ownership evidence, etc. 	
Correction (filled by organization audited): <ol style="list-style-type: none"> To develop a time frame of traceability program. To develop a procedure on FFB traceability supply, especially on third party suppliers. To make a database containing all data required in traceability system, in line with the time frame. 	
Corrective Action (filled by organization audited): To ensure that the time frame towards FFB supplier collecting data has conducted as per scheluded.	
Assessor Evaluation and Conclusion (filled by auditor): Verification 22 December 2021 Unit of certification has identify root of cause and corrective action analysis. For correction evidence, time frame towards traceability to plantation program of PT SSMS, Tbk has developed and agreed by Staff Proper and Human Right Department, Environmental and Biodiversity Manager, CHSE System and Traceability Manager and Head of Sustainability. The time frame is scheduled from 2022 to 2024 that will be started on January 2022 such as developing FFB traceability system, appointing PIC on traceability, developing Form of the system and data collection on FFB suppliers. Based on root cause and corrective action analysis, as well as correction evidence given, NCR No. 2021.07 is considered closed . However, implementation, consistency and positive progress on conducting timeframe of FFB traceability system program will be verified on the next surveillance audit.	
Verified by	: Bayu Yogatama

NCR No.	:	2021.08	Issued by	:	Yudhi Yuniarto
Date Issued	:	16 October 2021	Time Limit	:	ASA-1.1

NC Grade	: Minor	Date of Closing	: 22 September 2022
Standard Ref. & Requirement	6.2.7 Non Critical Permanent fulltime employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal		
Evidence observed (filled by auditor): Based on list of employee period September 2021 document review, it was known several harvester with daily contract status for 92 and 186 harvesters in Suayap Estate and Umpang Estate, respectively.			
Non-Conformance Description (filled by auditor): Unit of certification is not be able to shows that core work (harvesting) has performed by permanent fulltime employment.			
Root Cause Analysis (filled by organization audited): The management of the work unit does not yet understand the provisions related to government regulations (Decree of the Minister of Manpower No. 100 of 2004 and Government Regulation No. 35 of 2021.			
Correction (filled by organization audited): <ul style="list-style-type: none"> • Management issues confirmation of provisions related to Contract Worker in accordance with the Decree of the Minister of Manpower No. 100 of 2004 and Government Regulation no. 35 years 2021 • HR conducts socialization of provisions related to Contract Worker • Appointing harvest employees and mill workers who are still Contract Worker/ Casual Daily Worker status as permanent employees. 			
Corrective Action (filled by organization audited): <ol style="list-style-type: none"> HR conducts socialization related to Kepmenakertrans periodically every 2 months Head of Administration monitors Contract Worker/ Casual Daily Worker employees 			
Assessor Evaluation and Conclusion (filled by auditor): Auditor Verification on 22 September 2022, The certification unit shows evidence of improvement as follows: <ol style="list-style-type: none"> Socialization on employment relations and confirmation regarding casual daily worker and contract workers conducted online on December 15, 2021. The certification unit can show documentation and attendance lists for these activities. Example of employee appointment document through Agreement No. 005/SK/PHT/MMS-UPE/II/2022 dated January 1, 2022. The agreement explained that harvesting employees (casual daily worker) with the initials MS were appointed as permanent employees. Example of employee appointment document through Agreement No. 099/MMS-PERS/SKM/SYE/III/2022 dated March 1, 2022. The agreement explained that harvesting employees (casual daily worker) with the initials EM were appointed as permanent employees. <p>Based on the foregoing, it is known that the discrepancy is stated to be fulfilled with the observation notes in the next assessment.</p>			
Verified by	: Yudhi Yuniarto Tallutondok		

NCR No.	: 2021.09	Issued by	: Yudhi Yuniarto
Date Issued	: 16 October 2021	Time Limit	: ASA-1.1

NC Grade	: Minor	Date of Closing	: 22 September 2022
Standard Ref. & Requirement	6.5.3 Management has assessed the needs of new mothers, in consultation with the new mothers, and actions are taken to address the needs that have been identified in accordance with applicable regulations in Indonesia		
Evidence observed (filled by auditor): Document of Antenatal Care of PT MMS for Period 2021 (up to October 2021) has informed that there are 63 pregnant employees identified in PT MMS.			
Non-Conformance Description (filled by auditor): Unit of certification is not be able to shows new mother needs assessment record which derived from consultation approach to the respective employees.			
Root Cause Analysis (filled by organization audited): The management of the work unit has not identified the needs of new mothers.			
Correction (filled by organization audited): The head of the work unit identifies the needs of new mothers and follows up on them.			
Corrective Action (filled by organization audited): The work unit manager ensures that the needs of new mothers are identified and evaluated regularly.			
Assessor Evaluation and Conclusion (filled by auditor): Auditor Verification on 22 September 2022, The certification unit has identified the needs of new mothers who are coordinated by the operational staff in each unit. The assessment is carried out by conducting interviews with mothers who are pregnant or who have given birth to facilitate extracting information from respondents. It was further explained that the assessment was carried out on 3 female employees in the estate and mill areas. From the results of the assessment, it is known that there are several things that are the main needs of new mothers as follows: <ol style="list-style-type: none"> Employees who are pregnant and breastfeeding are not allowed to do work related to chemicals. Mothers who are breastfeeding are given the right to give exclusive breastfeeding for 1 hour outside of rest hours. Based on the foregoing, it is known that the discrepancy is stated to be fulfilled with the observation notes in the next assessment.			
Verified by	: Yudhi Yuniarto Tallutondok		

NCR No.	: 2021.10	Issued by	: Mohamad Amarullah
Date Issued	: 16 October 2021	Time Limit	: 15 January 2022
NC Grade	: Major	Date of Closing	: 22 December 2021
Standard Ref. & Requirement	7.2.2 Critical Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per Ha and number of applications) are provided.		
Evidence observed (filled by auditor): -			

Non-Conformance Description (filled by auditor):

Unit of certification is not be able to shows monitoring record of pesticide usage, which consist of total volume, LD-50, total hectareage of application and active ingredient per hectare.

Root Cause Analysis (filled by organization audited):

There is no PIC who responsible in conducting monitoring on pesticide application.

Correction (filled by organization audited):

To appoint PIC that conducting on monitoring towards pesticide application. The PIC will be derived from Warehouse and Administration Officer. Later on the PIC is responsible to provide a report which informs volume of application, LD-50, total area applied and active ingredient per area applied.

Corrective Action (filled by organization audited):

Estate manager to ensure monitoring on pesticide application is carried out every month, consistantly.

Assessor Evaluation and Conclusion (filled by auditor):
Verification 22 December 2021

Unit of certification shows appointment letter which informs PIC who responsible to conduct monitoring on pesticide application, that approved by Warehouse Administration, Plantation Administration, Human Resources, Estate Administration Head (KTU) and Estate Manager. The letter were dated on 01 December 2021 and 08 December 2021 for Suayap Estate and Umpang Estate, respectively. For example, record on pesticide application in November 2021 for Suayap Estate and Umpang Estate are presented in the following Tables:

Suayap Estate

Active Ingredient (a.i.)	LD-50 (mg/kg)	Volum Applied (litre or kg)	Area Applied (ha)	Volume (vol. a.i./ha)
Isoprophyl Amine Glyphosate 480 g/l	8,560	142.20	474.00	0.1440
Fluoroksiphr Methyl Heptil Ester 500 g/l	5,000	0.10	2.60	0.0100
Trikluphr Butoksi Ethyl Ester 665 g/l	2,876.10	1.80	6.00	0.1995
Methyl Metsulfuron 20 %	865	0.50	20.80	0.0050
Deltametrin 25 g/l	416	1.30	4.20	0.0075
Lamda Sihalotrin 25 g/l	1,051	0.30	1.00	0.0075

Umpang Estate

Active Ingredient (a.i.)	LD-50 (mg/kg)	Volum Applied (litre or kg)	Area Applied (ha)	Volume (vol. a.i./ha)
Isoprophyl Amine Glyphosate 480 g/l	8,560	285.50	1,142.00	0.1200
Fluoroksiphr Methyl Heptil Ester 500 g/l	5,000	3.50	14.00	0.1250
Methyl Metsulfuron 20 %	865	26.50	883.30	0.0060
Nonil Fenol Polyglolikol Ester 120 g/l	7,600	2.00	66.70	0.0036

Based on root cause and corrective action analysis, as well as correction evidence given. NCR No. 2021.10 is considered **closed**. Consistency on this matter will be verified on the next surveillance assessment.

Verified by : **Mohamad Amarullah**

NCR No.	: 2021.11	Issued by	: Mohamad Amarullah
Date Issued	: 16 October 2021	Time Limit	: ASA-1.1
NC Grade	: Minor	Date of Closing	: 22 September 2022

Standard Ref. & Requirement	: RSPO Certification System 2020 5.1.3 The directly managed lands (or estates) shall be compliant with the P&C in order for a certificate to be awarded. The mill shall develop and implement a time-bound plan to ensure that 100% of scheme smallholders and scheme outgrowers are compliant with the standard within three (3) years of the mill's initial certification. In monitoring compliance with this timeline, the CB shall raise an OFI after one (1) year where 100% of the scheme smallholders and scheme outgrowers are not in compliance, a minor NC after two (2) years, and a major NC if this requirement is not met after three (3) years.
Evidence observed (filled by auditor): -	
Non-Conformance Description (filled by auditor): Unit of certification has not yet including <i>Kelompok Tani</i> (KT) or smallholder group of Citra Mua Sejati in the Time Bound Plan of PT Sawit Sumbermas Sarana, Tbk.	
Root Cause Analysis (filled by organization audited): The clause related to the RSPO certification System has not been well understood by the Certification Unit so that the Farmers Group or the Citra Mua Sejati Smallholder group has not been registered in the Time Bound Plan of PT. Sawit Sumbermas Sarana, Tbk	
Correction (filled by organization audited): Include the Citra Mua Sejati Farmers Group in the Time Bound Plan list of PT. Sawit Sumbermas Sarana, Tbk.	
Corrective Action (filled by organization audited): Conduct regular reviews every 6 months regarding the Time Bound Plan and make updates as needed.	
Assessor Evaluation and Conclusion (filled by auditor): Verification September 22, 2022 PT SSMS Tbk can show the Time Bound Plan for the Citra Mua Sejati Farmer Group and the Mitra Bina Suayap Farmer Group which are planned to be certified in 2023 Based on the proof of improvement sent, the discrepancy in this indicator is declared to have been fulfilled.	
Verified by	: Moh Arif Yusni

3.4.2 Identification of Findings, Corrective Actions and Observations at ASA- 1.1 Assessment

NCR No.	:	2022.1	Issued by	:	Yudhi Yuniarto Tallutondok
Date Issued	:	23 Sept 2022	Time Limit	:	22 December 2022
NC Grade	:	Minor raised to Major	Date of Closing	:	19 December 2022
Standard Ref. & Requirement	:	2.2.2 All contracts, including those for FFB supply, contain specific clauses on meeting applicable legal requirements, and this can be demonstrated by the third party.			
Evidence observed (filled by auditor): The certification unit shows a list of contractors who are still active in 2022, for example CV Prima Mandiri Perkasa, CV Lisa Jaya and CV Dwita Perdana. The certification unit in this case shows the work contract documents with the certification unit for each contractor, where each contract contains the fulfillment of legal obligations including: a. Provision of PPE for employees. b. Include employees in the <i>BPJS Kesehatan</i> <i>Ketenagakerjaan</i> program. c. Receive wages in accordance with the provisions of the Regency Minimum Wage. d. Do not employ workers under 18 years of age. Based on document verification show that each FFB supplier has good documentation related to the Work Agreement (<i>SPK</i>) with the certification unit. However, the certification unit has not been able to show evidence related to the fulfillment of relevant legal obligations, for example but not limited to the provision of PPE, payment of wages, and payment of <i>BPJS Kesehatan</i> <i>Ketenagakerjaan</i> for each contractor employee.					
Non-Conformance Description (filled by auditor): In this case, the company has not been able to show evidence regarding the fulfillment of relevant legal obligations for third parties.					
Root Cause Analysis (filled by organization audited): The company already has a mechanism for evaluating contractors regarding the fulfillment of relevant legal obligations (employment, K3, and others) in Indonesia. However, there is no program available to ensure the fulfillment of legal obligations to third parties					
Correction (filled by organization audited): - Provide a Timeline for the relevant legal obligations fulfillment program. Ensure contractor compliance with relevant legal compliance					
Corrective Action (filled by organization audited): The Related Department who uses contractor services ensures that the Timeline Program is carried out according to schedule.					
Assessor Evaluation and Conclusion (filled by auditor): Verification on 19 December 2022 Companies can show evidence of improvement in the form of: 1. The company can show a time line / schedule for the fulfillment of the contractors who work together which are scheduled to be fulfilled in December 2023, where the activities to be carried out include: - Notification to contractors regarding the obligation to fulfill legal compliance of works carried out in December 2022 and January 2023 - The contractor has registered workers with <i>BPJS</i> and included a clause related to employee work accident insurance in the Contractor Employee work agreement with a maximum deadline of May 2023 - Carry out an inventory of the fulfillment of the contractor's workforce with contractor evaluation forms which are carried out periodically - Review cooperation agreements with contractors with the addition of clauses that contractors are willing to provide employment data to companies and Certification Bodies if needed every time there is a cooperation contract scheduled to start in January 2023					

2. Out of the nine (9) contractors that have worked with the company, up to now three (3) contractors have been able to demonstrate compliance with the legal aspects, including:
- Contractor CV Dwita Perdana (WORK AGREEMENT No.36/LGL/MKT/CBI-DWP//2022)
evidence of fulfillment of employment aspects can be shown including:
 - Proof of *BPJS* Ketenagakerjaan registration on 03 November 2022 and Proof of BPKS Ketenagakejraan Payment for November 2022 on 03 November 2022
 - Proof of payment / employee salary slip where the employee has earned a wage above the minimum wage set by the government
 - Work contract letters with employees, for example WORK AGREEMENT No xx/SPK/VI/2022 which regulates the rights and obligations between employees and the company.
 - Contractor CV Prima Nusantara Express (WORK AGREEMENT No. 19/LGL/MKT/CBI.G-PNE//2022)
evidence of fulfillment of employment aspects can be shown including:
 - Proof of Employment *BPJS* registration on 18 November 2022 and Proof of BPKS Ketenagakejraan Payment for November 2022 on 18 November 2022
 - Proof of payment / employee salary slip where the employee has earned a wage above the minimum wage set by the government
 - Employment contracts with employees that regulate rights and obligations between employees and the company.
 - Contractor CV Tiga Putra Perkasa (WORK AGREEMENT No. 21/LGL/MKT/SMMS.G-TPP//2022)
evidence of fulfillment of employment aspects can be shown including:
 - Proof of Employment *BPJS* registration on 18 November 2022
 - Proof of payment / employee salary slip where the employee has earned a wage above the minimum wage set by the government
 - Employment contracts with employees that regulate rights and obligations between employees and the company

Regarding the proof of improvement submitted, the nonconformity in this indicator is stated to have been fulfilled and will be re-verified at the time of the next assessment

Verified by	Moh Arif Yusni
--------------------	----------------

NCR No.	:	2022.02	Issued by	:	Moh Arif Yusni
Date Issued	:	23 September 2022	Time Limit	:	Next Assessment
NC Grade	:	Minor	Date of Closing	:	-
Standard Ref. & Requirement	:	2.3.2 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.			
Evidence observed (filled by auditor): In addition to receiving FFB from the plantation which is included in the scope of certification, Scheme Smallholders and other units undersubsidiaries of PT Sawit Sumbermas Sarana Tbk, PKS Suayap also receives FFB from outside parties who are indirect suppliers on behalf of PT Mitra Usaha Abadi. . PT Mitra Usaha Abadi is an indirect supplier who receives FFB from outside parties such as farmers, platforms or collectors which are then sent to the Suayap PKS. Related to that 1. POM cannot show proof of FFB receipt as regulated in indicator 2.3.1 including:					

<ul style="list-style-type: none"> Information on the geolocation of the FFB origin; Proof of ownership status or rights/claims to land by planters/farmers; If relevant, a valid planting/operational/trading permit, or as part of a cooperative so that the buying and selling of FFB can be carried out <p>3. Or the company has obtained approval from the RSPO regarding the announcement of the Interim Measure for Fulfilment of Indicator 2.3.2 of the 2018 RSPO Principles & Criteria — On Legality of Indirect FFB Supplies (Supplies (https://www.rspo.org/news-and-events/announcements/interim-measure-for-fulfilment-of-indicator-232-of-the-2018-rspo-principles-and-criteria-on-legality-of-indirect-ffb-supplies)</p> <p>Non-Conformance Description (filled by auditor): Evidence of traceability of FFB for indirect suppliers has not yet been shown or approval from the RSPO regarding compliance with indicator 2.3.2</p> <p>Root Cause Analysis (filled by organization audited):</p> <p>Correction (filled by organization audited):</p> <p>Corrective Action (filled by organization audited):</p> <p>Assessor Evaluation and Conclusion (filled by auditor):</p> <p>Verified by : </p>

3.4.3 Opportunity for Improvement

No	Ref. Std.	Description
1	7.3.1	Unit of certification is encouraged to evaluate procedure of domestic waste management (for example: radius range or distance of landfill to the nearest employees housing complex), and implementing it as per evaluation result.

3.5 Noteworthy Positive Components

No	Description
1	Has good commitment in implementing sustainable palm oil production principles
2	Has conducting methane capture through development of Biogas Plant since 2019
3	Implementation of other certification system: <ul style="list-style-type: none"> ISO 9001 with certificate No. FM 734934 from 25 October 2020 to 24 October 2023. ISO 14001 with Certificate No. EMS 734936 from 19 October 2020 to 18 October 2023. ISO 45001 with Certificate No. OHS 734937 from 19 October 2020 to 18 October 2023. Bussiness and Human Rights International Standards for Certification (BHRISC 2011).


3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>National Land Agency (BPN) of Kotawaringin Barat District Date of interview: September 20th, 2022 Source of information: <i>Seksi Pengendalian Pertanahan</i> of BPN</p> <ul style="list-style-type: none"> Utilization of operational area since 2007 Annually report HGU utilization report There are no additions related to land use permits and location permits. The company has a good relationship with BPN. There are no problems related to land conflicts The company has considered transparent and cooperative in providing information requested by the Agency. There is no overlapped with forest conservation areas, with with customary rights. with other companies and mining activities. Estate location comply with Kalimantan Tengah Province site plan (or RTRW). There are no abandon areas on company HGU. 	<p>There are no issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators</p>
<p>Dinas Tanaman Pangan, Hortikultura, dan Perkebunan (Department of Food Crops, Horticulture, and Plantation) Kabupaten Kotawaringin Barat. Date: September 20th, 2022 Source of information: Head of Plantation Production Section</p> <p>The results of consultations with the Head of the Plantation Production Section of the Department of Food Crops, Horticulture, and Plantations, Kotawaringin Barat District, it is known that PT MMS has routinely sent LPUP and is included in Plantation Class II. PT MMS did not apply for a revised IUP, with a land use permit of 8,637.19 ha and a processing capacity of 60 tons of FFB/hour. There is no overlap with other business permits and there are no land disputes that are notified to the Office. For the past 2 years, there have been no reports of fires in the plantation area. PT MMS already has CSR programs that are carried out for the surrounding community, such as in the fields of education, health, and religion.</p>	<p>In general, there are no negative issues against the company, and this has been verified in the report.</p>
<p>Environmental Agency of Kotawaringin Barat District Date: September 20th 2022 Source of information: Head of Enforcement and Environmental Supervisor</p> <ul style="list-style-type: none"> The CH complied with applicable regulations related environmental, among others has had license of hazardous temporary warehouse, license of POME Land Application, license of WWTP. All mandatory reports related environmental has been reported to agency. There is no complaints from stakeholder related 	<p>In general, there are no negative issues against the company, and this has been verified in the report.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
environmental issue.	
Manpower Agency of Kotawaringin Barat District Date: September 20 th 2022 Source of information: Labor Inspector <ul style="list-style-type: none"> No employment issues Companies routinely report their reports The company has a good relationship with the manpower agency 	There are no issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators
Gender Committee Date: September 20 th 2022 Source of information: Head of Gender Community <ul style="list-style-type: none"> Head of the gender committee understands his duties and responsibilities. There are no issues of domestic violence and sexual harassment. The certification unit has provided facilities for breastfeeding mothers 	There are no issues that need further verification from Gender Committee
Lembaga Kerja Sama Bipartit (LKS Bipartit) <ul style="list-style-type: none"> <i>LKS Bipartit</i> have been approved by the relevant agencies. All workers have been included in the <i>BPJS Kesehatan</i> and <i>BPJS Ketenagakerjaan</i> programs. There are no employment issues in the certification unit, for example related to the use of child labor, employee harassment issues, or discrimination The promotion is in accordance to the Key Performance Indicator assessment. The certification unit has socialized about code of conduct, human right and gender issues. 	In general there are no negative issues that require further verification. Employment aspects have been discussed in the report
BPD (Badan Permusyawaratan Desa) Umpang Date: September 20 th 2022 Source of information: Head & Secretary of BPD <ul style="list-style-type: none"> The company cares about the interests of the Umpang Village community The company has a good relationship with the Umpang Village community The company has no land conflicts with the Umpang Village community	There are no issues that need further verification from surrounding community

Public Issues (Institution/ NGO/Community)	Auditor Verification
Surrounding Communities Date of interview: September 20 th , 2022 Source of information: <ul style="list-style-type: none"> - Head of Umpang Village - Head of Nanga Mua Village Notes: <ul style="list-style-type: none"> • In general, there are good relationship between PT MMS and surrounding communities, and giving a positive impact for community welfare. • There is no land conflict existed that obstruct estate operational activities. • CSR has mostly conducted incidentally, implemented on various aspect such as infrastructure, health, electricity development, etc. Furthermore, any proposal for community activities has always responded less than 1 week. • The community is mostly local dominated by Malay. • There are no negative issues towards environment aspect, due to estate and mill operational activities. 	<p>In general, it could be concluded that relationship between PT MMS and sampled surrounding villages communities has considered satisfactory. There are no legal, social and environmental conflicts. Community aspiration will be taken into accounts for company continuous improvement.</p>
Previous Land Owner Date of interview: September 20 th , 2022 Source of information: <ul style="list-style-type: none"> - From Village of Umpang - From Village of Nanga Mua Notes: <ul style="list-style-type: none"> • Compensation calculation and payment has smoothly been conducted since 2006 without any conflict and other following negative issues. Furthermore, the process has involving respective agencies and elders in the society. • Compensation was carried out through voluntary without any coercion or by forced. • There are no customary rights inside estate operational areas. 	<p>In general, it could be concluded that land compensation process has goes smoothly, transparent and carried out without any pressure. Furthermore, process of compensation has involving respective agencies and elders in the society.</p>
Local Contractor for Transporting CPO, PK, and FFB Date of interview: September 20 th , 2022 Source of information: <ul style="list-style-type: none"> - CV Ligar Field Coordinator - Foreman and Person in Charge of CV Rajawali Putra Mandiri - President Director of CV Lisanti - Admin CV Lisa Jaya Notes: <ul style="list-style-type: none"> - There has not been socialization of the company's code of ethics on anti-corruption, anti-bribery, and anti-gratification to CV Rajawali Putra Mandiri and CV Ligar. - Health and employment insurance has not been provided to all drivers who work at CV Rajawali Putra Mandiri, CV Lisanti, and CV Lisa Jaya. 	<p>Related to legal compliance issues regarding anti-corruption, anti-bribery, and anti-gratification as well as employment aspects have been verified in the report.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
Umpang Village Secretary <ol style="list-style-type: none"> 1. The certification unit supports and elevates the community's economy by providing guidance to community businesses and cooperation in several sectors. 2. The preparation of the CSR program involves the sub-district. 3. The certification unit involves the local community in fire prevention and control programs through training. 	<p>There are no negative issues related to the certification unit, and verification has been carried out in the report.</p>
Citra Mua Mandiri Cooperative Board <ul style="list-style-type: none"> - Regularly meeting was conducted to discussed the profit of plasma every two months. - FFB payment has been made based on the price of FFB (<i>Dinas Perkebunan</i>). The company has socialized the price of FFB to the cooperative board, besides that cooperative board was also invited to the FFB price fixing meeting at the Palangkaraya every month. - There is no wildlife conflict with the certification unit.. 	<p>There are no negative issues.</p>
Plantation Agency of Kotawaringin Barat Regency <ul style="list-style-type: none"> • There have been no land fires in the last year • There are no indigenous peoples in the certification unit's operational areas • The certification unit carries out CSR programs on a regular basis. • No overlapping operational areas with mining. 	<p>There were no negative issues that need further verification.</p>
Local Contractors – CV Dwita Perdana <ol style="list-style-type: none"> a. 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. b. 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. c. Contractors are still in the stage of registering their employees in the <i>BPJS Kesehatan</i> and <i>Ketenagakerjaan</i> program 	<p>There are no negative issues that need further verification. The company has contributed in empowering local communities by collaborating with local contractors. Described in related Criteria.</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Mitra Mendawai Sejati Head of Sustainability</p>  <p><u>Henky Satrio Wibowo</u> Monday, 19 December 2022</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Moh Arif Yusni</u> Monday, 19 December 2022</p> </div> </div>

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

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	National Land Agency of Kotawaringin Barat	Kotawaringin Barat Regency		By phone	20 September 2022	✓	
2	Department of Food Crops, Horticulture, and Plantation	Kotawaringin Barat Regency		By phone	20 September 2022	✓	
3	Environmental Agency	Kotawaringin Barat Regency		By phone	20 September 2022	✓	
4	Manpower Agency	Kotawaringin Barat Regency		By phone	20 September 2022	✓	
5	Umpang Village	Kotawaringin Barat Regency		Direct interview	20 September 2022	✓	
6	Suayap Hamlet	Kotawaringin Barat Regency		Direct interview	20 September 2022	✓	
7	LKS Bipartite	Kotawaringin Barat Regency		By phone	20 September 2022	✓	
8	Gender Committee	Kotawaringin Barat Regency		Direct interview	20 September 2022	✓	
9	Local Contractors (CV Dwita Perdana)	Kotawaringin Barat Regency		By phone	20 September 2022	✓	
10	Smallholders Cooperative Citra Mua Mandiri	Kotawaringin Barat Regency		By phone	20 September 2022	✓	
11	Previous Land Owner	Kotawaringin Barat Regency		By phone	20 September 2022	✓	
12	Suayap Estate 27 Workers	PT MMS		Direct interview	20 September 2022	✓	
13	Umpang Estate 22 workers	PT MMS		Direct interview	21 September 2022	✓	
14	Suayap Mill 18 workers	PT MMS		Direct interview	19 September 2022	✓	
15	CV Ligar	Kotawaringin Barat Regency		By phone	21 September 2022	✓	

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
16	CV Rajawali Putra Mandiri	Kotawaringin Barat Regency		By phone	21 September 2022	√	
17	CV Lisanti	Kotawaringin Barat Regency		By phone	21 September 2022	√	
18	CV Lisa Jaya	Kotawaringin Barat Regency		By phone	21 September 2022	√	
19	WWF	DKI Jakarta	wwf-indonesia@wwf.or.id	Kuisiner via Email	September 12 th 2022		√
20	Sawit Watch	DKI Jakarta	info@sawitwatch.or.id	Kuisiner via Email	September 12 th 2022		√
21	Aliansi Masyarakat Adat Nusantara (AMAN)	DKI Jakarta	rumahaman@cbn.net.id eramus@aman.or.id	Kuisiner via Email	September 12 th 2022		√
22	Walhi	DKI Jakarta	informasi@walhi.or.id	Kuisiner via Email	September 12 th 2022		√

Appendix 2. Assessment Program

DATE	19 – 23 September 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
MONDAY, 19 SEPTEMBER 2022		
06.00 – 07.30	JAKARTA → PANGKALAN BUN	All Auditor
09.00 – 11.00	PANGKALAN BUN → PT MITRA MENDAWAI SEJATI	
11.00 – 12.00	OPENING MEETING <ul style="list-style-type: none"> Auditee Speech (Introduction of PIC, Profile of Certified Management Unit) Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) 	All Auditor
12.00 – 14.00	Break	All Auditor
14.00 – 16.00	Field observation to SUAYAP POM: <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO) Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond) Implementation of Employment Procedure and Mechanism Aspect 	MAY, YYT FTJ, BLM
16.00 – 16.30	<ul style="list-style-type: none"> Verification of Basic Information Mill and Estate Confirmation of Time Bound Plan Review of Partial Certification 	All Auditor
16.30 – 17.00		
	<ul style="list-style-type: none"> Presentation of Daily Progress 	
TUESDAY, 20 SEPTEMBER 2022		
08.00 – 12.00	Stakeholder Consultation <ul style="list-style-type: none"> Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier and scheme smallholders Stakeholder consultation to affected communities surrounding the plantations and previous land owner as well as Local NGO public consultation with stakeholder to relevant agency in Serdang Bedagai Regency (by Phone) 	FTJ, BLM
08.00 – 12.00	Field Observation to Suayap Estate Aspect to be verified : <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries); Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) Implementation of Occupational Health & Safety Aspect Implementation of Employment Procedure and Mechanism Aspect Observation of Workers Facilities (Housing, School, Worship Place). 	MAY, YYT
12.00 – 14.00	<ul style="list-style-type: none"> Break 	

DATE	19 – 23 September 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
14.00 – 16.00	<ul style="list-style-type: none">• Verification of stakeholder consultation result and field visit.• Document review and completing audit checklist.	All Auditor
16.15 – 17.00	<ul style="list-style-type: none">• Presentation of Daily Progress	
WEDNESDAY, 21 SEPTEMBER 2022		
08.00 – 12.00	Field Observation to to Umpang Estate Aspect to be verified : <ul style="list-style-type: none">- Implementation of Legal Aspect (Land Ownership, Legal Boundaries);- Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)- Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)- Implementation of Occupational Health & Safety Aspect- Implementation of Employment Procedure and Mechanism Aspect- Observation of Workers Facilities (Housing, School, Worship Place).	MAY, YYT FTJ,BLM
12.00 – 14.00	<ul style="list-style-type: none">• Break	All Auditor
14.00 – 16.00	<ul style="list-style-type: none">• Verification of stakeholder consultation result and field visit.• Document review and completing audit checklist.	All Auditor
16.15 – 17.00	<ul style="list-style-type: none">• Presentation of Daily Progress	
THURSDAY, 22 SEPTEMBER 2022		
08.0 – 12.00	<ul style="list-style-type: none">• Continued field observation and Public Consultation if needed)• Document review and completing audit checklist.	All Auditor
12.00 – 14.00	Break	
16.00 – 17.00	<ul style="list-style-type: none">• Verification of stakeholder consultation result and field visit.• Document review and completing audit checklist.	All Auditor
16.15 – 17.00	<ul style="list-style-type: none">• Presentation of Daily Progress	
FRIDAY, 23 SEPTEMBER 2022		
08.00 – 09.00	Internal discussion by auditor team preparing for Closing Meeting	All Auditor
09.00 – 10.30	Closing Meeting <ul style="list-style-type: none">• Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timeline of CAR's, Conclusion)/• Comments, Responses and Questions	
11.30 – 14.00	PT MITRA MENDAWAI SEJATI → PANGKALAN BUN	All Auditor
14.30 –	PANGKALAN BUN→ JAKARTA	