

*Roundtable on Sustainable Palm Oil Certification
RSPO*

[✓] ASA-2.1

Name of Management Organisation : **Pematang Palm Oil Mill, PT Teguh Sempurna subsidiary of Sime Darby Plantation Berhad**

Plantation Name : PT Teguh Sempurna - Pematang Estate, Hatantiring Estate, Kawan Batu Estate and Batang Garing Estate

Location : Village of Sahabu, Sub District of Batu Ampar, District of Seruyan, Province of Kalimantan Tengah, Indonesia

Certificate Code : **MUTU-RSPO/004**

Date of Initial Registration : 05 July 2011

Date of Certificate Issue : 05 April 2022 Date of License Issue : 06 June 2023

Date of Certificate Expiry : 04 April 2027 Date of License Expiry : 04 April 2024

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA 2.1	6 to 10 February 2023	Rizliani Aprianita Hasibuan (Lead Auditor), Asystasya Aishah Silalahi, Radytio Puspanjana, Johannes Pandiangan	Hasiholan Sihombing	Leonada

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-2.1	18 April 2023

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Figure 1. Location Map of PT Teguh Sempurna

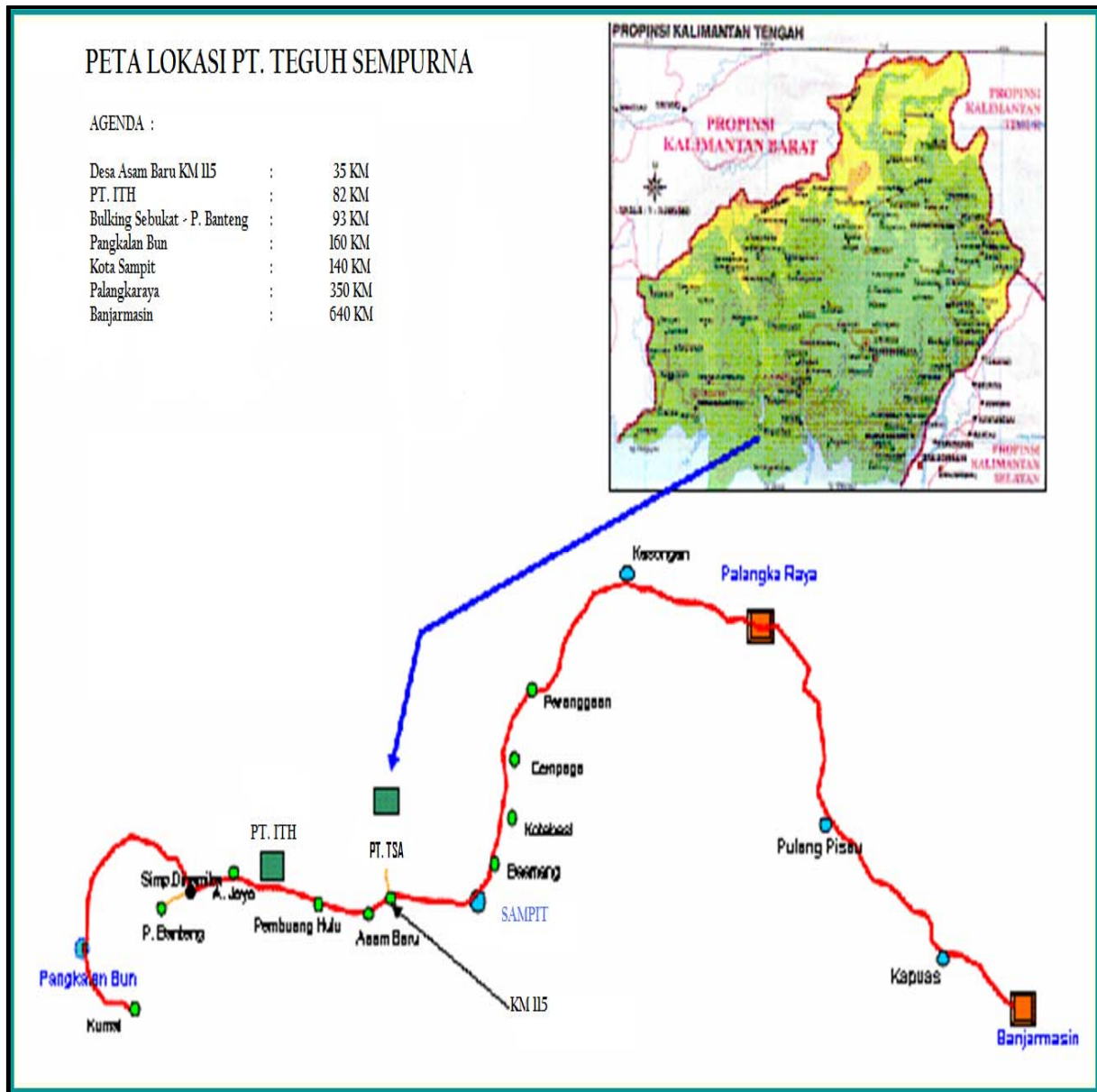
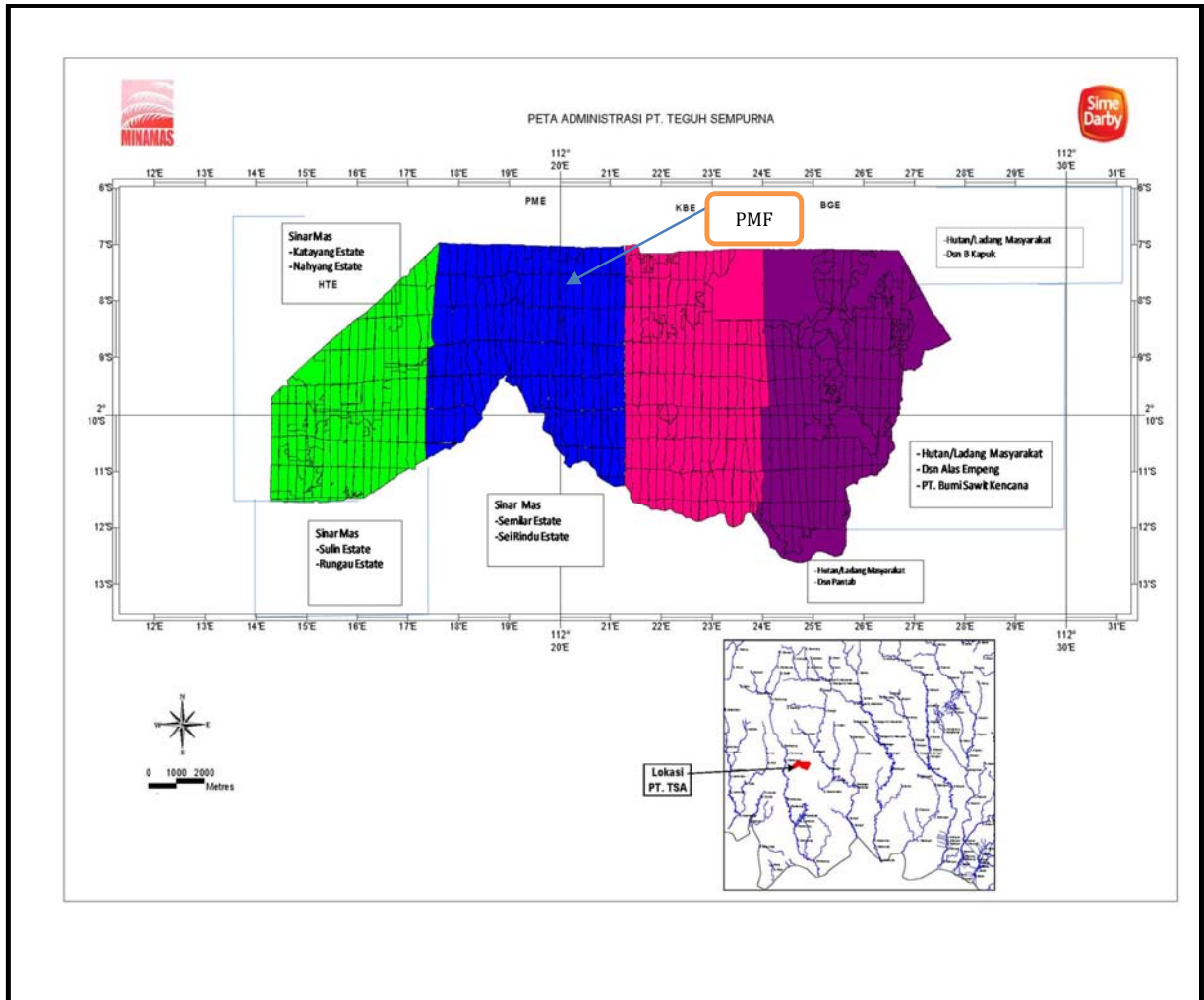


Figure 2. Operational Map of PT Teguh Sempurna



Abbreviations Used

AMDAL (SEIA)	:	<i>Analisis Mengenai Dampak Lingkungan</i> (Social and Environmental Impact Assessment)
ANDAL	:	<i>Analisis Dampak Lingkungan Hidup</i> (Environmental Impact Assessment)
APD (PPE)	:	<i>Alat Pelindung Diri</i> (Personal Protective Equipment)
ARM	:	Area Manager (Abbreviation for number code of Manual Policy or Letter)
BOB	:	Barn Owl Box
BOD	:	Biological Oxygen Demand
BGE	:	Batang Garing Estate
BPC	:	Business Planning and Consolidation
BPN	:	<i>Badan Pertanahan Nasional</i> (Land Agency)
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i>
BSS	:	Block Spraying System
CCM	:	Chemical Company Malaysia
CH	:	Certification Holder
CoC	:	Code of Conduct
CPK	:	Crude Palm Kernel
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
EFB	:	Empty Fruit Bunch
EIA	:	Environment Impact Assessment
ESH	:	Environment Safety and Health
FFB	:	Fresh Fruit Bunch
FPIC	:	Free, Prior and Informed Consent
GHG	:	Green House Gases
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> . (Land Use Title)
HIRAC	:	<i>Hazard Identification Risk Assessment & Control</i>
HIRARC	:	Hazard Identification Risk Assessment and Risk Control
HTE	:	Hatantiring Estate
ISCC	:	International Sustainable Carbon Certificate
ISPO	:	Indonesian Sustainable Palm Oil
IPM	:	Integrated Pest Management
IUP	:	<i>Izin Usaha Perkebunan</i> . (Plantation Business Permit)
WWTP	:	Wastewater Treatment Plant
KBE	:	Kawan Batu Estate
KER	:	Kernel Extraction Rate (<i>Freelance Employee</i>)
KHL	:	<i>Karyawan Harian Lepas</i>
KHT	:	<i>Karyawan Harian Tetap</i> (<i>Daily Permanent Employee</i>)
K3 (OHS)	:	<i>Keselamatan dan Kesehatan Kerja</i> (Occupational Health and safety)
LA	:	Land Application
LCC	:	Legume(s) Cover Crop
LB3	:	Hazardous Waste
LKS	:	<i>Lembaga Kerjasama</i> (Cooperation Agency)
LTA	:	Lost Time Accident
LTIFR	:	Lost Time Accident Frequency Rate
LUCA	:	Land Use Change Analysis
MC	:	Medical Certificate
MRC	:	Minamas Research Center
MCM	:	Management Committee Meeting
NCR	:	Non-Conformity

NGO	:	Non-Government Organization
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
PME	:	Pematang Estate
PMF	:	Pematang Factory
P&D	:	Pest & Disease
PK	:	Palm Kernel
PKWT	:	<i>Perjanjian Kerja Waktu Tertentu</i>
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
PSD	:	Plantation Services Department
PSQM	:	Plantation Sustainability and Quality Management
PT	:	<i>Perseroan Terbatas</i>
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja (occupational health and safety Committee)</i>
RKL RPL	:	<i>Rencana Pengelolaan Lingkungan Hidup- Rencana Pemantauan Lingkungan Hidup</i>
RSPO	:	Roundtable on Sustainable Palm Oil
RTD	:	Recruitment Training Department
RTE	:	Rare, Threatened and Endangered
SAP	:	System Application Product and Processing
SCCS	:	Supply Chain Certification System
SEIA	:	Social Environment Impact Assessment
SIA	:	Social Impact Assessment
SGM	:	Senior General Manager
SKU-H	:	<i>Sistem Kerja Umum- Harian</i>
SOP	:	Standard Operating Procedure
SOU	:	Strategic Operating Unit
UKL/UPL	:	<i>Upaya Kelola Lingkungan/Upaya Pemantauan Lingkungan (Environmental Management Efforts / Environmental Monitoring Efforts)</i>
UMK	:	<i>Upah Minimum Kabupaten (District Minimum Salary)</i>
TSA	:	Teguh Sempurna
WALHI	:	Wahana Lingkungan Hidup Indonesia
WHO	:	World Health Organization
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant
VP	:	Vice President

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20th April 2020 RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT Teguh Sempurna subsidiary of Sime Darby Plantation Berhad	
1.2.2	Contact person	Alagendran Maniam	
1.2.3	Organisation address and site address	RSPO registered company: No 2, Plantation Tower, PJU 1A/7Street, Petaling Jaya, Malaysia 47301. Liaison Office: The Plaza Office Tower, 36 Floor, JL. MH Thamrin Kav. 28-30, Jakarta 10350, Indonesia.	
1.2.4	Telephone	+62-21-29926000	
1.2.5	Fax	+62-21-29922686	
1.2.6	E-mail	alagendran.maniam@simedarbyplantation.com	
1.2.7	Web page address	www.simedarbyplantation.com	
1.2.8	Management Representative who completed the application for certification	Alagendran Maniam (Head of Sustainability & Quality Management)	
1.2.9	Registered as RSPO member	1-0008-04-000-00 07 September 2004.	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Pemantang POM, Pemantang Estate, Hatantiring Estate, Kawan Batu Estate and Batang Garing 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
			Latitude Longitude
	Pemantang	Sahabu Vilage, Batu Ampar Sub District, Seruyan District, Kalimantan Tengah Province, Indonesia	S 02° 08' 54" E 112° 17' 34"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	Pemantang Estate	Pemantang Vilage, Mentaya Hulu Sub District, Kotawaringin Timur District, Kalimantan Tengah Province, Indonesia	S 02° 09' 29" E 112° 17' 26"
	Hatantiring Estate	Sahabu Vilage, Batu Ampar Sub District, Seruyan District, Kalimantan Tengah	S 02° 06' 58" E 112° 17' 36"

	Province, Indonesia					
Kawan Batu Estate	Kawan Batu Village, Mentaya Hulu Sub District, Kotawaringin Timur District, Kalimantan Tengah Province, Indonesia	S 02° 09' 40"	E 112° 23' 07"			
Batang Garing Estate	Karang Biring Kapuk Village, Mentaya Hulu Sub District, Kotawaringin Timur District, Kalimantan Tengah Province, Indonesia	S 02° 09' 28"	E 112° 25' 15"			
1.5	Description of Area Statement					
1.5.1	Tenure					
	• State	16,601.66	Ha			
	• Community	-	Ha			
1.5.2	Area Statement					
	• Total area	16,601.66	Ha			
	• Mature area	13,154.26	Ha			
	• Immature area	908.71	Ha			
	• Nursery	15.00	Ha			
	• Emplacement (Housing, Buildings)	256.50	Ha			
	• Palm Oil Mill	61.00	Ha			
	• Roads and Bridges	501.33	Ha			
	• Swamps, Ravines, Valleys, Hilly	115.00	Ha			
	• Conservation Area (HCV)	991.68	Ha			
	• Enclave (Permanent Occupied)	597.18	Ha			
	• Cemetery	0.25	Ha			
	• Water Catchment Area	0.75	Ha			
1.6	Planting Year and Cycles					
1.6.1	Age profile of planting year					
		Hectarage (Ha)				
	Planting Year	Hatantiring Estate	Pematang Estate	Kawan Batu Estate	Batang Garing Estate	Total
	1996	-	590.18	-	-	590.18
	1997	94.00	975.70	855.00	-	1,924.70
	1998	780.00	-	377.00	-	1,157.00
	1999	301.00	-	136.00	-	437.00
	2000	164.00	-	497.00	-	661.00
	2004	202.00	-	59.00	-	261.00
	2005	723.00	-	560.00	-	1,283.00
	2006	644.00	-	325.00	692.47	1,661.47
	2007	492.00	-	131.00	911.31	1,534.31
	2008	-	-	-	468.00	468.00
	2009	-	-	-	762.00	762.00

2010	-	-	-	295.00	295.00		
2011	-	-	-	192.00	192.00		
2014	7.00	55.69	-	-	62.69		
2015	-	508.06	-	-	508.06		
2016	-	376.67	349.00	-	725.67		
2017	-	258.18	373.00	-	631.18		
Mature Area	3,407.00	2,764.48	3,662.00	3,320.78	13,154.26		
2019	-	277.54	-	-	277.54		
2020	-	412.14	88.00	-	500.14		
2022	-	131.03	-	-	131.03		
Immature Area	0	820.71	88.00	0	908.71		
Total	3,407.00	3,585.19	3,750.00	3,320.78	14,062.97		
1.6.2	New Planting area after January 2010				Ha		
1.6.3	Planting Cycle				2 nd Cycle		
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Pematang	60	287,353	59,287.05	20.63	11,640.47	4.05
	<i>*Production data source from February 2022 – January 2023</i>						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ ha/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Hatantiring	3,811.00	3,407.00	80,243.42	23.55	80,243.42	100
	Pematang	3,857.91	2,764.48	53,597.09	19.39	53,597.09	100
	Kawan Batu	4,400.00	3,662.00	83,653.52	22.84	83,653.52	100
	Batang Garing	4,532.75	3,320.78	69,909.30	21.05	69,909.30	100
	TOTAL	16,601.66	13,154.26	287,403.33	21.85	287,403.33	100
	<i>*Production data source from February 2022 – January 2023</i>						
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified)	Type of Organisation	Number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	-	-	-	-	-		
	TOTAL						
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 (February 2022 – January 2023) (MT)				
	FFB Processed		280,000	287,403.33				
	CPO Production		61,600	59,997.06				
	Palm Kernel (PK) Production		12,600	11,785.64				
1.8.2	Product selling							
	Type of selling product		Actual selling product for last year (February 2022 – January 2023) (MT)					
	CSPO sold as RSPO certified product		1,500.29					
	CSPK sold as RSPO certified product		10,821.68					
	CSPO sold under other scheme		0					
	CSPK sold under other scheme		0					
	CSPO sold as conventional		57,357.57					
	CSPK sold as conventional		0					
1.8.3	Estimate of Certified FFB Claim							
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Hatantiring	3,811.00	3,407.00	84,300	24.74			
	Pemantang	3,857.91	2,764.48	56,300	20.37			
	Kawan Batu	4,400.00	3,662.00	87,800	23.98			
	Batang Garing	4,532.75	3,320.78	73,400	22.10			
	TOTAL	16,601.66	13,154.26	301,800	22.94			
	<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 (%)	
	Pemantang	60	301,800	63,400	21.00	13,600	4.50	IP
	<i>*Projected FFB production for 12 months of certificate</i>							
1.9	Other Certifications							
	ISO 9001:2015		-					
	ISO 14001:2015		-					
	ISO 45001:2018		-					
	ISCC		-					
	Others							
1.10	Time Bound Plan							
	Time Bound Plan for Other Management Units							
	Management Unit	Estate (Supply	Time Bound	Location	Status			

	Mill	Time bound	Base)	Plan		
INDONESIA						
1	Sekunzir. PT. Indotruba Tengah	2010	Sekunzir	2010	Seruyan and Kotawaringin Barat District, Kalimantan Tengah Province	Certified
			Seruyan	2010		Certified
2	Manggala. PT. Tunggal Mitra Plantations	2010	Manggala 1	2010	Rokan Hilir District, Riau Province	Certified
			Manggala 2	2010		Certified
			Manggala 3	2010		Certified
3	Bukit Ajong PT. Sime Indo Agro	2010	West	2010	Sanggau District, Kalimantan Barat Province	Certified
			West (HGU on process)	2023		-
			East	2010		Certified
			East (HGU on process)	2023		-
			East Plasma	2010		Certified
			West Plasma	2010		Certified
			Sei Mawang	2023		-
4	Teluk Siak. PT Aneka Inti Persada	2011	Teluk Siak	2011	Siak District, Riau Province	Certified
			Pinang Sebatang	2011		Certified
			Aneka Persada	2011		Certified
5	Sungai Pinang. PT. Bina Sains Cemerlang	2012	Sungai Pinang	2012	Musi Rawas District, Sumatera Selatan Province	Certified
			Sungai Pinang (HGU on process)	2023		-
			Bukit Pinang	2012		Certified
			Bukit Pinang (HGU on process)	2023		-
6	Pemantang. PT. Teguh Sempurna	2011	Pemantang	2011	Seruyan and Kotawaringin Timur District, Kalimantan Tengah Province	Certified
			Kawan Batu	2011		Certified
			Hatan Tiring	2011		Certified
			Batang Garing	2011		Certified
7	Alur Dumai. PT Lahan Tani Sakti	2011	Alur Dumai	2011	Rokan Hilir District, Riau Province	Certified
8	Teluk Bakau. PT. Bhumireksa Nusa Sejati	2011	Teluk Bakau	2011	Indragiri Hilir District, Riau Province	Certified
			Nusa Perkasa	2011		Certified
			Nusa Lestari	2011		Certified
9	Mandah PT. Bhumireksa Nusa Sejati	2014	Mandah	2011	Indragiri Hilir District, Riau Province	Certified
			Rotan Semelur	2011		Certified
10	Angsana. PT	2011	Angsana	2011	Tanah Bumbu District,	Certified
			Gunung Sari	2011		Certified

	Ladangrumpun Suburabadi		Pantai Bonati	2011	Kalimantan Selatan Province	Certified
			KKPA-1 PT.SHE	2013		Certified
			KKPA-4 PT.SHE	2013		Certified
11	Mustika. PT Sajang Heulang	2013	Mustika	2013	Tanah Bumbu District, Kalimantan Selatan Province	Certified
			KKPA-2 PT.SHE	2013		Certified
			KKPA-3 PT.SHE	2013		Certified
			KKPA-5 PT.SHE	2013		Certified
			SAP 1	2023		-
12	Gunung Aru. PT Bersama Sejahtea Sakti	2011	Gunung Aru	2011	Kotabaru District, Kalimantan Selatan Province	Certified
			Gunung Kemasam	2011		Certified
			Laut Timur	2011		Certified
			Pantai Timur	2011		Certified
			KKPA BSS	2023		-
13	Bebunga. PT. Langgeng Muaramakmur	2011	Bebunga	2011	Kotabaru District, Kalimantan Selatan Province	Certified
			Bakau	2011		Certified
			Sungai Cengal	2011		Certified
14	Sukamandang PT Kridatama Lancar	2011	Sukamandang	2011	Seruyan and Kotawaringin Timur District, Kalimantan Tengah Province	Certified
			Sapiri	2011		Certified
			Barasdanum	2011		Certified
			Kuala Kuayan	2011		Certified
15	Pondok Labu. PT Paripurna Swakarsa	2012	Binturung	2012	Kotabaru District, Kalimantan Selatan Province	Certified
			Pondok Labu	2012		Certified
			Rampa	2012		Certified
			Sesulung	2012		Certified
16	Rantau. PT Laguna Mandiri	2012	Rantau	2012	Kotabaru District, Kalimantan Selatan Province	Certified
			Matalok	2012		Certified
			KKPA Sungai Cengal (1,382 SH)	2014		Certified
			Selabak (PT SAA)	2012		Certified
			Randi (PT SAA)	2012		Certified
			Sangkoh (PT SAA)	2012		Certified
			Lanting (PT LMR)	2012		Certified
17	Betung. PT Laguna Mandiri	2014	Betung	2012	Kotabaru District, Kalimantan Selatan Province	Certified
			Sekayu	2012		Certified
18	Ungkaya. PT Tamaco Graha Krida	2012	Ungkaya	2012	Morowali District, Sulawesi Tengah Province	Certified
19	Ladang Panjang. PT Bahari Gembira Ria	2012	Ladang Panjang	2012	Muaro Jambi District, Jambi Province	Certified
			Ladang Panjang (HGU on process)	2023		-

20	Rantau Panjang. PT Guthrie Pecconina Indonesia	2012	Rantau Panjang	2012	Musi Banyuasin District, Sumatera Selatan Province	Certified
			Rantau Panjang (HGU on process)	2023		-
			Bumi Ayu	2012		Certified
			Karang Ringin	2012		Certified
			Napal	2012		Certified
			Napal (HGU on process)	2023		-
			Mangun Jaya	2012		Certified
			Mangun Jaya (HGU on process)	2023		-
			Sungai Jernih	2023		-
			GPI KKPA	2023		-
21	Blang Simpo. PT Perkasa Subur Sakti	2013	Tamiang (PT PPP)	2013	Aceh Tamiang and Aceh Timur District, Province Aceh	Certified
			Batang Ara (PT PSK)	2013		Certified
			Blang Simpo-01	2013		Certified
			Blang Simpo-02	2013		Certified
22	Lembiru. PT Sandika Nata Palma	2014	Lembiru	2014	Ketapang District, Kalimantan Barat Province	Certified
			Awatan	2014		Certified
			Karya Palma	2023		-
			KKPA SNP	2023		-
			Pelanjau (PT BAL)	2019		Certified
			Sungai Putih (PT BAL)	2023		-
			Beturus (PT BAL)	2023		-
			KKPA BAL	2023		-
MALAYSIA						
1	Sg Dingin SOU 1	2010	Bukit Hijau	2010	Kerangan, Kedah	Certified
			Padang Buluh	2010		Certified
			Bukit Selangor	2010		Certified
			Sg Dingin	2010		Certified
			Jentayu	2010		Certified
			Anak Kuli	2010		Certified
			Somme	2010		Certified
2	Chersonese SOU 2	2011	Chersonese	2011	Kuala Kurau, Perak	Certified
			Holyrood	2011		Certified
			Kalumpang	2011		Certified
			Tali Ayer	2011		Certified
3	Elphil SOU 3	2011	Kinta Kellas	2011	Sg Siput, Perak	Certified
			Elphil	2011		Certified

			Kamuning	2011		Certified
4	Flemington SOU 4	2011	Flemington	2011	Teluk Intan, Perak	Certified
			Bagan Datoh	2011		Certified
			Sabak Bernam	2011		Certified
			Sg Samak	2011		Certified
5	Seri Intan SOU 5	2011	Seri Intan (Main Division)	2011	Teluk Intan, Perak	Certified
			Sabrang	2011		Certified
			Sg Wangi	2011		Certified
			Sogomana (Main Division)	2011		Certified
6	Selaba SOU 5	2011	Seri Intan (Selaba Division)	2011	Teluk Intan, Perak	Certified
			Sogomana (Cashwood & Sg Beruas Division)	2011		Certified
			Bikam	2011		Certified
			Clumy	2011		Certified
7	Tennamaram SOU 6	2011	Tennamaram	2011	Bestari Jaya, Selangor	Certified
			Sungei Buloh	2011		Certified
			Bkt Talang	2011		Certified
8	Bkt Kerayong SOU 7	2011	Bkt Kerayong	2011	Kapar, Selangor	Certified
			Bkt Cherakah	2011		Certified
			Bkt Rajah	2011		Certified
			Bkt Lagong	2011		Certified
			Elmina	2011		Certified
9	East SOU 8	2010	East	2010	Carey Island, Selangor	Certified
			Dusun Durian	2010		Certified
			Sepang	2010		Certified
10	West - SOU 9	2010	West	2010	Carey Island, Selangor	Certified
11	Bukit Putri - SOU 10	2011	Bukit Putri	2011	Raub, Pahang	Certified
12	Kerdau SOU 11	2011	Kerdau	2011	Temerloh, Pahang	Certified
			Jentar	2011		Certified
			Mentakab	2011		Certified
			Sg Mai	2011		Certified
			Chenor	2011		Certified
13	Jabor - SOU 12	2011	Jabor	2011	Kemaman, Trengganu	Certified
14	Labu SOU 13	2011	Labu	2011	Nilai, Negeri Sembilan	Certified
			New Labu	2011		Certified
			Bradwall	2011		Certified
15	Tanah Merah	2010	Tanah Merah	2010	Port Dickson, Negeri	Certified

	SOU 14		Sua Betong	2010	Sembilan	Certified
			Bukit Pelandok	2010		Certified
16	Sua Betong SOU 15	2014	Salak	2014	Port Dickson, Negeri Sembilan	Certified
			Sengkang	2014		Certified
			Siliau	2014		Certified
			PD Lukut	2014		Certified
			Sungai Baru	2014		Certified
			Tampin Linggi	2014		Certified
17	Kok Foh SOU 16	2011	Bukit Pilah	2011	Bahau, Negeri Sembilan	Certified
			Kok Foh	2011		Certified
			Muar River	2011		Certified
			St. Helier	2011		Certified
			Pertang	2011		Certified
			Sg Gemas	2011		Certified
			Sg Sebaling	2011		Certified
			Sg Senarut	2011		Certified
18	Kempas SOU 17	2010	Kempas	2010	Jasin, Melaka	Certified
			Kemuning	2010		Certified
			Tangkah	2010		Certified
19	Diamond Jubilee SOU 18	2011	Bukit Asahan	2011	Jasin, Melaka	Certified
			Diamond Jubilee	2011		Certified
			Serkam	2011		Certified
20	Pagoh SOU 19	2014	Pagoh	2014	Muar, Johor	Certified
			Lanadron	2014		Certified
			Pengkalan Bukit	2014		Certified
			Welch	2014		Certified
21	Chaah SOU 20	2010	North Labis	2010	Chaah, Johor	Certified
			Cha'ah	2010		Certified
			Sg Simpang Kiri	2010		Certified
22	Gunung Mas SOU 21	2010	Gunung Mas	2010	Kluang, Johor	Certified
			Kempas Klebang	2010		Certified
			Bukit Paloh	2010		Certified
			Yong Peng	2010		Certified
23	Bukit Benut SOU 22	2011	Bukit Benut	2011	Kluang, Johor	Certified
			CEP Niyor	2011		Certified
			Lambak / Elaeis	2011		Certified
24	Ulu Remis SOU 23	2011	Pekan	2011	Layang-layang, Johor	Certified
			Sembrong	2011		Certified

			Tun Dr. Ismail	2011		Certified
			Ulu Remis	2011		Certified
			Bukit Badak	2011		Certified
			Cenas	2011		Certified
25	Hadapan SOU 24	2011	CEP Rengam	2011	Layang-layang, Johor	Certified
			Kulai	2011		Certified
			Layang	2011		Certified
			Seri Pulai	2011		Certified
26	Sandakan Bay SOU 26	2008	Tun Tan Siew Sin	2008	Sandakan, Sabah	Certified
			Tunku	2008		Certified
			Tigowis	2008		Certified
			Sentosa	2008		Certified
			Saguliud	2008		Certified
27	Melalap SOU 27	2011	Melalap	2011	Tenom, Sabah	Certified
			Sapong	2011		Certified
28	Binuang SOU 28	2009	Tingkeyu	2009	Kunak, Sabah	Certified
			Sungang	2009		Certified
			Jelata Bumi	2009		Certified
			Binuang	2009		Certified
29	Giram SOU 29	2009	Mostyn	2009	Kunak, Sabah	Certified
			Giram	2009		Certified
30	Merotai SOU 30	2009	Imam	2009	Tawau, Sabah	Certified
			Merotai	2009		Certified
			Table	2009		Certified
			Tiger	2009		Certified
31	Lavang SOU 31	2011	Belian	2011	Bintulu, Serawak	Certified
			Kelida	2011		Certified
			Lavang	2011		Certified
			Lavang (SE)	2011		Certified
			Rasan	2011		Certified
			Chartquest	2011		Certified
			Dulang	2011		Certified
			Peroh	2011		Certified
			Pekaka	2011		Certified
			Ruai	2011		Certified
32	Rajawali SOU 32	2011	Rajawali	2011	Bintulu, Serawak	Certified
			Samudera	2011		Certified
			Semarak	2011		Certified

			Bayu	2011		Certified
33	Derawan SOU 33	2011	Takau	2011	Bintulu, Serawak	Certified
			Damai	2011		Certified
			Derawan	2011		Certified
			Sahua	2011		Certified
P & G (New Britain Palm Oil)						
1	Poliamba	2012	Kara	2012	Kevieng, New Ireland Province, P&G	Certified
			West Coast	2012		Certified
			Nalik	2012		Certified
			Noatsi	2012		Certified
			Madak	2012		Certified
			North (Smallholders)	2012		Certified
			South (Smallholders)	2012		Certified
			West (Smallholders)	2012		Certified
2	Tetere	2011	Tetere	2011	Gudaicanal, Slomon Island	Certified
			Ngalimbiu	2011		Certified
			Mbalisuna	2011		Certified
			West Zone (Smallholders)	2011		Certified
			Central Zone (Smallholders)	2011		Certified
			MBA East (Smallholders)	2011		Certified
			MBA West (Smallholders)	2011		Certified
3	Sangara, Sambiripa & Mamba	2013	Sangara	2013	Higaturu, Popondetta, Oro, P&G	Certified
			Sumberipa	2013		Certified
			Ambogo	2013		Certified
			Embi	2013		Certified
			Mamba	2013		Certified
			Sorovi (smallholders)	2013		Certified
			Igora (smallholders)	2013		Certified
			Saiho (smallholders)	2013		Certified
			Aeka (smallholders)	2013		Certified
			Ilimo (smallholders)	2013		Certified
4	Gusap	2010	Dumpu	2010	Madang, P&G	Certified
			Surinam	2010		Certified
			Jephcott	2010		Certified
			Gusap	2010		Certified

			Paddox	2010		Certified
			Ngaru	2010		Certified
			Madang VOP (smallholders)	2010		Certified
			Morobe VOP (smallholders)	2010		Certified
5	Hagita	2013	Giligili	2013	Milne Bay, P&G	Certified
			Hagita	2013		Certified
			Waigani	2013		Certified
			Sagarai	2013		Certified
			Padipadi	2013		Certified
			Mariawatte	2013		Certified
			East Gurney	2013		Certified
			West Gurney	2013		Certified
			East Sagarai	2013		Certified
			West Sagarai	2013		Certified
6	Mosa Kumbango Kapiura Namumdo Waraston	2008	Bebere	2008	West New Britain	Certified
			Kumbango	2008		Certified
			Togulo	2008		Certified
			Dami	2008		Certified
			Waisisi	2008		Certified
			Kautu	2008		Certified
			Karaususu	2008		Certified
			Moroo	2008		Certified
			Bilomi	2008		Certified
			Loata	2008		Certified
			Haella	2008		Certified
			Garu	2008		Certified
			Daliavu	2008		Certified
			Sapuri	2008		Certified
			Malilimi	2008		Certified
			Rigula	2008		Certified
			Nomundo	2008		Certified
			Navarai / Karato ME	2008		Certified
			Volupai. Lotomgam / Natupi / Goruru	2008		Certified
			Lolokoru	2008		Certified
			Silovoti	2008		Certified
			LSS Hoskin (1,877 Smallholders)	2008		Certified

		VOP East (1,815 Smallholders)	2008	Certified
		VOP Central (1,958 Smallholders)	2008	Certified
		VOP West (1,277 Smallholders)Kaulong / Akamie / Pusiki / Repamira / Sakapei / KDC ME (21 large smallholders)	2008	Certified
		LSS Kapiura (847 Smallholders)	2008	Certified
		VOP Kapiura (551 Smallholders)	2008	Certified
	<p>TBP in January 2022.</p> <p>Sime Darby has achieved 34 management units in Malaysia, 25 management units in Indonesia, 10 management units in P&G that RSPO certified. Total management unit in Sime Darby Plantation Berhad are 34 in Malaysia, 25 in Indonesia and 10 in P&G. There is change of time bound plan, with detail:</p> <ol style="list-style-type: none"> 1. Uncertified area in PT Sime Indo Agro: postpone become 2023 due to HGU process 2. Uncertified area in PT Bina Sains Cemerlang: postpone become 2023 due to HGU process 3. Uncertified area in PT Bahari Gembira Ria: postpone become 2023 due to HGU process 4. Uncertified area in PT Budidaya Agro Lestari: postpone become 2023 due to HGU process 5. For Liberia operations: As at 16 Jan 2020, Sime Darby Plantation under its unit Sime Darby Plantation Investment (Liberia) Pte Ltd has completed its disposal of its entire interest in Sime Darby Plantation (Liberia) Inc (SDP Liberia) to Mano Palm Oil Industries Ltd (MPOI). https://www.simedarbyplantation.com/media/pressreleases/sime-darby-plantation-completesdivestment-of-its-liberia-operation 			
1.10.2	Progress of Associated Smallholders and Out growers for Certifiable Standard			
	PT Teguh Sempurna does not have a cooperation scheme with smallholders and outgrower			

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-2.1	<ol style="list-style-type: none"> 1. Rizliani Aprianita Hasibuan (Lead Auditor). Indonesian Citizen. Bachelor and Magister of Agribusiness, Faculty of Agriculture. She had followed training such as RSPO Lead Auditor Training, SCCS training, lead Auditor ISO 9001:2008, ISO 14001:2004, SA 8000, OHSAS 18001, social audit training by RSPO (verité), ISPO Auditor training and followed several IHT related to environment, BMP etc. She has been involved in several audit activities related to sustainable palm oil certification since 2015 covering legal, social aspect, health and safety aspect, worker welfare, waste management aspect etc. In this audit, she assigned to verify worker welfare, transparency, social aspects, BMP and OHS. 2. Asystasya Aishah Silalahi (Auditor). Indonesia Citizen, Bachelor of Economy, Major of Agribusiness, Faculty of Economic and Management. She has one year experience in consultancy. She has followed training such as ISPO Auditor Training, Lead Auditor ISO 9001:2015, OHS General Expert, RSPO lead auditor training course, SCCS, and several in house training related to environmental, BMP, SA 8000. Has been involved in several audit activities since 2016 related to sustainable palm oil certification covering waste management aspect, Social Aspect, Health and Safety Aspect, and Worker Welfare. During this audit, she verified legal, land dispute, and SCCS aspect. 3. Radytio Puspanjana (Auditor). Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training, which was held by National GMIT, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospatial Information System, IHT High Conservation Value, IHT Environmental Impact Assessment, IHT Green House Gas and RSPO Lead Auditor Course by Checkmark Training. Since 2015 has been following many audits as auditor base on Best Management Practice and Environment. In this audit he is responsible for assessing the aspects of Environment, HCV, Social, and GHG Aspects. 4. Johannes Kapri Pandiangan (Trainee Auditor). Bachelor of Agriculture, Department of Agricultural Social-Economics, Faculty of Agriculture. Has 7 years of experience working as operational staff in one of the leading private oil palm plantation companies in Indonesia. The training that has been attended includes Forest and land fire emergency response training by BKSDA Riau Province, IHT ISPO P&C Certification System, IHT Awareness ISO 17021 and 17065, IHT Awareness RSPO, ISO 14001: 2015 Lead Auditor Training, and ISO 9001:2015 Lead Auditor Training During this audit he verify Best Management Practices and OHS under supervised by Lead Auditor.
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-2.1	<p>Number of auditors: 3 auditor and 1 auditor trainee Number of days for audit ASA-2.1: 5 days Number of working days for audit ASA-2.1 document review : 15 Working days</p>
2.2.2	Assessment Process
ASA-2.1	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Teguh Sempurna to the requirements of:</p> <ul style="list-style-type: none"> • RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20th April 2020 • RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020 <p>The scope of certification of PT Teguh Sempurna consist of one mill (Pemantang Factory) and four (4) estate, namely Pemantang Estate, Hatantiring Estate, Batang Garing Estate and Kawan Batu Estate. Currently the process of certification in PT Teguh Sempurna ride into in 3rd cycles, with the first registration of certificate starting on 05 July 2011</p> <p>The audit program is included as Appendix 2. The approach to the audit was to treat the mill and its supply base as an</p>

RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

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

Public Stakeholder Notification was made on Mutu Website. There is no written negative feedback receive. Stakeholder consultation involved internal and external stakeholders. Meetings were 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 meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings. The comments made by external stakeholders were also taken into account in the assessment

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

Some opportunities for improvement of the results ASA-2.1 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-2.2). All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of this assessment.

The assessment program please find Appendix 2

2.2.3	Locations of Assessment
ASA-2.1	<p>The sampling location consider the issue arise from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p> <p>Pematang Factory</p> <ul style="list-style-type: none"> - Security. Observation and Interview related to OHS implementation, employment, work procedure, FFB source and complaint mechanism. - Grading station. Observation and Interview related to OHS implementation, employment, work procedure, FFB source and complaint mechanism. - Workshop. Observation and Interview related to OHS implementation, employment, work procedure and complaint mechanism. - WTP. Observations and interviews with workers related to OHS implementation, environment and worker welfare aspects - Empty Bunch Area. Observations and interviews with workers related to OHS implementation, environment and worker welfare aspects - Despatch. Observation and Interview related to OHS implementation, employment, work procedure and complaint mechanism. - Methane capture/ Biogas Plan. Observations and interviews related to POME management, employment, health checks, OHS, PPE and biogas utilization management. The installation can process 500 of MT/days. - Chemical material warehouse. Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health. - Workshop. Observations and interviews with workers related to the management and implementation of health safety, and social worker and hazardous waste management. - Mill Drainage. Observations mill effluent lines, sanitation mill and flow of leaching mill. - Hazardous waste temporary warehouse. Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.

- **Solid Waste.** Observation of the management of Solid waste consist of EFB, fiber and shell from the production process of mill.
- **WWTP.** Field observations related to Ban to entry to WWTP, run off, testing of effluent.
- **Sterilizer Station.** Observation and Interview related to OHS implementation, employment, work procedure and complaint mechanism.
- **Boiler Station.** Observation and Interview related to OHS implementation, employment, work procedure and complaint mechanism.
- **Engine Room Station.** Observation and Interview related to OHS implementation, employment, work procedure and complaint mechanism.
- **Press Station.** Observation and Interview related to OHS implementation, employment, work procedure and complaint mechanism.
- **Hydrant Simulation No. 4.** Boiler Areas. Observations related to emergency preparedness.
- **Loading Ramp.** Observation and Interview related to OHS implementation, employment, work procedure and complaint mechanism.

Hatantiring Estate

- **Block Spraying System House.** Observation and Interview related to OHS implementation, environment, employment, work procedure and complaint mechanism.
- **Block Manuring System House.** Observation and Interview related to OHS implementation, environment, employment, work procedure and complaint mechanism.
- **Manuring activity Block T12/T13.** Observation and interview with workers related to work procedure, OHS implementation, workers welfare, environment aspect and complaint mechanism
- **Loose fruit picker Block S009.** Observation and interview with workers related to work procedure, OHS implementation, workers welfare and complaint mechanism
- **Harvesting activity Block S009.** Observation and interview with workers related to work procedure, OHS implementation, workers welfare and complaint mechanism
- **Subsiden Pole and Piezometer** observations related to peat management
- **Employee housing.** Field observations related to workers' welfare facilities and infrastructure
- **Daycare.** Observation and interview with workers related to work procedure, OHS implementation, workers welfare, and complaint mechanism.
- **HGU stakes and land demarcation No. 91, No. 90 and No. 89.** Observation of aspect of land demarcation and maintenance of HGU pole, and land dispute potency.
- **Sahabu River Block P22, Division 1.** Observation the implementation of management in HCV of riparian area.
- **Occupation area, Blok R.** Observation about demarcation of occupation area.
- **Workshop.** Observations and interviews with workers related to the management and implementation of health safety, and social worker.
- **Material storage.** Observation about PPE stock.
- **Fertilizer Warehouse.** Observation about fertilizer stock, emergency response, and interview with storage operator about worker welfare aspect, understanding about job description, and OHS implementation.
- **Agrochemical storage.** Observation about agrochemical stock, emergency response, and interview with storage operator about worker welfare aspect, understanding about job description, and OHS implementation.
- **Mixing area.** Observation about environment management and OHS implementation.
- **Hazardous waste temporary warehouse.** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse

Pemantang Estate

- **HGU stakes and land demarcation No. 67, No. 66, and No. 65.** Observation of aspect of land demarcation and maintenance of HGU pole, and land dispute potency.
- **HCV Sahabu River Riparian Area, Block Q24, Q24 and Q27.** Observation the implementation of management in HCV of riparian area.
- **Harvesting, Block Q36 division 2.** Observation and interview with Harvesting Supervisor and workers related to harvesting procedure accordance to SOP, PPE implementation, employment aspect, OHS implementation, socialization HCV area, and payment system.

- **Replanting area planting year 2022.** Observation related replanting mechanism and zero burning.
- **HCV reservoir, Block Q34.** Observation the implementation of management in HCV of water source.
- **Block Spraying System House.** Observation related agrochemical waste management, MSDS, emergency response, and type of pesticide used.
- **Block Manuring System House.** Observation related agrochemical waste management, MSDS, emergency response, and type of fertilizer used.
- **Hazardous waste temporary warehouse.** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
- **Fertilizer Warehouse.** Observations relating to the implementation of storage hazardous material, Health safety and labor management.
- **Chemical material warehouse.** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
- **Fire Fighting Equipment Storage.** Simulation the function of fire extinguishers and team readiness.
- **Workshop.** Observations and interviews with workers related to the management and implementation of health safety, and social worker.
- **Manuring activity Block S015.** Observation and interview with workers related to work procedure, OHS implementation, workers welfare, environment aspect and complaint mechanism
- **Spraying activity Block 40/41 Field O10.** Observation and interview with workers related to work procedure, OHS implementation, workers welfare, environment aspect and complaint mechanism
- **Loose fruit picker Block R53.** Observation and interview with workers related to work procedure, OHS implementation, workers welfare and complaint mechanism
- **Harvesting activity Block T015/T016.** Observation and interview with workers related to work procedure, OHS implementation, workers welfare and complaint mechanism
- **Control of Oryctes. Block 29/30.** Observation and interview with workers related to work procedure, OHS implementation, workers welfare and complaint mechanism
- **Fire watchtower. Block S36.** Observations regarding facilities and infrastructure for forest and land fire prevention
- **Barn Owl and Beneficial plant. Block S40.** Observations related to biological control of pests and diseases

Kawan Batu Estate

- **Manuring activity Block S57/58.** Observation and interview with workers related to work procedure, OHS implementation, workers welfare, environment aspect and complaint mechanism
- **Spraying activity Block R52.** Observation and interview with workers related to work procedure, OHS implementation, workers welfare, environment aspect and complaint mechanism
- **Loose fruit picker Block R53.** Observation and interview with workers related to work procedure, OHS implementation, workers welfare and complaint mechanism
- **Harvesting activity Block Q14.** Observation and interview with workers related to work procedure, OHS implementation, workers welfare and complaint mechanism
- **HGU stakes and land demarcation No. 61, No. 60, No.59, No 58 and No. 57.** Observation of aspect of land demarcation and maintenance of HGU pole, and land dispute potency.
- **HCV Silar River Riparian Area, Block R/S 44, S48 and Q47-Q48.** Observation the implementation of management in HCV of riparian area.
- **HCV Beringin River Riparian Area, Block U52.** Observation the implementation of management in HCV of riparian area.
- **Harvesting, Block R48.** Observation and interview with Harvesting Supervisor and workers related to harvesting procedure accordance to SOP, PPE implementation, employment aspect, OHS implementation, socialization HCV area, and payment system.
- **Hazardous waste temporary warehouse.** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
- **Fertilizer Warehouse.** Observations relating to the implementation of storage hazardous material, Health safety and labor management.
- **Chemical material warehouse, grease and lubricant.** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
- **Fire Fighting Equipment Storage.** Simulation the function of fire extinguishers and team readiness.
- **Block Spraying System House.** Observation related agrochemical waste management, MSDS, emergency

- response, and type of pesticide used.
- **Block Manuring System House.** Observation related agrochemical waste management, MSDS, emergency response, and type of fertilizer used.

Batang Garing Estate

- **HGU stakes and land demarcation No. 43, No. 44, No.42, and No. 41.** Observation of aspect of land demarcation and maintenance of HGU pole, and land dispute potency.
- **HCV Simpang River Riparian Area, Block R67.** Observation the implementation of management in HCV of riparian area.
- **HCV Beringin River Riparian Area, Block U60.** Observation the implementation of management in HCV of riparian area.
- **HCV Silar River Riparian Area, Block R/S 60.** Observation the implementation of management in HCV of riparian area.
- **Loose fruit picker Block R70/71.** Observation and interview with workers related to work procedure, OHS implementation, workers welfare and complaint mechanism
- **Harvesting activity Block R70/71.** Observation and interview with workers related to work procedure, OHS implementation, workers welfare and complaint mechanism
- **EFB Apiication. Block S71.** Observation and interview with workers related to work procedure, OHS implementation, workers welfare and complaint mechanism
- **FFB Transport. Block R73/74.** Observation and interview with workers related to work procedure, OHS implementation, workers welfare and complaint mechanism
- **Housing complex Division 1.** Observation about housing condition, domestic waste management, and other facilities for workers.
- **Body shower of spraying team and mixing area Division 1.** Observation the conditions body shower room and PPE handling
- **Workshop.** Observations and interviews with workers related to the management and implementation of health safety, and social worker.
- **Material storage.** Observation about PPE stock.
- **Fertilizer Warehouse.** Observation about fertilizer stock, emergency response, and interview with storage operator about worker welfare aspect, understanding about job description, and OHS implementation.
- **Agrochemical storage.** Observation about agrochemical stock, emergency response, and interview with storage operator about worker welfare aspect, understanding about job description, and OHS implementation.
- **Oil storage.** Observation about OHS implementation, environment management, and oil stock.
- **Hazardous waste temporary warehouse.** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse
- **Fuel tank.** Observation about OHS implementation, emergency response, and environment management

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-2.1	Summary of stakeholder consultation process Consultation of stakeholders for PT Teguh Sempurna was held by: <ol style="list-style-type: none"> 1. Public Notification on website PT Mutuagung Lestari and RSPO on 23 Januari 2023 2. Public consultation with NGOs (by email) such as WALHI, WWF, and Sawit Watch on 31 January 2023 3. Public consultation by phone with government institution on 07 February 2023 4. Public consultation meeting with communities including previous land owner on 07 February 2023 5. Public consultation meeting with internal stakeholders and contractor on 07 February 2023 Numbers of input from stakeholders were clarified by PT Teguh Sempurna
2.3.2	Stakeholder contacted
ASA-2.1	Please find appendix 1

2.4	Determining Next Assessment
	The next visit (ASA 2.2) will be conducted eight (8) months until twelve (12) months after date of annual license.

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of PT Teguh Sempurna subsidiary of Sime Darby Plantation Berhad operation consisting of one (1) mill and four (4) oil palm estates.

During the assessment, there were five (5) Nonconformity were assigned against Major Compliance Indicators and no Nonconformities were assigned against Minor Compliance Indicators and six (3) 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 action(s) that had been reviewed and accepted by Auditors in form of documentation evidences e.g. document record. Those corrective action taken that consist of five (5) Major non-conformity

MUTUAGUNG LESTARI found that Pemantang POM - PT Teguh Sempurna Subsidiary of Sime Darby Plantation Berhad 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>The list of publicly accessible document was available in the SOP of Request of Information and Response dated 20 January 2015. The procedure explained that the provision of information to the public can be done through direct visits to the field or review the documentation at the headquarters or representatives. Response to an information request within 10 days of receipt of the request for such information.</p> <p>In the document, the list of accessible information covers relevant legal, social, and environmental aspects related to sustainability. These documents include land certificates, OHS plans, environmental and social impact plans and assessments, HCV documentation, pollution prevention and reduction plans, complaints, negotiation procedures, continuous improvement plans, public summary reports on certification assessment, and human rights policy.</p>	
1.1.2	<p>The company has also reported several mandatory reports to relevant stakeholders, for example:</p> <ul style="list-style-type: none"> • The latest report of the use and utilization of HGU for 2022 which was submitted to Land Office Kotawaringin Timur Regency dated 24 January 2023 • The latest report on the progress of the plantation business for the 3rd quarter of 2022 which was submitted to the Plantation Agency of Kalimantan Tengah Province on 11 November 2022. <p>Those documents are provided in appropriate language. Based on explanation above, company has provided information in appropriate language and accessible to relevant stakeholders. Based on interview with related agency such as</p>	

Environment Agency of Seruyan Regency, it is known that stakeholder aware about information for stakeholder and the mechanism for accessing information.

1.1.3

The company records requests for information from stakeholders in documents of Incoming and Outgoing Letters of External Stakeholders. The book informs about the date of the incoming letter, subject matter, and the date of the letter's response. Based on the review of these documents, incoming letters from stakeholders related to requests for assistance or invitation letter. Then, the company shows examples of responses to incoming mail, for example:

- Incoming letter from Batu Menangis Village regarding assistance for activity of Youth Organization dated 17 June 2022. The company showed a letter of approval for the application submitted on 20 June 2022.
- Incoming letter from Batu Ampar Subdistrict regarding fund assistance for RI Anniversary dated 4 July 2022. The company showed a letter of approval for the assistance submitted on 22 July 2022.

1.1.4

Company has communication procedure number 10/LMI-B/SOP/K/2017 revised 01, dated 12 July 2017. It's including all internal & external communication activities related EHS & RSPO. The PSD or Manager was responsible for gathering information, receiving and inviting invitations and communication, holding meetings and communication with outside agencies. This procedure has socialized to the workers and contractors dated 14 April 2022. Based on interview with representative of Sahabu dan Kapuk Village it is known that stakeholders know the communication and consultation mechanism of PT TSA. Based on explanation above, this indicate that the procedure of consultation and communication has explained to all relevant stakeholders.

1.1.5

PT Teguh Sampurna already has a stakeholder list for 2022, which contains the names, positions, and telephone numbers of the local Sub District, Village Head, Sub-Village Head, Police, BPJS Health Facilities, Government Agencies of Kotawaringin Timur and Seruyan Regency, Suppliers, Contractors, and internal stakeholders. Auditor checks by calling the numbers recorded in the document, from the results of checking that the phone numbers are in accordance with the existing list.

	Status: Comply	
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**1.2
The unit of certification commits to ethical conduct in all business operations and business transactions.**

1.2.1

The unit of certification is committed to integrity and ethical behaviour in all operational activities. This commitment is stated in the Code of Business Ethics which refers to the August 2020 edition of Sime Darby Plantation's Code of Business Conduct Handbook. The policy states that the management unit develops business ethics by taking into account the expectations of the certification unit and stakeholders on how to enforce ethics including monitoring, reporting, and sanctions for violations of the code of ethics. In addition, the policy also explains the work ethic that regulates individual basic attitudes and individual behaviour inside and outside the certification unit, including respecting human rights, non-discrimination, absence of harassment/violence/criminalism, prohibiting the use or trading of drugs/illegal substances, pay attention to the environment, occupational safety and health, and protect the privacy/confidentiality of personal data. The code of business ethics policy also explains the prevention of bribery and corruption. It states that the Sime Darby Plantation group will not tolerate bribery and corruption practices, and is committed to being professional, fair and full of integrity in all business dealings and relationships wherever the Group operates and implementing and enforcing effective systems to fight bribery and corruption. The Sime Darby Plantation Group has also adopted a No-Gift Policy and prohibits any form or use of corporate hospitality to influence business decisions.

Company has shown socialization related Code of Business Ethics. For example, socialization on October 14, 2022, which was attended by 140 participants from HTE and PME

The results of interviews with stakeholders such as workers and contractors, obtained information that the company has provided socialization related to the company's ethical policies.

1.2.2

The system to monitor compliance with ethical policies is carried out through internal audit and monitoring complaints. From the results of the verification of the complaint document and interview with stakeholders known that there were no complaints related to violations of ethical behaviour.

In addition, the company also routinely conducts internal audits every year covering aspects of the RSPO including ethical behaviour. The RSPO internal audit conducted on 6 – 31 December 2022. And from the results of the internal audit conducted, there is no indication of a violation of ethical behaviour.

Status: Comply

PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS

2.1

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

2.1.1.

The CH shown evidence over its compliance toward the applicable regulation related to the aspects as follows:

BMP

In term of best management practices, it was known that estate and mill management has implementing several pursuance with Indonesia laws and regulations, for example has conducting mechanical or zero burning method during land clearing, palms planted were derived from seeds (DxP) producers, recognized by the government of Indonesia. Furthermore, estate (each unit management) has implementing integrated pest management, biological control and only used pesticides listed on government website pesticide.id.

Environmental Aspect

Management has complied with environmental regulations relevant to Water Pollution Management Reports, Air Pollution Management Reports, and Hazardous Waste Management Reports. That can be proven through an electronic receipt from the Ministry of Environment and Forestry on 16 March 2022 (regularly reported every semester). From the report it is known that all monitoring results are not above the quality standard and unit certification has made an effort to manage the risks.

The Certification unit already has an Environmental Permit in the form of an Environmental Impact Analysis Document (ANDAL) which has been approved based on the Decree of the Minister of Agriculture c.q. Head of the Agribusiness Agency No. 35/ANDAL/RKL-RPL/BA/X/1998 dated October 9, 1998 regarding the approval of ANDAL and RKL-RPL of PT Kridatama Lancar and PT Teguh Sempurna, located in Kotawaringin Timur District, Kalimantan Tengah Province.

ANDAL Addendum :

Currently the company is in the process of ANDAL addendum where there are additional activities, such as replanting activities and the implementation of permits in the environmental sector. Where the final process is in the stage of preparing the revised ANDAL addendum draft document as evidenced by the Minutes of the requirements and obligations of PT TSA's environmental permit on April 7, 2021 from Environment Agency Kalimantan Tengah Province. The next process is due to the COVID incident in internal agency. Thus, the company agreed to continue to encourage the AMDAL document revision process.

The addition activity consists of; plant maintenance; harvesting, transporting FFB, POM operational (biogas plant and kernel crushing plant), water supply and utilization, replanting and liquid waste utilization (LA), hazardous waste temporary storage, domestic waste management and other supporting activities (water strip). The company shows a chronological document of changes in environmental documents, namely:

- Application for changes to environmental approval number 089/TSA/UMPSD/IV/2021 dated 30 April 2021.
- Minutes of supervision of the requirements and obligations of PT Teguh Sempurna environmental permit dated 7 April 2021.
- Directive document for the preparation of changes to environmental documents no 660/244/II/DLH/IV/2021 dated 22 April 2021.

- Application for changes to environmental approval number 437/TSA/UM/PSD/XI/2022 dated 24 November 2022 to the One Stop Investment and Services Agency.
- Improvement of the ANDAL and RKL-RPL addendum documents dated 074/TS/UM/PSDH/III/2022 dated 15 August 2022.
- Minutes of written input document Addendum to ANDAL, RKL-RPL for PT TSA's palm oil plantation and processing factory activities Number 660/031/KPA-DLH/VI/2022 dated 23 June 2022.
- AMDAL addendum technical approval recommendation document. RKL-RPL PT TSA No.SK 660/25/KPA-DLH/VIII/2022 dated 30 August 2022 from the Environmental Impact Analysis Assessment Commission.
- Technical approval cancellation document for the integration of technical approval and technical details in the issuance of the PT TSA environmental approval dated October 26, 2022.
- The Environmental approval amendment document No.437/TSA/UM/PSD/XI/2022 dated 24 November 2022.
- During the audit, the company was still waiting for a decision on changing the environmental approval from the Environmental Impact Analysis Assessment Commission, the Central Kalimantan Provincial Environmental Office.

Legal Aspect

- **Land Use Title**

The company has had the land rights in the form of Land Use Title (HGU) for an area of 16,601.657 hectares based on Decree Letter of Head of Land National Agency No. 63/HGU/BPN/99 issued on 2 July 1999 and consist of 1 HGU Certificate No. 10 issued on 9 August 1999 valid until 9 August 2034 for area of 16,601.657 hectares.

- **Plantation Business Permit**

The company has a plantation permit according to Plantation Business Registration Letter No. 444/Menhutbun-VII/200 issued on 25 April 2000 with an area of 16,601.657 hectares and a plant capacity of 60 tons of FFB / hour.

Compliance with Worker Welfare Regulations:

Determination of wages that apply at PT Teguh Sempurna – Pematang Factory based on the Decree of the Governor of Kalimantan Tengah Province No. 188.44/472/2022 dated 6 December 2022 concerning Determination of the Minimum Wage for City or Regency in Kalimantan Tengah Province for 2022. As for the applicable minimum wage (2023) for Kotawaringin Timur Regency is Rp. 3,265,859.89 and for Seruyan Regency is Rp. 3,594,095.56

2.1.2

To ensure compliance to regulations, company has Policy 701/TQEM-ESH/10. This document explaining personnel who have responsibility to update the regulation and law, identification and inventory, evaluation and monitoring 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. Internal audits have been conducted continuously and are documented and reviewed in the management review activities conducted in February 2023. To ensure compliance with the certification unit and third-party laws in the certification unit, routine monitoring is carried out once a year by means of compliance audit / internal audit. The last internal audit for RSPO and SCCS was conducted on 6– 31 December 2022.

2.1.3

Based on a field visit to HGU No. 42, 43, and 44 in Batang Garing Estate it is known that the stakes are in the planted area. In the ASA 1.1 – 1.2 assessment, this condition has become a non-conformity. One of the improvements made was that the Company submitted a Letter of Application for PT TSA Geographic Coordinate List on September 3, 2018, which was received at the National BPN office on September 7, 2018. Until now there has been no response from the National BPN.

From field visits to these stakes, there were no plantings outside the HGU markers. As for HGU No. 42, 43 and 44 were moved from their initial positions due to the occupation of the community and no oil palm planting in the occupied area. Based on interviews with management, there are currently no conflicts or disputes in the occupied area. Then, the transfer of the HGU stake was carried out to avoid conflict with the community because there was an occupation area in the company's HGU area.

Auditor also conduct field visit to HGU stakes in Hatantiring Estate (HGU No. 91, 90, 89), Pemantang Estate (No. 67, 66, and 65), and Kawan Batu Estate (No. 61, 60, 59, 58, and 57). Based on field observation to those HGU stakes, all stakes are in normal condition and there is no indication of planting outside HGU area.

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; 2.2.2; and 2.2.3

The company already has a list of contractors included in the stakeholder list. The list of contractors includes all third parties working with PT TSA such as hazardous waste transporter, contractors for FFB transporter, and others. The list of stakeholders informs the name of the agency, contact name, field of cooperation and contact number.

The company has shown examples of agreement with third parties that have contained clauses regarding legal compliance obligations, such as:

- Agreement Letter for FFB Transporter No. 006/Borong/TSA-KBE/V/2022 dated 22 May 2022.
- Agreement Letter for CPO Transporter No. 063/Pengangkutan CPO/TSA-PMF/VIII/2022 dated 1 August 2022

In the agreements have been explained about obligation to compliance with regulation, such as :

- Workers must be provide with PPE
- Workers must be enrolled in the BPJS program
- The contractor is obliged to comply with applicable labor laws
- Do not employ underage children or illegal workers and workers who are the result of human trafficking
- And others

The unit certification evidence of compliance with regulations by third parties, for example CV Masuni Berkah (loose fruit picker contractor) which has 29 workers, including:

- Fulfilment of the worker's age, for example with the initials MN who is over 18 years old
- Work agreement letter between contractor workers and contractors No. 02/PKJ/CV.MB/V/2022 dated May 1, 2022 with initial MN
- Wage document of contractor workers that has been above the minimum wage
- Evidence of payment for BPJS Employment for October which was paid on October 21, 2022.

The company also shows the contractor evaluation record for 2023 which informs the name of the contractor, compliance with regulations such as agreement with workers, BPJS for employment, BPJS Health, wages and others. For example, for cooperation with Koperasi Mentaya Maju Bersama, which informs that compliance with regulations by contractors has been fulfilled. In relation to the previous OFI, the company has shown information on the date of birth/age of the contractor's workers in the contractor's workforce register.

Based on interview with contractor such as Koperasi Mentaya Maju Bersama, known that unit certification has socialized about obligation to comply with regulation. In addition, based on interview also known that contractor has paid wages based on minimum wage regulation and has involved employees in BPJS program.

Status: Comply

2.3

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

2.3.1 & 2.3.2

During 2022, PT TSA did not receive Fresh Fruit Bunch from other source. Pemantang POM only receive FFB from own estates.

Status: Comply

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

3.1

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

3.1.1

The company has shown PT Teguh Sempurna's long-term plan document for the period 2022 – 2026. The document explains the FFB production projections, OER and KER projections, CPO and PK production projections, production costs, and replanting plans. The company has also conducted an annual evaluation to see the target achievement of its work plan. The annual evaluation activity will be held on December 28, 2022, and will be carried out online.

The company has also shown the Financial Audit Report document for the 2021 period conducted by the Public Accounting Firm Tanudiredja, Wibisana, Rintis and Rekan with Report Number 00501/2.1025/AU.1/01/0230-1/1/III/2022 dated March 31, 2022. The report explained that "In our opinion, the attached financial statements present fairly, in all material respects, the financial position of PT Teguh Sempurna as of December 31, 2021, as well as its financial performance and cash flows for the year ended on that date, in accordance with Financial Accounting Standards in Indonesia.

3.1.2

The company has shown documents related to replanting contained in the company's long-term plan for 2020-2024. The document describes the plan for replanting oil palm as follows:

- 2020 : 131 Ha
- 2021 : 234 Ha
- 2022 : 64 Ha
- 2023 : 684 Ha
- 2024 : 1,211 Ha

The company has also conducted an evaluation regarding the company's replanting plan as stated in the document. The annual evaluation activity will be carried out on December 28, 2022, and will be carried out online. Based on the review of the evaluation document, it is known that the realization of oil palm replanting in 2022 which will be carried out at Pematang Estate has been carried out in accordance with the program it has.

3.1.3

Based on the results of interviews with company management, it is known that management reviews are conducted annually. The management review was carried out by plantation and mill management with top management at the head office virtually on December 28, 2022, with discussions covering the achievement of production targets, as well as issues that arose during the audit.

The company also has an evaluation regarding the company's financial flow as stated in the financial audit report conducted by the Public Accounting Firm Tanudiredja, Wibisana, Rintis and Rekan with Report Number 00501/2.1025/AU.1/01/0230-1/1/III/2022 March 31, 2022. The report explains that "In our opinion, the attached financial statements present fairly, in all material respects, the financial position of PT Teguh Sempurna as of December 31, 2021, as well as its financial performance and cash flows for the year ended December 31, 2022. according to Indonesian Financial Accounting Standards.

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

Regarding continuous improvement, the company carries out internal audits and management reviews, with the following description:

Management Review

Management review meeting regarding evaluation of achievement of work targets in 2022 and issues from audit activities carried out during the 2022 period. Management review was conducted online on December 28, 2022.

Internal audit

The company has conducted an internal RSPO audit of PT Teguh Sempurna which was carried out on 6 – 31 December 2022. Based on the RSPO internal audit report it was found that there were 11 non-conformities with the Major category. Based on the report of the internal auditor team, it is known that all non-conformity were declared fulfilled on January 14, 2023.

3.2.2

The company showing annual report document using RSPO Metric Template. For BMP aspect data some items that have been filled in by management has been accurate, total area estate, FFB production, peat area, pesticide using, FFB Process and water consumption.

Based on document verification, for The RSPO metric template known annual data 12-month period use on year 2022 for schedule reporting annual data social and environmental, included monitoring data of water consumption, management dan monitoring HCV.

Status: Comply

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

The company has a SOP for Plantation and Factories which explains the main processes such as harvesting, transportation, fertilizing, IPM, GAP, and supply chain requirements for the factory. Examples of SOP document numbers owned by a company are as follows:

Procedure Factory and Plantation

Agricultural Reference Manual Policy No. 110 / EST-ARM / 13 which was ratified on September 1, 2013, and signed by the Head of Plantation Upstream Indonesia SOP, explained all agronomic activities. The company also showed the Minamas Plantation palm oil mill guidelines for Part I and Part II dated April 30, 2007, for processing palm oil mills. The procedure that is owned by the company has covered all the main process activities from land clearing up to transporting FFB and for Palm Oil Mill starting from receiving fruit to dispatch CPO.

Based on observations and interviews with workers in factories and plantations, for example in the work of spraying weeds at Field O10 block 40/41 division II Pematang Estate, it is known that this procedure is carried out properly in the field, workers can explain and demonstrate work according to the procedure, referring to on best operational, safety and environmental practices.

3.3.2

The company has a system that ensures consistency in the application of procedures, internal audits of plantation and mill operations, ISPO and RSPO internal audits, financial audits are conducted by external parties. Daily internal supervision is carried out by supervisory levels starting from the Supervisor, Divisional Assistant, Head Assistant, to Regional Manager. Internal audit activities also cover all operational activities including those with contractors.

In addition, all operational activities of the Unit of Certification are recorded in the form of plantation and factory monthly reports. The operational activity report is a daily activity report. This report is a regular report prepared by the plantation and mill management units and submitted to top management.

3.3.3

The company has a system that ensures consistency in the application of procedures, internal audits of plantation and mill operations, ISPO and RSPO internal audits, financial audits are conducted by external parties. Daily internal supervision is carried out by supervisory levels starting from the Supervisor, Divisional Assistant, Head Assistant, to Regional Manager. Internal audit activities also cover all operational activities including those with contractors.

The company has also shown the results of the RSPO internal audit of PT Teguh Sempurna which was carried out on 6 – 31 December 2022. Based on the RSPO internal audit report it was found that there were 11 non-compliances with the

Major category. Based on the report of the internal auditor team, it is known that all non-conformity were declared fulfilled on January 14, 2023.

Status: Comply

3.4

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

3.4.1

The company has an environmental impact assessment document, as follows:

- The environmental impact analysis which has been compiled in 1998 on behalf of PT Kridatama Lancar (15,500 hectare) and PT Teguh Sempurna (16,000 hectare) and Mill with the capacity of 2 x 40 tons FFB per hour. There's an increasing of capacity which has been 60 tons of FFB / hour and has been approved by the Environmental Agency of Kalimantan Tengah Province No. 660/614/II/BLH on 10 August 2012 and elucidated regarding to the increasing activity of mill capacity as much 60 tons of fresh fruit bunch per hour didn't need the amendment or preparation environmental document.
- Environmental Permit for Processing of Palm Kernels and Biogas Utilization with a production capacity of 150 tons of kernel/day and 1000 MWH according to Decree No. 188.45/338/2014 dated November 3, 2014.
- The Certificate Holder has document of Social Impact Assessment. The assessment process was done on October 2009 and the scopes of study are impact of plantation and mill operation to workers and community adjacent of plantation area. The assessment and reported was carry out by AKSENTA Consultant on 14 to 22 August 2009. This document was explained of negative and positive impact of plantation and mill operation to social aspect and the recommendation for negative impact reduction and increasing of positive impact.
- Social and Environmental Impact Analysis of Replanting in PT TSA for period 2014 – 2017. Carried out by third party "Aksenta" in November 2014 – January 2015.
- HCV identification was carried out in August 2009 through cooperation with competent third party "Aksenta". The HCV assessment used standard, and method refers to RSPO endorsed HCV Assessment Toolkit of 2008.

Based on the above documents, it has included an explanation of the important impacts on the environment from plantation and factory activities, including impacts of road construction and transportation, impacts on biological components (vegetation and animals), disturbances of biodiversity, impacts in the form of pests and diseases, including health and safety in the environment work.

Regarding social aspect the Certificate Holder has document of Social Impact Assessment. The assessment process was done in October 2009 and the scopes of study are impact of plantation and mill operation to workers and community adjacent of plantation area. The assessment and reported was carry out by AKSENTA Consultant on 14 to 22 August 2009. This document was explained of negative and positive impact of plantation and mill operation to social aspect and the recommendation for negative impact reduction and increasing of positive impact. There was showed also the minutes meeting of consultation process with community surround the company. The evidence was consisting of Attendant List of village member on Focus Group Discussion as phase of data gathering for Social Impact Assessment Report. SIA documents have been involving all affected parties including female and workers.

Based on interview with related stakeholder that known, there is no significant issue was not raised in Social Impact Assessment. In 2014 the company has compiled a social impact study for replanting activities. The activity was carried out by Aksenta to determine the environmental and social impact of the activities of replanting.

3.4.2

An Environmental Management and Monitoring Plan has been determined as integrated part of EIA document. The aspects to be managed and monitored were soil erosion, decrease of river water, decrease of air quality and noise, disturbance on flora biodiversity, disturbance on wildlife habitat, disturbance on aquatic biota, social and cultural impact, community health, as well as fire risk and replanting.

The company shows the management plan has been developed and evaluated with stakeholder in a meeting with residents of the villages of Pantap, Sahabu, Tabion and Kapuk on July 18, 2022. From the results of the meeting, the

company prepared a 2022-2023 Social Impact management plan as follows the Employment Aspects, Public Services, Community Economic Development, FPIC & conflict resolution and environmental aspects. The plan has been explained about the types of activities, farming, impact occurs (direct or derivative), the action plan and the realization of activities. Furthermore, The company has conducted periodic reviews every 2 years related to its Social Impact Management and Monitoring Plan. The review process was carried out by involving the participation of the affected parties through a questionnaire. Based on the results of the 2022 review known

- The participatory method has fully covered all the factors that can cause social impacts (both positive and negative) such as use and access rights, traditional rights or customary rights owned by indigenous peoples, to the latest issues developing in the community around the company's operational area.
- Sample representation is fully representative of all affected parties (including representatives of women, migrants, new villages/new communities (PDR), workers (local, migrants, KHT or KHL) to identify sources of impact and potential social impacts and determine management recommendations and social impact monitoring.
- There is evidence that the results of the management and monitoring of social impacts carried out by the company in the previous period have become a benchmark in the identification of the latest monitoring and management of social impacts.

Based on the results of field visits and the results of interviews with all stakeholders, it is known that there are no negative impact issues. Several social issues such as indirect issues, migrant communities, replanting, occupation area, employee status and CSR have been discussed in the SIA management and monitoring plan for the 2022-2023 period.

Based on that's explanation can be concluded Corrective Action from the last NCR, follow up on next audit has been implemented.

3.4.3

The company shows an electronic receipt of environmental management report for semester 2 of 2022 PT TSA which has been reported to the Environmental Agency of Central Kalimantan Province and Ministry of Environment and Forestry of Indonesia on 4 February 2023. The aspects to be managed and monitored were soil erosion, decrease of river water, decrease of air quality and noise, disturbance on flora biodiversity, disturbance on wildlife habitat, disturbance on aquatic biota, social and cultural impact, community health, as well as fire risk and replanting. This is in accordance with the company's Environmental Management and Monitoring matrix.

Based on the analysis of the 2022-2023 Social Impact Monitoring Report document, the social impacts in this assessment are divided into positive impacts, and negative 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 analysed 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 community perceptions regarding the SIA Management Plan and adjust it to the latest needs according to conditions in the field.

Based on public consultation with elderly in Dusun Tabion (previous land owner), Kapuk Village and Pantap Village obtained information that the company has made efforts to develop the surrounding community through CSR programs, acceptance of local workers, local contractor, etc. In addition, it is known that so far the relationship between the company and the community has run quite well and harmoniously. Communication between the company and the village is quite good.

	Status: Comply	
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3.5
A system for managing human resources is in place.

3.5.1

The company has an employee acceptance mechanism in the company regulation 2021-2023 for permanent workers and SOP No. 02/KSP-KRY/1/2021 dated 1 January 2021 related to workers recruitment for permanent workers, temporary workers and daily workers. That procedure generally states that requests for employee needs must be based on the approval of the Estate/Mill Manager. Recruitment of employees is based on file selection, employees must complete

photocopies of ID cards, family cards, curriculum vitae, and others.

In addition, the company regulation 2021-2023 also explains the human resource management system, such as:

- Assessment of workers
- Appointment of workers
- Promotion
- Termination of employment due to violations
- Termination of employment due to retirement
- And others.

The system regarding human resources system available to their workers and representatives. The human resources system also in accordance with applicable regulations as well as for retirement and termination of employment has been described in company regulations.

3.5.2

The company has kept a track record of employees. For employee recruitment, the stages for recruitment are job application letters, CV, copies of identity cards, and supporting documents such as certificates, diplomas, transcripts and others. The company shows employee track record documents stored in each unit.

Unit Certification has shown a record of the implementation of employment procedures, for example:

Recruitment

Recruitment documentation with the initials RS such as job application letters, results of health checks, ID cards, diplomas, Family card and others. Company shown temporary agreement letter (PKWT) for an estate unit with initial RS No.012/PKWT-THE/X/2022 dated October, 24 2022.

Promotion

Approval of promotion of workers from temporary worker with initial FE dated 1 January 2023 with letter No. 020/TSA-KBE/SP/II/2023. Promotion documentation has been shown such as MCU results, assessments results etc.

Pension

The company shows documentation of workers' pensions, for example workers with the initials SM. The documentary evidence shown is evidence of payment on November 21, 2022, documentation of pension calculations and others.

The results of interviews with workers and representatives of bipartite cooperation revealed that labor procedures have been implemented by the company in accordance with applicable regulations. They also known that workers have already know about employment procedures such as termination, retirement or promotion. Based on that interview known that there is no discrimination against workers. The company has provided employee rights in accordance with company regulations and applicable regulations

	Status: Comply
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3.6

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

3.6.1

The company has conducted a risk assessment to identify OHS problems through plantation HIRAC documents, which were last updated on January 2, 2023, and mills, which were last updated on March 21, 2021. HIRAC assessments are conducted every 2 years. If an accident occurs, the safety officer must identify, investigate, evaluate, take corrective action using the triangle control principle, and update the HIRAC. The document has explained the type of work, potential hazards, effects, risks, risk control, precautions, and management efforts.

HIRAC has identified all activities both on plantations and in factories, for example processing, maintenance, sorting and grading, workshops, integrated pest control, B3 and LB3 handling, harvesting, plant maintenance, fertilizing, etc.

The company has Procedure No. Policy 711/TQEMS-P2K3/07 concerning Occupational Safety and Health which was ratified on November 23, 2007. The procedure describes administration and management; occupational safety and health

committee (P2K3); Hazard Identification Risk Assessment Control (HIRAC); accident report, investigation and follow-up; communication and communication media; personal protective equipment; and safe work system.

The company has shown a plan for periodic health checks for workers. Periodic inspection activities for all employees are planned from January to April 2023. From this plan, periodic health checks have been completed for the PME, BGE, and KBE units on January 31 – February 2, 2023. From the results of these checks, all employees are in good health to work.

The company has also shown a work plan from P2K3 (occupational health and safety Committee) PT Teguh Sempurna for the 2022 and 2023 periods. The programs are:

- OHS month commemoration and implementation of blood donors
- Training on handling chemicals and hazardous and toxic waste
- Class D Firefighter occupational health and safety training
- Training on the use of fire extinguishers
- Zero drowning training
- Driving safety training,

3.6.2

The company has monitored the effectiveness of OHS to deal with OHS risks in people through routine P2K3 (occupational health and safety Committee) meetings which are held every month. The meeting discussed the implementation of K3 in the company. An example is the P2K3 (occupational health and safety Committee) meeting for the January 2023 period which was held on January 16, 2023 with the topic of discussion regarding:

- The importance of using Personal Protective Equipment
- Provision of warning letters to workers who do not use PPE
- Safety officer checks the use of PPE before and after work
- Provide PPE in accordance with the risk of hazards in the workplace
- And so forth.

The company has also shown PT Teguh Sempurna's accident record documents for the 2022 period. Based on these documents it is known that there were no fatal work accidents. From the results of interviews with spray workers at Field O10 block 40/41 division II Pemantang Estate it is known that the company has provided personal protective equipment that is in accordance with the risks of hazards in the workplace, for example rubber gloves, eye protection, aprons, boots and masks. The worker also explained that if there is damage to the PPE, the worker can replace the PPE by reporting and showing the PPE that has been damaged to be replaced.

The company has shown a plan for periodic health checks for workers. Periodic inspection activities for all employees are planned from January to April 2023. From this plan, periodic health checks have been completed for the PME, BGE, and KBE units on January 31 - February 2, 2023, while for HTE and Pemantang Factory it will be held in January April 2023 from the results of the inspection, all workers are fit to work. The company also has a plan for special health checks for all workers with high-risk potential which will be carried out in July 2023.

The results of field visits to the hazardous and toxic materials storage warehouse and hazardous and toxic waste storage at Pemantang Factory found that officers had used PPE in accordance with the PPE matrix owned by the company. Likewise, the results of visits to chemical pesticide storage warehouses in each estate revealed that warehouse staff had used appropriate PPE, such as rubber gloves, masks, boots, and helmets.

Status: Comply

3.7

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

3.7.1

The company showed the Training Program for each unit in 2022/2023 that cover all aspects of the P&C RSPO. Based on interview with management, known that the training also covers parties who need training such as staff, workers and contractors. As for sustainability and HR department are responsible for the development of the training program scheduling and implementation of training. The training program document informs type of training, plan / timetable and attendance. The 2022/2023 training programs such as:

- Harvesting training
- Manuring training
- Spraying training
- Firefighting emergency response training
- First aid training
- And others.

3.7.2.

The company already has training records, such as:

- Harvesting training on 16 April 2022 was attended by 52 participants
- Manuring training in July 2022 was attended by 16 participants
- Manuring training on October 7, 2022, was attended by 12 participants
- First aid training on February 10, 2023, was attended by 8 participants
- etc

The results of interviews with representatives of bipartite cooperation and workers such as warehouse officer, harvesters, spraying workers, grading officer, boiler officer stated that the company had provided training or socialization regarding work procedures for each worker in Bahasa and understood by the workers. In addition, the results of interviews with boiler officers, also conveyed that the worker has been given in boiler officer training. As for the training program which involve contractors such as SOP socialization and training related to OHS. From the results of interviews with workers and contractors, known that workers and contractors can explain the training that has been obtained such as work procedures and OHS implementation.

3.7.3

The training of SCCS had been conducted on 20 January 2023 for security, weighbridge, grading, analysis and CPO dispatch operator. Based on interviews with weighbridge operators, it is known that workers understand the supply chain system at Pemantang POM and carry out their duties according to their SCCS procedures.

Status: Comply

3.8

Supply Chain Requirements for Mills

3.8.1, 3.8.2

Based on review of FFB supplier in Basic info, Pemantang POM received FFB from RSPO certified estate only, such as Hatantiring Estate, Pemantang Estate, Kawan Batu Estate, dan Batang Garing Estate. Therefore, Pemantang POM applied IP module.

3.8.3

Pemantang POM records all certified product production every month. Below is the record of projected certified volume and actual production of certified product. The projection certified volume is estimated based on last year production and it will be reported to Palmtrace.

Product	Last Year Projected Certified Volume (Ton)	Actual production from February 2022 – January 2023 (Ton)	Projection certified volume (Ton) (12 months)
FFB	280,000	287,403.33	301,800
CPO	61,600	59,997.06	63,400
PK	12,600	11,785.64	13,600

Based on table above, there is no overproduction of certified product.

3.8.4

The Mill have been registered in RSPO IT platform for license period with license id CB93408, RSPO member id: RSPO_PO1000000314, member name: Sime Darby Plantation - Pemantang POM, PT TSA

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

3.8.5

Pemantang Factory has procedure for SCCS with MB or IP model in SOP Manual RSPO SCSS (SCCS-Std/RSPO/PSQM/02, Revision 2, March 2021) which described the duties and responsibilities of each part; the identification of raw materials and products; and performs supply chain system. The procedures have explained related to the duties and responsibilities of each part. The manager has the highest authority to approve this manual which is integrated with the policy (policy). Policies and procedures written and / or referenced in this document must be followed in order to achieve, maintain and ensure the quality of products produced by unit management, and meet customer requirements. Department of PSQM are responsible to conduct internal audit annually for SCCS and the Marketing Dept are responsible to validate the supplier/buyer and reporting/announce all the transaction to RSPO IT Platform.

3.8.6

Internal Audit procedure has been included on Internal Audit Procedure (No. SCCS-IA/RSPO/PSQM/04) which describes Internal audits are conducted at least annually to ensure: the organization complies with RSPO SCCS requirements and RSPO Market Communication & Claim documents. Internal audit conducted by PSQM Department.

The latest audit of SCCS is conducted on 6 – 13 December 2022, based on internal audit there is no nonconformities against RSPO SCCS Standard. Company also has conducted management review on 26 January 2023.

3.8.7

Pemantang POM shows the total tonnage recorded from certified FFB sources for the last 12 months. Based on basic information data, for the past 12 months the company has not received FFB from uncertified source. The sources of FFB come from their own plantations, namely Pemantang Estate, Hatantiring Estate, Kawan Batu Estate, and Batang Garing Estate. Following are the details of the record of FFB production:

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
Feb-22	19,414.37	-	19,414.37
Mar-22	22,683.28	-	22,683.28
Apr-22	24,767.53	-	24,767.53
Mei-22	27,124.68	-	27,124.68
Jun-22	28,028.52	-	28,028.52
Jul-22	26,333.05	-	26,333.05
Agus-22	25,831.83	-	25,831.83
Sep-22	25,169.53	-	25,169.53
Okt-22	22,640.40	-	22,640.40
Nov-22	21,822.33	-	21,822.33
Des-22	22,882.90	-	22,882.90
Jan-22	20,704.91	-	20,704.91
Total	287,403.33	-	287,403.33

Based on the balance sheet for the period February 2022 – January 2023, it is known that there is no excess production from CSPO and CSPK. Following are the details of the record of certified product production.

Product	Last Year Projected Certified Volume (Ton)	Actual Production February 2022 – January 2023 (MT)
CSPO	61,600	59,714.82
CSPK	12,600	11,649.94

Company also has mechanism for handling FFB and/or nonconforming documents which contained in SOP SCCS No. SCCS-Std/RSPO/PSQM/02, Revision 2, March 2021 that has been authorized by manager PSQM.

3.8.8

Based on document verification it is known that there's CSPK and CSPO transaction on licenses period. The company shows documentation of certified products, such delivery order and buyer contract. These documents describe the names and contacts of the buyers and sellers, delivery dates, product descriptions, quality, quantity, member ID, and others. For examples: weighbridge ticket No. 245434 about product selling of CSPO to PT Sime Darby Oils Pulau Laut Refinery on 22 October 2022. This document informs about name and address of seller and buyer, product descriptions, quality, quantity, member ID, etc.

3.8.9, 3.8.10, 3.8.11

Pemantang POM uses third parties only for the transportation of CSPO. The company shows a list of contractors that informs the contractor's name, CV, and worker's name. From the list, there are 19 contractors for the transportation of CPO and there are no additional contractors. To ensure the contractors complies with the RSPO Supply Chain, in the agreement, there were clauses that set obligations of the contractor to comply with the supply chain rules. For instance, the responsibility to ensure the purity of certified product delivered during the distribution, as well as the willingness to be observed by Certification Body to verify the compliance. Based on interview with CPO Transport contractor CV Unggul Sejahtera Mandiri, it is known that transporter is willing to be observed by certification body if needed.

3.8.12

During assessment, Pemantang POM has record of all CSPO and CSPK. Based on field observation to weighbridge station, auditor sighted document such as weighbridge ticket is kept at least from 2 years ago. The recording of CPO and PK production and sale for 12 months is presented in the table below:

Crude Palm Oil

Month	CPO Production (MT)		CPO Delivery (MT)	
	Certified	Uncertified	Certified	Noncertified
Opening stock	710.01	0		
Feb 22	4,097.04	0	0	4,039.60
Mar 22	4,769.14	0	0	4,018.39
Subtotal 1Q	9,576.19	0	0	8,057.99
Apr 22	5,233.99	0	0	5,751.13
May 22	5,437.15	0	0	3,500.74
Jun 22	5,817.91	0	0	3,255.31
Subtotal 2Q	16,489.05	0	0	12,507.18
Jul 22	5,301.43	0	0	5,700.28
Aug 22	5,335.24	0	0	4,000.00
Sept 22	5,180.21	0	0	6,996.59
Subtotal 3Q	15,816.88	0	0	16,696.87
Oct 22	4,640.53	0	1,500.29	5,778.30
Nov 22	4,387.04	0	0	4,002.33

Dec 22	4,760.20	0	0	5,559.96
Subtotal 4Q	13,787.77	0	1,500.29	15,340.59
Jan 23	4,327.17	0	0	4,754.94
Total	59,997.06	0	1,500.29	57,357.57

Based on table above, it is known that the CPO is sold as noncertified. The CSPO sold as conventional has been removed from palm trace.

Palm Kernel

Month	PK Production (MT)		PK Delivery (MT)	
	Certified	Uncertified	Certified	Noncertified
Opening stock	145.16	0		
Feb 22	800.79	0	824.22	0
Mar 22	927.56	0	836.57	0
Subtotal 1Q	1873.51	0	1660.79	0
Apr 22	1,011.78	0	953.61	0
May 22	1,075.78	0	989.81	0
Jun 22	1,174.78	0	1,292.28	0
Subtotal 2Q	3,262.33	0	3235.7	0
Jul 22	1,077.93	0	1,120.29	0
Aug 22	1,072.84	0	894.43	0
Sept 22	990.11	0	1,076.91	0
Subtotal 3Q	3,140.88	0	3,091.63	0
Oct 22	868.94	0	871.60	0
Nov 22	851.68	0	992.50	0
Dec 22	967.22	0	969.46	0
Subtotal 4Q	2,687.85	0	2833.56	0
Jan 23	821.07	0	0	0
Total	11,785.64	0	10,821.68	0

All PK sold as RSPO has registered in RSPO IT System or Palmtrace.

3.8.13, 3.8.14

The OER and KER is made based on actual production of CPO and FFB processed. Based on production data from November 2021 – October 2022, the OER is 20.57% and KER 4.08%. The extraction rate is updated periodically every month based on actual production of CPO and PK and also FFB processed.

3.8.15

Based on verification document and interview with management, Pemantang Factory (PMF) only received and processed FFB from RSPO certified estate. The FFB supplied from own estate; consist of Pemantang Estate, Hatantiring Estate, Kawan Batu Estate and Batang Garing Estate and certified estate under management of PT Kridatama Lancar Subsidiary of Sime Darby Plantation Berhad (RSPO Certified area).

3.8.16

Shipping announcement

Company has made shipping announcement not more than 3 months after dispatch. For example, Shipping announcement No. TR-b52a893f-825e for CSPK MB for amount 871.6 MT created on 17 November 2022. This shipment

has been shipped from 1 – 30 October 2022 based on weighbridge ticket showed to auditor.

Removed stock.

Company has removed its certified stock for another scheme and conventional scheme. For example, based on mass balance data during license period, the CSPO sold as conventional around 43,548.45 MT and CSPO has been removed as amount as 40,293.80 MT.

3.8.17

Based on announcement and transaction report documents review, it concluded that all RSPO certified products submitted are in compliance with the RSPO Rules on Market Communications and Claims.

Status: Comply

PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS

4.1

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

4.1.1

The policies regarding human rights described in the Sime Darby human rights charters February 2017 that's described respect the rights of their employees, workers in their operations and communities through the commitments which include, but are not limited to providing equal opportunities, respecting freedom of association, eradicating any form of exploitation, ensuring favourable working conditions, enhancing safety and health, respecting community rights and the rights of indigenous people, protecting the rights of vulnerable people, protecting the rights of children, eliminating violence and sexual harassment. Furthermore, the policy regarding prohibiting retaliation against Human Rights Defenders (HRDs) ruled in the Code of Business Conduct (February 2022) Which described The Group does not tolerate retaliation against individual who discloses any actual or suspected violations in good faith. The spokes did not suffer harassment, retaliation, or adverse employment consequence for speaking up or cooperating in an investigation.

The company has conducted socialization related to company policies. For example, the company shows documentation of socialization related to company Policy, Code of Business Conduct including Human Rights and others on October 14, 2022, which was attended by 140 participants from HTE and PME

Based on interviews with workers and contractors, it can be concluded that they understand human rights policies. Based on interview with stakeholder such as government agency, community around, representatives of bipartite cooperation and workers known that there is no indication of human rights violation.

4.1.2

The results of interviews with stakeholders such as government agencies, representatives of surrounding villages, representatives of bipartite cooperation, representatives of the gender committee and the results of field observations, it is known that there is no use of mercenaries or paramilitaries in the company. From the results of the interview, it was also informed that there were no issues related to human rights violations in the company.

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 unit of certification has a mutually agreed system that is open to all parties which is listed in the complaint handling procedure as follows:

- Company regulation for the period 2021 – 2023 which has been ratified by the Head of the Manpower and Transmigration Office of Kalimantan Tengah Province. The procedure explains that complaints from workers can be submitted orally/in writing to their superiors or through the labor union or bipartite forum.
- SOP for Grievance Handling Mechanism for all parties and community No. 01/MPK-OU/XII/21 on December 1, 2021. The procedure explains that the unit of certification provides an overview of information regarding the

submission of complaints to stakeholders (internal and external).

The procedures have explained the person in charge of receiving and resolving complaints (external and internal officials including HRD), response period, confidentiality of the reporter and the reporter, so that further complaint handling can be carried out at the tripartite level (mediation and settlement by the government). Procedures are available in Indonesian and if there is a complaint for which a resolution is not found together, the complainants can bring the compliance to the RSPO Complaints System.

The results of interviews with workers and bipartite cooperation known that workers understand the grievance mechanism. The results of interviews with contractor and representatives of surrounding villages (indicated that the village and contractors had understood the grievance mechanism).

4.2.2

The certification unit has established a system for handling complaints for all affected parties which is documented in the SOP of Grievance Handling Mechanism. 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.

4.2.3

The unit of certification has a mutually agreed system that is open to all parties which is listed in the complaint handling procedure as follows:

- Company regulation for the period 2021 – 2023 which has been ratified by the Head of the Manpower and Transmigration Office of Kalimantan Tengah Province. The procedure explains that complaints from workers can be submitted orally/in writing to their superiors or through the labor union or bipartite forum.
- SOP for Grievance Handling Mechanism for all parties and community No. 01/MPK-OU/XII/21 on December 1, 2021. The procedure explains that the unit of certification provides an overview of information regarding the submission of complaints to stakeholders (internal and external).

The above procedure has explained the person in charge of receiving and resolving complaints (external and internal officials including HRD), response period, confidentiality of the reporter and the reporter, so that further complaint handling can be carried out at the tripartite level (mediation and settlement by the government). Procedures are available in Indonesian and if there is a complaint for which a resolution is not found together, the complainants can bring the compliance to the RSPO Complaints System.

The company showed documentation of worker complaints, such as:

- Complaint dated 15 September 2022 related to bathroom floor damage and has been repaired to 21 September 2022
- Complaint dated 26 September 2022 related to roof damage and has been repaired to 27 September 2022.

In addition, the results of interviews with representatives of bipartite cooperation obtained information that no complaints from workers to the company. Workers' complaints have been responded to by the company and there are no complaints that have not been resolved. As for the complaint from workers such as housing maintenance. In addition, from the results of interviews with surrounding villages, contractors and related agencies, it is known that there were no complaints to the company.

4.2.4

Unit certification has SOP for Grievance Handling Mechanism for all parties and community No. 01/MPK-OU/XII/21 on December 1, 2021. The procedure explains that the unit of certification provides an overview of information regarding the submission of complaints to stakeholders (internal and external).

The above procedure has explained the person in charge of receiving and resolving complaints (external and internal officials including HRD), response period, confidentiality of the reporter and the reporter, so that further complaint handling

can be carried out at the tripartite level (mediation and settlement by the government). Procedures are available in Indonesian and if there is a complaint for which a resolution is not found together, the complainants can bring the compliance to the RSPO Complaints System. In addition, the procedure also explains that the company guarantees the security and confidentiality of the whistle-blower.

The results of interviews with workers and representatives of bipartite cooperation known that workers understand the grievance mechanism. The results of interviews with contractors and head of village around indicated that the village and contractors had understood the grievance mechanism.

Status: Comply

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

4.3.1
Community development contributions are included in PT TSA's social management and monitoring plan. Company also has CSR program that into five groups of items, namely: education program, donations, health, infrastructure and development, economic empowerment. In the preparation for CSR programme has involved the local community when company determined CD/CSR priorities. Some examples of community development programs that have been made include the provision of assistance programs to surrounding villages such as the construction/rehabilitation of houses of worship, repair of village roads, clean water assistance, assistance for religious holidays, and others.

Based on interview with representative of Pantap and Tabion village, it is known that the company had provided CSR assistance to the surrounding community in accordance with the identification needs. Stakeholder also feel involve and asked for consultation in the preparation of CSR. Company also showed the documentation of public consultation with surrounding village regarding social contribution.

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, 4.4.3
Formerly, the area of PT TSA was forest concession company (Natural Forest Management Permit / HPH) namely Sarmiento Parakanca Timber, Prakanca Djaya Raya and Inhutani III. Based on Forest Map Governance Agreement (*Peta TGHK*) province of Kalimantan Tengah in 1990 the location of PT TSA is Conversion Production Forest (*Hutan Produksi Konversi*). For the area on 8 October 1996 Ministry of Forestry has released the area from a conversion production forest area (SK 640.KPTS-II/1996) for plantation development PT TSA. Based overlay between operational map of PT TSA with Provincial-level Spatial Plan (*RTRWP*) map Province of Kalimantan Tengah 2015 the area of PT TSA in other uses land (APL).

- **Land Use Title**
The company has had the land rights in the form of Land Use Title (HGU) for an area of 16,601.657 hectares based on Decree Letter of Head of Land National Agency No. 63/HGU/BPN/99 issued on 2 July 1999 and consist of 1 HGU Certificate No. 10 issued on 9 August 1999 valid until 9 August 2034 for area of 16,601.657 hectares.
- **Plantation Business Permit**
The company has a plantation permit according to Plantation Business Registration Letter No. 444/Menhutbun-VII/200 issued on 25 April 2000 with an area of 16,601.657 hectares and a plant capacity of 60 tons of FFB / hour.

Company showed map of operational area based on HGU certificate. Based on the HGU Decree and interview with management, the process of land acquisition until the granted of HGU has been in accordance with the law and with participatory mapping on cadastral mapping system conducted by Land Agency.

4.4.2, 4.4.4, 4.4.5, 4.4.6
Even though the area of PT TSA is from a forest concession company; the company has been carrying land compensation to the affected parties. The land compensation was carried out from 2006 to 2009 which was divided into 12 stages with the total area ± 2,091.19 Ha. Company showed that land acquisition has been done through negotiation. For example, the land dispute resolution in 2009 has been done through negotiation. Based on the results of interviews with the

Previous landowners on Kapuk Village obtained information if all compensation process has been held with fairly transparent regarding the mutual agreement. The whole area managed by the company has been compensated. The compensation process involved all community witnessed also by the Village Head, Sub-district head, and other relevant parties. Records of land compensation process consist of document of land identification and inventory, land location maps, statement of the release of land rights by the 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

Status: Comply

4.5

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

4.5.1, 4.5.2, 4.5.3, 4.5.4, 4.5.5, 4.5.6, 4.5.7, 4.5.8

Based on document review of areal statement and interview with management, it is known that there is no new planting activity in PT TSA.

PT TSA is a long-established company that has been started operationally in the early period of 1990, were on that's period, the FPIC concept not yet available. Based on interview with the Previous landowners on Kapuk, Pantap, and Tabion Village it is known that there are customary rights in the villages. From interview also obtained information if all compensation process has been held with fairly transparent regarding the mutual agreement. The whole area managed by the company has been compensated. The compensation process involved all community witnessed also by the Village Head, Sub-district head, and other relevant parties.

Status: Comply

4.6

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

4.6.1, 4.6.2

Procedures of land acquisition are mentioned in the Procedure of conflict resolution, dispute, and land acquisition mechanism (No. 03/FPICPOD/XII/21). The aims of the procedure are to guarantee uniformity in the pattern of settlement of land claims within the permitted area as well as to obtain equality of understanding and legality for the settlement of the land.

4.6.3, 4.6.4

PT TSA is a long-established company that has been started operationally in the early period of 1990, were on that's period, the FPIC concept not yet available. However, based on interview with the Previous landowners on Kapuk Village obtained information if all compensation process has been held with fairly transparent regarding the mutual agreement. The whole area managed by the company has been compensated. The compensation process involved all community witnessed also by the Village Head, Sub-district head, and other relevant parties.

Status: Comply

4.7

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

4.7.1, 4.7.2, 4.7.3

Procedures of land acquisition are mentioned in the Procedure of conflict resolution, dispute, and land acquisition mechanism (No. 03/FPICPOD/XII/21). The aims of the procedure are to guarantee uniformity in the pattern of settlement of land claims within the permitted area as well as to obtain equality of understanding and legality for the settlement of the land. The Procedure explains that the settlement of the land dispute and identifying peopled entitled to compensation was conducted through the negotiation phase between the company and the party claiming the land and witnessed by various parties.

Based on interview with previous landowners in Kapuk Village, it is known that he has free access to information regarding the impacts of the palm oil plantation project. There were a long communication and discussion between community

representatives, the government, and the company during the project preparation.

Status: Comply

4.8

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

4.8.1, 4.8.2, 4.8.3, 4.8.4

As guidance to resolve land disputes ruled in the Procedure of conflict resolution, dispute and land acquisition mechanism (No. 03/FPICPOD/XII/21). The aims of the procedure are to guarantee uniformity in the pattern of settlement of land claims within the permitted area as well as to obtain equality of understanding and legality for the settlement of the land. The Procedure explains that the settlement of the land dispute and identifying peopled entitled to compensation was conducted through the negotiation phase between the company and the party claiming the land and witnessed by various parties.

Based on document review of areal statement, there is occupied area in areal operational of PT TSA. Until audit conducted, there is no reduction of occupational area. However, based on interview with representative of Pantap and Tabion Village, there is no land conflict with PT TSA. From interview with management representative also known that there is no land conflict/dispute with surrounding village and in occupational area.

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, 5.1.6, 5.1.8 & 5.1.9

Based on the results of document review and interviews with management, it is known that Pemantang Factory does not accept FFB from farmers. So, there is no publication of FFB prices.

5.1.7

Equipment for weighing has been periodically verified by an independent third party, some of which are shown in:

- Certificate of Testing Results from the Department of Trade and Industry of Kotawaringin Timur District, number 510.63/038/DPP/SKHP/MET/II/2022, dated 3 February 2022, which among other things explains that Bridge Scales (WB 1) have been tested on 3 February 2022 and valid until January 17, 2023.
- Certificate of Testing Results from the Department of Trade and Industry of Kotawaringin Timur District, number 510.63/039/DPP/SKHP/MET/II/2022, dated 3 February 2022, which among other things explains that Bridge Scales (WB 2) have been tested on 3 February 2022 and valid until January 17, 2023.

At the time of the ASA 2.1 audit, the scale recalibration process was carried out and it was still in progress, this can be proven by purchase order No.450297905 dated 2 January 2023 the recalibration will be carried out on 15 February 2023.

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, 5.2.2, 5.2.3, 5.2.4 & 5.2.5

Based on the results of document review and interviews with management, it is known that Pemantang Factory does not accept FFB from farmers.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

6.1**Any form of discrimination is prohibited.****6.1.1; 6.1.2**

The certification unit has a Social Policy signed by Head of Plantation Upstream Indonesia in December 2011. That policy related to non-discrimination and equal employment opportunities which explained that in hiring employees, the company will treat them according to the principle of equality and will not perform acts of discrimination or impose restrictions, harassment, or exclusion that are not directly based on human differentiation based on religion, ethnicity, race, ethnicity, group, class, social status, economic status, gender, language, political beliefs, so that harmony and mutually beneficial relationships will be created between the company and all employees.

The company has conducted socialization related to company policies. For example, the company shows documentation of socialization related to company Policy, Code of Business Conduct including non-discrimination policy and others on October 14, 2022, which was attended by 140 participants from HTE and PME.

Based on the verification of the labor register documents and interviews with representatives of workers through labor union, known that the workers come from various regions such as Java, Banjar, Kupang and others. From the results of interviews with labor union and workers, known that there is no indication of discrimination against workers. In addition, the results of interviews with village representatives, obtained information that there is no indication of discrimination. The company has provided equal opportunities for the surrounding community to get jobs.

The results of the verification of employment documents, the results of interviews with workers and representatives of bipartite cooperation, it is known that the existing workforce in the company consists of permanent workers and temporary worker who are recruited directly by the company without going through a third party, there is no retention of workers' documents and no recruitment fee. From the results of interviews with representatives of surrounding villages, it is also known that the company also conveys information on job vacancies to the village.

6.1.3

The company has kept a track record of employees. For employee recruitment, the stages for recruitment are job application letters, CV, copies of identity cards, and supporting documents such as certificates, diplomas, transcripts and others. The company shows employee track record documents stored in each unit.

Unit Certification has shown a record of the implementation of employment procedures, for example:

Recruitment

Recruitment documentation with the initials RS such as job application letters, results of health checks, ID cards, diplomas, Family card and others. Company shown temporary agreement letter (PKWT) for an estate unit with initial RS No.012/PKWT-THE/X/2022 dated October, 24 2022.

Promotion

Approval of promotion of workers from temporary worker with initial FE dated 1 January 2023 with letter No. 020/TSA-KBE/SP/II/2023. Promotion documentation has been shown such as MCU results, assessments results etc.

The results of interviews with workers and representatives of bipartite cooperation revealed that labor procedures have been implemented by the company in accordance with applicable regulations. They also known that workers have already know about employment procedures such as termination, retirement or promotion. Based on that interview known that there is no discrimination against workers. The company has provided employee rights in accordance with company regulations and applicable regulations.

6.1.4

Based on interview with women workers as well as gender committees revealed that pregnancy tests were only conducted for pesticide applicators to avoid the employees being exposed to pesticides. Further explained that so far there had never been a pregnancy test which was a discriminatory measure.

6.1.5

The company already has a gender committee that handles issues related to women or issues related to gender which also consist of female and male administrators. The structure of the gender committee consists of an advisor, coordinator, chairman, and others. The gender committee also has work programs such as:

- Monitoring complaints, especially sexual harassment
- Dissemination of complaints handling
- Etc

The results of interviews with the chair of the gender committee, interviews with women workers obtained information that there were no cases or complaints related to women's issues and there has never been a case of sexual harassment or violence.

6.1.6

Determination of wages that apply at PT Teguh Sempurna – Pemantang Factory based on the Decree of the Governor of Kalimantan Tengah Province No. 188.44/472/2022 dated 6 December 2022 concerning Determination of the Minimum Wage for City or Regency in Kalimantan Tengah Province for 2022. As for the applicable minimum wage (2023) for Kotawaringin Timur Regency is Rp. 3,265,859.89 and for Seruyan Regency is Rp. 3,594,095.56.

The results of interviews and the verification of workers' wages e.g harvester workers with worker with initial AS and MD (worker with same work and same grade), it is known that the company has given the same wages for the same scope of work and in the same grade. As for the difference is the harvest premium earned by workers (harvest premium is given based on work performance)

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

Determination of wages that apply at PT Teguh Sempurna – Pemantang Factory based on the Decree of the Governor of Kalimantan Tengah Province No. 188.44/472/2022 dated 6 December 2022 concerning Determination of the Minimum Wage for City or Regency in Kalimantan Tengah Province for 2022. As for the applicable minimum wage (2023) for Kotawaringin Timur Regency is Rp. 3,265,859.89 and for Seruyan Regency is Rp. 3,594,095.56.

Regarding the determination of wages at PT TSA, the company showed a Decree regarding the determination of wages based on Inter Office Mail No.012/HRM-i5.1/SUSU/I/2023 dated 2 January 2023 concerning the structure and scale of workers' wages in 2023 for PT TSA.

Based on interview with workers and bipartite cooperation representatives known that company has paid wages is accordance with applicable regulation.

6.2.2

The company already has a company regulation for 2021-2023 which has been registered with the relevant agency based on the Decree of the Labor and Transmigration Agency of Kalimantan Tengah Province No. KEP/41/565/HL.03/IX/Nakertrans dated September 23, 2021, concerning Ratification of the Company Regulation. The Company Regulation has regulated wages and work conditions, for example working time, wages, overtime, leave and others.

For temporary workers, the document that regulates the details of wages and work conditions is contained in the temporary workers Agreement. For example, agreement No. 001/PKWT-PT.TSA-KBE/I/2023 dated 2 January 2023 for harvesting work (valid until 30 June 2023). The agreement has also explained the duties and responsibilities of workers, working time, wages, social security, facilities and others. The agreement has been registered at the Labor Agency of Seruyan Regency in January 2023. The receipt is also proven by a stamp/seal from the Office of Labor Agency and Transmigration.

The company has also socialized the company regulation to workers. For example, Minutes of the socialization of company regulation on April 14, 2022 attended by 46 participants.

The company shows list of the number of workers for the January 2023 as follows:

- KBE → 474 workers
- HTE → 342 workers
- PME → 456 workers
- BGE → 405
- PKS → 106
- Contractor workers for example CV Masuni Berkah → 29 workers

Based on the results of interviews with several temporary workers, it was known that there were 2 temporary workers who had not received a copy of the work agreement. The company has shown receipt of a copy of temporary workers' agreement. For example, receipt of a copy of the Employment Agreement for temporary workers at BGE dated 9 February 2023 to 43 workers. In this regard, company are encouraged to ensure that all Copies of the Employment Agreement have been provided to workers (OFI).

The auditor team has simulated the calculation of workers' wages by verifying payroll documents for example in January 2023. For example, workers with initial FNA and initial BR. From the verification results, it is known that the company has paid wages according to the applicable regulations. In addition, the company also shows payroll documents that provide information related to compensation for all work performance. Based on interview with workers and representatives of bipartite cooperation known that company has paid wages is accordance with applicable regulation.

6.2.3

The company has shown evidence of compliance with labor provisions, such as:

- Payroll documentation that gives information on compensation for work performance. The results of the simulation of wages and overtime in January 2023, for example worker with initial BR, known that the company has paid overtime wages according to the workers' overtime hours and has complied with the applicable regulations.
- Employee Attendance document every month which informs the number of attendances, leave, illness and others.
- Employee leave forms, such as:
 - Maternity leave form with worker initial LA on May 1, 2022, until July 30, 2022

Based on document verification, interview with workers (harvesting workers, manuring workers, factory workers, etc.) known that there's no indication about the force labor. In addition, they get the wage accordance with the wage minimum regulation. Based on interview with harvester and wage simulation, known that harvest workers' wages are based on their work (base/target). If the worker gets the base/target, then he gets a premium, and if the worker does not get the base/target but has worked for 7 hours, then the worker gets 1 working day's wages (worth the minimum wage per day).

Interview with representatives of bipartite cooperation and workers, said that wages paid are in accordance with applicable regulations. Based on that interview also known that deduction for workers such as BPJS deduction, tax and etc has been described in the company regulation and circular letter. Based on interview with contractor and verification of wages of contractor workers (sample) known that contractor workers have given minimum wages by contractor.

6.2.4

The results of field observations in housing areas and interviews with workers and labor union known that the company has provided housing facilities (1 house consists of 2 bedrooms and 1 bathroom), infrastructure and facilities that are decent/in good condition to workers such as houses, clean water facilities, drinking water facilities, religious facilities, sports, clinic, and others. The condition of the house is permanent and has good sanitation. From the interview, also known that in each housing location there are child care areas, trash bins, electrical and others.

6.2.5

The results of interviews with employees and representative of bipartite cooperation, known that there are sellers of foodstuffs especially for vegetables and side dishes that enter the plantation area on a regular basis. The company also

provides an employee cooperative that provides workers' daily needs including food. Based on the results of interviews with residents of housing and workers, it was stated that workers had obtaining adequate food sources at competitive prices.

6.2.6

Determination of wages that apply at PT Teguh Sempurna – Pematang Factory based on the Decree of the Governor of Kalimantan Tengah Province No. 188.44/472/2022 dated 6 December 2022 concerning Determination of the Minimum Wage for City or Regency in Kalimantan Tengah Province for 2022. As for the applicable minimum wage (2023) for Kotawaringin Timur Regency is Rp. 3,265,859.89 and for Seruyan Regency is Rp. 3,594,095.56.

In relation to Living Wage, the company has tried to do Prevailing Wage calculations for each unit, which included samples of In-Kind Benefits, such as Housing, electricity for home, water, education, etc. As for the amount of Prevailing wage is Rp. 4,874,124. As for Living Wage calculation is based on actual and rational price at certification unit location.

6.2.7

Based on the results of verification of employment documents, interviews with management and representatives of bipartite cooperation and field observations, it is known that there are main workers who are carried out by workers with temporary (PKWT) status. In addition, the company has identified the needs/adequacy of harvest workers for 2023, as follows:

- KBE → shortage of harvest workers as many as 56 workers
- PME → shortage of harvest workers as many as 54 workers
- HTE → shortage of harvest workers as many as 31 workers
- BGE → shortage of harvest workers as many as 65 workers

The company has shown the timeframe/plan for the appointment of PKWT (temporary) harvester become permanent workers in 2023 with details:

- PME → 54 appointments until December 2023
- HTE → 31 appointments until June 2023
- BGE → 65 appointments in April 2023
- KBE → 56 appointments until December 2023

The company has also shown examples of temporary workers appointment to become permanent workers. For example :Approval of promotion of workers from temporary worker with initial FE dated 1 January 2023 with letter No. 020/TSA-KBE/SP/1/2023.

Related to the explanation above, company have the opportunity to ensure that the main jobs are carried out by permanent workers (PKWT employee appointments) OFI.

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 social policy regarding the freedom of workers to associate dated December 1, 2011 which stipulates that the management and all employees of Minamas Plantation and its subsidiaries are committed to upholding the values of Human Rights (*HAM*) 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 the results of interviews with workers, it is known that some workers (especially new workers) do not know about the company's freedom of association policy or the company's bipartit cooperation. Related to this, the company shows record socialization related to company policies including freedom of association policies, such as on October 14, 2022, which was attended by 140 participants from HTE and PME. The results of interviews with representatives of management

and long-time workers as well as bipartite cooperation representatives, obtained information that socialization was also carried out during the morning briefings by assistants. In this regard, companies are encouraged to ensure the socialization of freedom of association/bipartite cooperation (OFI)

The results of interviews with workers such as harvesters, factory workers and others, known that the company has provided socialization related to freedom of association. From the results of interviews with workers, known that there is no labor union in the company. The company already has a bipartite cooperation which has been registered at the local Manpower Agency based on Decree No. 560.565/45/Disnakertrans//2023 dated 27 January 2023.

6.3.2

The company shows several records of bipartite cooperation meetings, such as:

- Minutes of meeting on January 14, 2019
- Minutes of meeting on June 7, 2022.
- Minutes of meeting on February 2, 2023.

6.3.3

Based on interview with bipartite cooperation and workers known that company has given socialization related to guarantee freedom of association for workers/employees. Based on interview with labor union also known that there is no intervention related to election of workers representatives or in the implementation of any activities.

Status: Comply

6.4

Children are not employed or exploited.

6.4.1

The unit of certification has a formal policy for child protection and a prohibition on child labor which is indicated in the Social Policy in the SOP for Sustainable Plantation Management No. Policy: 724/TQEM-SPMS/09 No. Revision 00 dated August 27th, 2010, approved by the CEO. In chapter I of Social Policy, specifically point 6 stating that Plantation Upstream Indonesia does not utilize underage (children) workers. The certification unit also has the August 2020 edition of the Sime Darby Plantation Code of Business Ethics. In point 5.7 on Human Rights, it is explained about the rights of children, namely the unit of certification will support the welfare of children and protect them from all forms of inappropriate treatment, including sex to children, child trafficking, child labor and child pornography.

The company has conducted socialization related to company policies. For example, the company shows documentation of socialization related to company Policy, Code of Business Conduct prohibition on employing children under 18 years old, forced labor and workers from human trafficking on October 14, 2022, which was attended by 140 participants from HTE and PME

6.4.2

The company has a mechanism for recruiting workers which explains that evidence to ensure the age requirement for workers is to ask for a photocopy of the ID of the prospective worker. In addition, for contractor workers, the company has conducted periodic evaluations to ensure that the contractor has complied with applicable regulations, one of which is the age of the worker.

The company has also shown agreement with contractors that have explained the prohibition on employing children under 18 years of age, forced labor and workers from human trafficking, for example Agreement Letter for FFB Transporter No. 006/Borongon/TSA-KBE/V/2022 dated 22 May 2022 and Agreement Letter for CPO Transporter No. 063/Pengangkutan CPO/TSA-PMF/VIII/2022 dated 1 August 2022

The results of the verification of the labor list document, interviews with internal and external stakeholders, and field observations revealed that there was no indication of any workers under the age of 18.

6.4.3; 6.4.4

The company has also shown agreement with contractors that have explained the prohibition on employing children under

18 years of age, forced labor and workers from human trafficking, for example Agreement Letter for FFB Transporter No. 006/Borong/TSA-KBE/V/2022 dated 22 May 2022 and Agreement Letter for CPO Transporter No. 063/Pengangkutan CPO/TSA-PMF/VIII/2022 dated 1 August 2022.

The results of the verification of the labor list document, interviews with internal and external stakeholders, and field observations revealed that there was no indication of any workers under the age of 18.

Status: Comply

6.5

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

6.5.1; 6.5.2

The certification unit has established Social Policy number 724/TQEM-SPM/09 dated 8 November 2010 regarding the prevention of sexual harassment and violence. 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.

The company has shown documentation of socialization regarding company policy including prevention of sexual harassment and violence on December 26, 2022 which was attended 49 participants.

The results of interviews with workers, especially female workers, revealed that the company had provided socialization related to policies to prevent sexual harassment and violence and protect reproductive rights. The company already has a gender committee to handle women's issues or problems. The results of interviews with representatives of gender committee and female workers revealed that there were no cases of violence or sexual harassment in the last 1 year. In addition, from the interviews known that the company has gave permission/maternity leave, menstrual leave and permission to breastfeed for female workers.

6.5.3

The company has identified the needs of new mothers in November 2022. The needs of new mothers based on the identification results and interview with gender committee as follows:

1. Young mothers are given permission to breastfeed their children.
2. Young mothers are given jobs that don't use chemicals.
3. Young mothers are given health facilities for health check and child development.
4. Etc

Based on interview with gender committee and female worker known that company has given permission to new mother to breastfeed. Besides that, based on observation at daycare in housing complex, known that company has provided special room for mothers to breastfeed.

6.5.4

Unit certification has SOP for Grievance Handling Mechanism for all parties and community No. 01/MPK-OU/XII/21 on December 1, 2021. The procedure explains that the unit of certification provides an overview of information regarding the submission of complaints to stakeholders (internal and external).

The above procedure has explained the person in charge of receiving and resolving complaints (external and internal officials including HRD), response period, confidentiality of the reporter and the reporter, so that further complaint handling can be carried out at the tripartite level (mediation and settlement by the government). Procedures are available in Indonesian and if there is a complaint for which a resolution is not found together, the complainants can bring the compliance to the RSPO Complaints System. In addition, the procedure also explains that the company guarantees the security and confidentiality of the whistle-blower.

The results of interviews with workers and representatives of bipartite cooperation known that workers understand the grievance mechanism. As for complaints related to women's issues can be submitted through the gender committee.

Status: Comply

6.6

No forms of forced or trafficked labour are used.

6.6.1; 6.6.2

The results of the verification of the labor register documents, work agreement documents, interviews with representatives of bipartite cooperation and workers, and the Manpower Office revealed that there were no casual daily workers in the company. There are only permanent workers and temporary workers/ PKWT at PT TSA. From the results of interviews with workers, known that there is no forced labor in the company. All workers who work are in accordance with the mutually agreed agreement or letter of appointment.

For contract workers/temporary work agreement (PKWT) who are recruited directly by the company. As for all temporary workers have been registered with the Labor Agency. For example, agreement No. 001/PKWT-PT.TSA-KBE//2023 dated 2 January 2023 for harvesting work (valid until 30 June 2023). The agreement has been registered at the Labor Agency of Seruyan Regency in January 2023. The receipt is also proven by a stamp/seal from the Office of Labor Agency and Transmigration.

Company has SOP No. 02/KSP-KRY//2021 dated 1 January 2021 related to workers recruitment for permanent workers, temporary workers and daily workers. The SOP explains that the required documents for prospective workers to be provided to the company are only photocopies and not original documents.

Based on verification in temporary agreement, known that the agreement has explained several working conditions, rights and obligations of workers such as working time, wages, social security, facilities and others. The agreement has been signed by both parties. From the results of interviews with workers and representatives of workers through bipartite cooperation, it is known that the company has provided a copy of the agreement to the workers. Based on interview with workers and bipartite cooperation and employment document verification known that workers accept work voluntarily and freely, and following are not found during audit such as retention identity, recruitment fees, involuntarily overtime, lack of freedom to resigns, penalty for termination, debt bondage, withholding wages.

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

OHS Organization

It was realized in the form of a P2K3 team in accordance with the Approval of the Occupational Safety and Health Advisory Committee PT Teguh Sempurna – Pematang Factory by the Manpower and Transmigration Office, which is stated in the Decree of the Head of the Manpower and Transmigration Office of the Central Kalimantan Provincial Government with No. Kep.19/DISNAKERTRANS//2021 dated February 18, 2021, with an organizational structure including the chairman with the initials S and the secretary on behalf of the DPH for the period 2021-2024

The P2K3 Secretary has attended the Occupational Safety and Health Specialist Training for the Indonesian Ministry of Manpower Certification which was held on 27 November 2020 as indicated in the Decree of the Minister of Manpower No. 5/11929/AS.02.04/XI/2020 with Reg No. 46453/PK3/AJ/31/2020/P1 which is valid until November 27, 2023.

OHS Committee PT TSA Organization Structure:

The organizational structure includes a chairman with the initials S and a secretary initials DPH for the period 2021-2024, divided into 5 sub division, each division has 1 coordinator and 5 members, including;

- Steam and Pressure Vessel
- Mechanical and Electrical
- Field of Fire Hazard Prevention and Management

- Work Environment and Environment
- Sector of OHS Laws and Regulations, and
- Construction and Building Sector.

The company has also shown documents related to routine OHS committee meeting activities for both plantations and factories. The example is:

- Minutes of the Pematang POM P2K3 meeting, which was held on January 16, 2023, which took place in the Pematang POM meeting room and was attended by 30 participants.
- Minutes of the P2K3 PT Teguh Sempurna (Estate) meeting, which was held on September 27, 2022, which took place in the Hatantiring Estate meeting room and was attended by 13 participants.

6.7.2

The company has demonstrated Emergency Response SOP (No. Policy 719/TQEM-ESH/10), rev 00, endorsed by the Chairperson of the SOU on 23 August 2010. This procedure is to provide guidance to ensure that all employees practice their duties or actions in an emergency. The emergencies referred to include land fires, earthquakes, floods, handling of B3 and LB3. In addition, the company has also shown Procedure No. 002/TQEM-PKP/II/11, rev 02 dated 10 February 2014 concerning work accident handling. The procedure describes guidelines for handling work accidents in each operational unit where the employee's condition is still safe, including the flow of reporting, accident management, investigation, evaluation, and corrective actions taken by management.

The company has shown documents on the minutes of first aid officer training activities at PT Teguh Sempurna which were held on May 6, 2022. Besides that, the company has also shown documents monitoring first aid kits at PT Teguh Sempurna during the 2022 period for both estates and factories.

Based on the results of interviews with first aid kit user officers (each field foreman) it is known that if there is a minor work accident then the first aid officer in the accident in the field will provide assistance. If the condition is considered severe enough by the first aid officer, workers who experience work accidents in the field will be brought to the company clinic for further treatment.

Based on the results of field visits at the Pematang factory, it is known that all have been equipped with light fire extinguisher condition monitoring. For example, at the boiler station it is known that the condition of the light fire extinguisher is in good condition and ready for use. In addition, from the results of field visits to chemical storage warehouses and temporary hazardous and toxic waste shelters, it was found that the warehouses and temporary hazardous and toxic waste shelters had been equipped with warning signs according to the types of chemicals contained in them.

The company always keeps records of work accidents that occur in the field as stated in the Lost Time accident document for the 2022 period (January-December). Based on these documents it is known that there were no fatal work accidents in either the Estate or the Factory.

6.7.3

The company has shown documents - Block Spraying System Procedure and Use of the BSS Station which was ratified on December 12, 2021. In 5.14 Tools used after work, clothes, boots and other work equipment should be washed with clean water at the BSS House, and it is not allowed Bring tools and work equipment home.

Besides that, the company has also shown the KBE Annual Work Plan documents for the 2022 and 2023 periods. Based on these documents, it is known that there is information regarding the actual number of workers used for each job, for example in the spray dish work in December 2022 amounting to 633 HK with an average usage spray workers per day amounted to 23 workers while in January 2023 with a total workforce of 676 HK, the use of spray workers every day was 26 HK.

From the results of the field visit, the following results were obtained:

- The results of the field visit at KBE found that the spraying activities were carried out by 10 workers.
- The results of interviews with the KBE spray foreman revealed that there were 14 employees working as pesticide

applicators.

- The results of the field visit at the BSS KBE house found that there was no remaining PPE stored in the BSS house according to the number of workers who were absent, namely 4 workers
- Based on the results of interviews with company representatives, it is known that the number of work tools and PPE for spray workers is 14 units.

Based on the explanation above, it is known that the company has not been able to provide sufficient evidence that all spray workers have received PPE and all spray work tools including PPE have been stored at the BSS house in accordance with the procedures they have. **NCR No.2023.01**

6.7.4

The company has provided health services for workers with clinics serving inpatient care, childbirth and health consultations, as well as first aid room facilities in each estate. All workers are protected by work accident insurance, namely *BPJS Ketenagakerjaan* (accident insurance). Based on the study of PT Teguh Sempurna's workforce list documents, it is known that all workers have been included in the *BPJS Ketenagakerjaan* (accident insurance) membership. This is in line with the results of interviews with workers in both the Estate and Factory.

Based on the results of a study of work accident recap documents at PT Teguh Sempurna and interviews with employees during field visits at POM and Estate, it is known that there were no fatal accidents that caused claims for medical expenses through *BPJS Ketenagakerjaan* (accident insurance) for the 2022/2023 period.

Based on a review of employee register documents, both estate and Pematang POM, it is known that all workers have been registered with the work safety insurance program. An example is the payment of work safety insurance contributions for Pematang POM for the December 2022 period which was paid on January 3, 2023 through the Indonesian National Bank (BNI) with the number of participants paid being 105 workers.

Based on the results of interviews with first aid kit user officers (each foreman) it is known that If there is a minor work accident then the first aid officer in the accident in the field will provide assistance. If the condition is considered severe enough by the first aid officer, workers who experience work accidents in the field will be brought to the company clinic for further treatment. The results of interviews with the company's doctors stated that the cost of treatment carried out at the company's clinic was the responsibility of the company.

6.7.5

The company has shown PT Teguh Sempurna's work accident recording documents for the 2022 period which are contained in the Lost Time Accident (LTA) document. The records provide information on the number of employees in a particular monitoring month, the number of working days, ineffective working days, overtime, the number of hours worked by employees, the number of lost days, lost time accidents, the number of accidents, the summary of lost working days, the frequency rate (FR) and severity (SR). The LTA report has been prepared by the OHS Committee Secretary and approved by the Unit Manager. A summary of the calculation of LTA across the scope of units for the January-December 2022 period is presented in the following table:

Unit	First Aid Accident	LTA	FR	SR
PME	18	70	19	73
KBE	24	50	24	50
BGE	2	8	2	9
HTE	47	70	65	96
PMF	0	0	0	0

6.7.3 | **Status: Non-conformity No.2023.01 with Major Category**

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

7.1

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

7.1.1

The Unit of Certification has shown evidence that pests, diseases, weeds and invasive species are effectively managed using appropriate Integrated Pest Management (IPM) methods. The integrated pest management plan is regulated in the procedure for the Control of Plant Pest Organisms No. 110 / EST-ARM / 13 Chapter 15. Procedures for establishing an early warning system with monthly detection of pests and potential diseases netter caterpillars and mouse, emphasizing mechanical and biological control such as by planting beneficial plants (*Turnera subulata* and *Antigonon leptopus*), and installing and monitor the nest box to suppress mouse infestation. This procedure also establishes an economic threshold for each pest and disease, that chemical control will be carried out only if the infestation has exceeded the economic threshold. For example, 10 larvae / netter caterpillars, rats > 5% of infestation and Orictes > 10 trees / ha

Based on the results of interviews with company management, it is known that in controlling pests and diseases, the company prioritizes early detection systems. If from the results of early detection there are symptoms of attack, a census of pests and diseases will be carried out.

Based on the results of field visits to each estate, it was found that there were no symptoms of pest and disease attacks at PT TSA, for example during a field visit to block S40 division III PME. During the visit to the block, it was also known that there was an owl cage number 52, and the cage was in an active condition where rat bones were found which had been eaten by the owls.

7.1.2

Based on document review and field observations, the Unit of Certification applies several biological control practices to suppress pest and disease attacks such as *Antigonon leptopus* and barn owls (*Tyto alba*) and is well managed for example there are poles at the crossroads of the paths where *Antigonon leptopus* grows. The results of verification on the cabl.org website is known that the species was declared not invasive in Indonesia.

The company also conducted socialization on the management and control of invasive species December 9, 2021, which explained types of invasive species in the company's operational areas.

7.1.3

Based on document reviews, field observations, and interviews with workers and stakeholders, it is known that the company does not use fire to control pests.

Status: Comply

7.2

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

7.2.1

The company's policy regarding safety in the use of chemicals is contained in ARM articles 15 and 16 concerning plant protection. Selective product use is contained in plant protection procedures, for example: *Glyphosate* is used to control broad and narrow leaf weeds. The procedure also clarifies that only agrochemicals listed in applicable laws and regulations may be used. PT. Teguh Sampurna has not yet implemented paraquat in weed control, its function has been replaced with chemicals that are more environmentally friendly. To ensure that the pesticides used are in accordance with the target, the company identifies the types of weeds that are found in the operational area. For example, the company uses *Isopropyl amine glyphosate* for narrow and broad leaf weeds and *Methyl metsulfuron* for broad leaf weeds.

Based on the results of field visits to spray work in block 40 Field O10 division 2 and interviews with spray workers, it is known that the company no longer uses pesticides with the active ingredient paraquat for weed control. The chemicals used when spraying are pesticides with active ingredients *Glyphosate* and *methyl metsulfuron*.

7.2.2

The company has shown documents on the use of pesticides at PT Teguh Sampurna for the 2022 period. The documents

explain the amount of pesticide use, area of application, LD50, and active ingredients. Based on this document, it is known that there is no use of pesticides with active lung power or WHO class IA/IB pesticides. An example is the use of pesticides with the active ingredient Glyphosate in HTE, which is 4,655 liters with an application area of 7,190 ha with pesticide use/hectare of 0.64 liters per hectare.

7.2.3

The integrated pest control program is carried out by the unit of certification and is monitored and evaluated every month. This evaluation is in the form of a pest and disease symptom report that describes the type of pest, average attack, attack analysis, level to threshold; conclusions to determine control techniques if needed. Based on data and a summary of the 2022 census, it is known that there are no pests and diseases that exceed the economic threshold. So, there is no use of pesticides to control pests and diseases. Based on observations at Kawan Batu Estate, Pemantang Estate, Hatantiring Estate and Batang Garing Estate, visually there were no symptoms of caterpillars attacking the crown or holding rats on the collected FFB.

As a form of reducing the use of pesticides carried out by the company is by utilizing the natural enemies of potential pests in the estate, such as planting *Turnera subulata*, Antigonon and Owls as natural predators of rats.

7.2.4

Based on the results of document review and interviews with company representatives, it is known that there is no prophylactic way of using pesticides carried out by the company. The company controls using pesticides if the pest attack census shows results above the threshold. Whereas for weed control If the conditions of the circle and harvest pathway are still quite standard, weed control will be postponed. Based on observations of spraying activities, the application method is not a preventive application but is more selective for locations that have weeds.

Based on document review and field observation, several IPM program with biological approach that has been implemented such as rat control by *Tyto alba*, and nettle eater caterpillar by planting beneficial plant such as *Turnera subulata* and *Casia cobanensis*. Moreover, the company has also conducted early detection routinely listed in the monthly report of early warning system.

7.2.5

Based on Inter-Office Mail by Regional CEO KTB Number 021/STB-KTB/II/2018 that released on 17 February 2018 stated that "Pesticides that are categorized as World Health Organisation Class 1A or 1B, or that listed by the Stockholm or Rotterdam Conventions, are prohibited except in emergency situation. Paraquat usage is prohibited."

Based on document verification and field visit to pesticide storage, Kawan Batu Estate, Pemantang Estate, Hatantiring Estate and Batang Garing Estate no longer use paraquat and do not use pesticide with WHO 1A or 1B class.

7.2.6

The company does not use pesticides with active paraquat ingredients so there are no limited pesticide applicators. Based on the results of a review of the list of pesticides used by the company during the 2022 and 2023 periods, it is known that there is no use of pesticides with the active ingredient paraquat or limited pesticides, so training is not required for limited pesticide applicators. The company has updated the knowledge of workers by conveying/socializing it to spray workers during morning muster activities. In addition, the company has also provided routine training to employees in each estate with an example of spray worker training activities at the Batang Garing Estate in October 2022 with a total of 12 participants.

Based on interviews with spray workers, it is known that PPE is given free of charge by the company (gloves, aprons, goggles, and masks). Workers also store and wash the work tools in the washing place that has been provided, namely the rinse house. Workers also understand the technical activities of workers by explaining the technical work starts from how to spray, target / target weeds, and avoid spraying in the river zone.

7.2.7

PT Teguh Sampurna Pesticide Storage and Pesticide Storage procedure explained on SOP related to pest monitoring and control contained in Minamas Plantation Agriculture References section 15 on plant protection, which among them

states:

- Pesticides must be stored in a safe place, separate from fertilizers, food ingredients, and water sources.
- Each type of pesticide must be placed separately according to their respective groups (herbicides, fungicides, rodenticides, and insecticides).
- Used pesticide container send to temporary hazardous storage who has a permit in estate.

Based on the results of field visits in agrochemical storage warehouses, in Kawan Batu Estate, Pemantang Estate, Hatantiring Estate and Batang Garing Estate it is known that agroclimate materials are stored properly, officers conduct periodic monitoring for each incoming and outgoing agro chemicals as well as expired chemicals. For example, a chemical monitoring report for chemicals in 2022 made by a warehouse clerk and reported to the estate manager, found that there were several types of pesticides being monitored in the storage agrochemical.

7.2.8

The company has SOP document No. 23. Management of hazardous and non-hazardous waste issued on May 22, 2020, revision on May 2, 2022, revision 4 which explains the hazardous waste management plan, hazardous waste packaged with used pesticides is stored in hazardous waste storage and then transported by licensed transporters from the government.

Based on interviews with employees and the foreman of pesticide application at Pemantang estate and Hatantiring estate, it was found that all containers used for pesticide packaging were returned and sent to the Hazardous Waste Warehouse 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. Thus, no contaminated items are taken home. The results of observations at employee in Pemantang estate and Hatantiring estate housing complex revealed that it was not found that used pesticide packages were disposed of in landfill.

7.2.9

The sprayers workers on circles and path using selective pesticides three times a year. Based on field observations in Kawan Batu Estate, Pemantang Estate, Hatantiring Estate and Batang Garing Estate, it is known if the workers already know the method of selective spraying, for example, only spraying the circle or the existing weeds and if there is no weed, no spraying is carried out. The company also does not apply pesticides by air.

7.2.10

The company has shown documents of the results of periodic health checks for spray workers at PT Teguh Sempurna which will be held on December 22, 2022. The examples are 7 participants from HTE and 35 PME spray workers. Health checks are carried out by the CPK clinic. Based on these documents it is known that the worker is fit to work.

The company has also shown the Special Health Examination Plan document for spray workers prepared by the company doctor and has been approved by the company leadership. Based on this document, it is known that a special medical examination for spray workers will be carried out in June 2023.

The results of interviews with company doctors found that special health checks for spray employees for the 2022 period were not carried out due to the Covid-19 condition. The company has shown PT Kridatama Lancar's Inter-Center Office Letter No. 02/SME-Klinik/III/2022 dated 10 March 2022 regarding the postponement of workers' health checks that were delayed due to the COVID-19 pandemic situation until the situation was declared normal again by the authorities.

7.2.11

The company has a policy prohibiting pregnant or breastfeeding women from working as spray workers. The company carries out regular checks on female workers to ensure that female workers who work in jobs containing chemicals (spray) are not currently pregnant or breastfeeding. In addition, the company has a policy of granting H-1 (for menstruation) and H-2 (for pregnant) work leave for female workers whose spray was signed by the Head of Plantation Upstream Indonesia in December 2011.

Based on the document lists of workers that have been shown and the results of interviews with company management,

there are no child workers, pregnant or breastfeeding women. The company also explained that if there are workers dealing with chemicals who are pregnant, the worker will be transferred to work as light care workers.

Status: Comply

7.3

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

7.3.1

The Company SOP of Hazardous Waste and Non-Hazardous Waste (No. SOP/TSA/21), SOP of Infectious Waste (No. 131/OPR). SOP of Solid Waste Management (No. TSA-PMF/K3L/009), and SOP of Waste Water Management (No. TSA-PMF/K3L/008).

Hazardous waste temporary warehouse that had permit from Seruyan Regent (No. 503-F.5/02.001/SK.DPMPTSP//2019 dated 14 January 2019, valid for five years), as well as disposed to licensed third party transporter and collector. The documentation was available in the form of logbook, manifest, and Hazardous Report to Environmental Agency.

The company collaborates with third parties in the handling and further management of hazardous waste as stated in the Cooperation Agreement Letter, namely the hazardous waste transport company PT Indo Rudy Jaya. The company shows the handover and hazardous waste manifest from PT Teguh Sempurna to PT Indo Rudi Jaya on December 23, 2022. Hazardous waste managed by the company are used oil, used batteries/batteries, used filters, used rags, contaminated waste/pesticide packaging, infectious medical waste. For domestic waste periodically picked every week, if the material contains metal cans or plastic, it can be dropped to an existing sanitary landfill determined.

The company does not discharge POME into water bodies. The company utilizes POME from palm oil processing to be a substitute for fertilizer which is channelled to the Land Application (LA) in accordance with the SOP for Palm Oil Mill Technical Guidelines – 1 (No.110/POD-FAC/07 CHAPTER III) regarding Pemantang Factory Waste Processing (Wastewater Potential, Pollution Control Efforts, Wastewater Control with Fermentation).

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. Transportation of non-hazardous waste from employee housing or emplacement areas is carried out twice a week and immediately disposed of in 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.

Liquid, Solid and Air Waste

Solid waste from the FFB processing process in the form of shells and fiber is reused by the company as a substitute for fossil fuels (diesel fuel) for power generation in boilers, while for empty fruit bunches, it is used to substitute fertilizer applied to plantation land. Some of the solid waste in the form of shells is also sent or sold, while the empty fruit bunches are used as fertilizer. Data on solid waste utilization is explained in more detail in indicator 7.9.1.

The company use POME by applying it to the Land Application. The regulation and management of POME are explained in more detail in indicator 7.8.3. As for air waste, the company has not made a common use for air waste, namely the Biogas Plan, so far, the management related to air waste has only been limited to measuring air quality from waste-producing sources such as WWTP, Boilers and Gensets.

7.3.2

Based on interviews with company management and the Head of the Hazardous and Toxic Waste Warehouse at the company has SOP documents for the management of hazardous waste & non- hazardous waste dated 2 February 2020 revision 01: Management and monitoring of hazardous waste explaining the hazardous waste produced by unit operations:

- Used lubricating oil, used fuel oil.
- Materials contaminated with lubricants and chemical liquids (filters, rags, oil/diesel filters, packaging of used lubricants, pesticides, grease, aprons, sacks, plastics, drums, jerry cans and cans).
- Used battery.
- Facilities and infrastructure for work tools related to chemicals and considered no longer used (damaged) such as chemical work equipment, light bulbs etc.
- Other hazardous and toxic materials that have expired and can no longer be used according to their designation, such as laboratory chemical fluids, sulphur, thinner, lime paint, etc.
- Hazardous waste such as corrosive, flammable/flammable, infectious, reactive and irritating materials or based on the characteristic test results which declare it as hazardous waste.

The SOP explains that several types of hazardous waste that have been identified in the SOP are stored at TPS for hazardous waste and then transported by licensed carriers from the government.

Based on the results of field visits in several locations, for example:

- Used pesticide packaging and spray equipment were damaged in the back of a used truck behind the pesticide warehouse in Pemantang Estate.
- Used oil filters and hoses contaminated with hazardous waste oil were stored in the back of a used truck in front of the traction at Pemantang Estate.
- Several used paint cans were dumped behind the CE room at Pemantang Estate.
- POM chemicals expire in POM chemical warehouses.
- Used lamps are disposed of in the trash and in the WWTP pond operator's room.
- Hazardous waste used for hazardous waste packaging is used as flower pots in the employee housing divisions 2 and 3 in Pemantang Estate.
- Expired hazardous waste pesticides and damaged hazardous waste packaging in the pesticide warehouse at Kawan Batu Estate.
- Spill kit / hazardous waste spill handling material from the oil warehouse was dumped in front of the oil warehouse at Kawan Batu Estate.
- Hazardous waste used for hazardous waste packaging (used pesticide packaging and used oil packaging) belonging to the contractor is placed in a warehouse near division 3 housing in Kawan Batu Estate.
- Hazardous waste used for pesticide spray equipment and broken pesticide applicator aprons stored at the BSS house in Kawan Batu Estate.
- Hazardous waste used for broken pesticide spray equipment is stored at the BSS house in Hatantiring Estate

The results of the previous NCR verification (RC-2), it is known that there has been a NC related to hazardous waste management. The corrective actions taken include:

- Memo of inspection of warehouse area and hazardous waste.
- OHS inspection checklist for the warehouse area and hazardous waste.

When an ASA 2.1 audit is carried out, documents that are part of Corrective Action cannot be shown.

The company has not been able to show sufficient evidence that the management of hazardous waste is in accordance with procedures and is fully understood by all workers and managers.

As a result of the field visit, it was found that hazardous waste management was not in accordance with the existing procedures. Therefore, this discrepancy is increased in status to Major (Raised to Major) become **NCR number 2023.02**.

7.3.3

The company does not use open burning for waste disposal. It can be proven through document review and management interviews, that the company has a Waste Management SOP with No. RA 012 revision 00 comes into force on April 1, 2010, as a reference for the management of used oil waste, used filters, used batteries/batteries, chemical packaging, scrap metal/iron scrap/scrap, used tires, non-organic waste (plastic, cans, paper, or non-organic materials that decompose easily such as fiber, shells, food waste, and household domestic waste), office waste. The scope of this procedure is for

factories, estate, housing, offices at PT Teguh Sempurna. Base on field observation known waste separation is separated based on the type of wet and dry waste, garbage transportation is carried out routinely, waste separation organic and inorganic are adjusted to the appropriate tub then put into the final waste disposal and closed periodically. Based on the results of field visits, both on land and in housing, there was no evidence of open burning of hazardous and toxic waste or domestic waste.

7.3.2 Status: Non-conformity No.2023.02 with Minor Raise to Major Category

7.4

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

7.4.1

The company has SOPs for managing soil fertility, which are as follows:

- Agronomic Reference Manual (ARM) - number 110 / EST-ARM / 13 dated September 16, 2013, especially in section 8 on Fertilization using Empty Lengths and on Fertilization with Liquid Waste POME.
- Agronomic Reference Manual (ARM) - number 110 / EST-ARM / 13 dated September 16, 2013, especially in section 4 on Field Preparation for Replanting. It was explained that the old stems were chopped as mulch to prevent pests and diseases.
- SOP Land Application and blank bed application in the 2009 SOP/TSA /13 document.

Practices to increase and maintain soil fertility with anorganic fertilization, empty bunches and POME applications.

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

The company has shown EFB utilization documents for the 2022 period, for example the EFB application at Pemantang Estate with a total of 8,126,780 kilograms.

7.4.2

Based on the results of interviews with the company, it is known that fertilizer recommendations are prepared based on the results of leaf sample analysis (performed every year) and soil sample analysis (as needed).The company shows the results of leaf and soil analysis:

Results of soil analysis

Soil analysis results of PT. Teguh Sempurna prospered on August 23, 2021, by the Institute for Research and Community Service at the University of Lambung Mangkurat. The Soil test was carried out to find out the content of age C, N, P2O5, pH, Ca-dd, Mg-DD, Na-dd, K, Al, Cu, Pb, Cd, Zn

Leaf analysis results

Kawan Batu Estate, Pemantang Estate, Hatantiring Estate and Batang Garing Estate have tested leaf samples on 18 May 2022 (HTE and PME) and 3 Juni 2023 (BGE and KBE). The leaf test was conducted by Minamas Research Center staff. Leaf test was carried out to determine the content of the elements N, P, K, Mg, Ca and B in plants as a reference to determine fertilizer recommendations.

7.4.3

The company has shown documents on the use of empty fruit bunches from the results of POM processing as a form of nutrient recycling strategy. The data shown is the utilization of empty fruit bunches during 2022 in PT Teguh sempurna, which is 62,015.089 tons (PME :16.271 ton, HTE 15.436 ton, KBE 18.950 ton and BGE 11.405 ton). In addition, there is also solid utilization at PT Teguh Sempurna with a total usage of 602,430 tons in 2022.

The results of a field visit on the application of empty fruit bunches in block T72 Division III Batang Garing Estate found that the preparation of empty bunches in the field was carried out using a 1-layer system.

7.4.4

The company has recorded inorganic fertilization and organic fertilizing well during 2021 and recorded it in the fertilization

The company has shown documents of recommendation and realization of fertilization in each estate for the 2022 period. Based on the verification of these documents it is known that the realization of fertilization at PT Teguh Sempurna during the 2022 period is in accordance with the recommendations. The types of fertilizers used by the company are Rock Phosphate, AC, MOP, HGB, NK, dolomite, ZA and FeSO₄. The examples of recommendations and realization of fertilization are as follows:

1. Realization of HGFB Fertilization in Pematang Estate with a total of 33.637 tonnes (100%)
2. Realization of AC fertilization in KBE with a total of 1,689.052 tonnes (100%)

Status: Comply

7.5

Practices minimise and control erosion and degradation of soils.

7.5.1

The company has shown documents of Semi Soil Survey and Land Suitability for oil palm plantations for the 2017-2022 period which explain the land slope class (Pematang Estate at 1: 40,000 scale, Kawan Batu Estate at 1: 40,000 scale, Hatantiring Estate at scale 1: 40,000, and Batang garing Estate with a scale of 1; 40,000) and maps (Pematang Estate at a scale of 1: 40,000, Kawan Batu Estate at a scale of 1: 40,000, Hatan Tiring Estate at a scale of 1: 40,000, and Batang Garing Estate with a scale of 1; 40,000). The entire map is a geographic reference map.

7.5.2

The company has a management strategy for planting in slope areas contained in the Procedures for Oil Palm Cultivation. The document describes the management area in a sloping area, among others: conservation terrace (for slopes 0 - 2°), terrace with a width of 4 meters (for slopes of 6° - 12°), terrace with a width of 3 – 3.5 meters (for slopes of 20° - 25°), planting cover crops and empty fruit bunch applications.

Strategies for fragile and other problem soils are included in the semi-detailed soil survey report. The report describes the level of land suitability along with the actions that need to be taken to raise the level of land suitability. Based on the report it is known that the limiting factors in the area, the company's operational areas are slope area and a lowland area.

Some recommended strategies include:

- Making terrace and planting a legume cover crop.
- Increasing the organic content of the soil through recycling nutrients, namely the application of EFB, laying the frond in the joint and between the staples.
- Carry out fertilization based on the results of leaf and soil analysis that is carried out regularly.
- Water management settings and making drain blocks.

Based on field observations in block 38 & 39 Field R15 Pematang estate (Hilly area) the strategy to reduce the limiting factor in the sloping areas revealed that the company had carried out soil conservation by making a terrace, planting a legume cover crop, and EFB Applications.

7.5.3

Based on document review of areal statement, interview with management, and field observation, it is known that there is no new planting activity.

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

Based on the results of a review of the area statement documents and interviews with company management, it was found that the company had not carried out any new oil palm plantation developments.

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

Based on the document of the area statement presented and the results of interviews with company management, it is known that the company did not develop new oil palm plantations in areas managed by the company.

7.7.2

The company has reported the peat area to the RSPO secretariat, this has been proven by the recording of Peat Inventory email sending to the RSPO secretariat dated on 14 November 2019 and being acknowledged on 18 November 2019.

7.7.3

Based on the results of the 2017-2022 soil survey, it is known that there is peatland in the Hatantiring Estate and has been reported to the RSPO secretariat as planted area of 161 ha with peat depth of 0.75 meters.

The company has carried out water management in the Hatantiring estate peat area, including:

- Construction of trench blocking
- Maintenance of water channel outlet to Sahabu river
- Monitoring the water level using a piezometer
- Monitoring the rate of peat degradation

Based on the results of field visits to subsidence poles and piezometers in block V002 Hatantiring estate, it is known that the rate of subsidence of the peat soil is 0.5 cm and the groundwater level in the peatland is 37 cm.

The company has shown documents monitoring the water level in peatlands using a piezometer. Based on the Piezometer observation document for the October 2022 to February 2023 measurement period, it is known that the water level of the peat soil in the planting area is in the range of 29 – 33 cm. Apart from that, a document for measuring the subsidence of peat in 2022 has also been shown. Based on this document, it is known that the rate of subsidence of peat during 2022 is 0.35 cm. Based on the results of data analysis on the rate of subsidence of peat soil, it is known that the rate of subsidence of peat at PT Teguh Perfect is still controlled and does not indicate any damage to peatland according to regulations in force in Indonesia (peatland is declared damaged if the rate of subsidence of peat reaches 35 cm within 5 years).

7.7.4

Companies can show their water management and land cover programs on peat land in PT Teguh Sempurna, Hatantiring Estate. The programs are:

- Water management
- Making a stop bund
- Water reservoir creation
- Canal maintenance on Sahabu river
- Peat subsidence 2 units.
- Selective spraying

As one of the implementations of the work plan that is owned, the company has been monitoring the subsidence of peat land. Based on the measurement results for the 2022 period, it is known that the subsidence of the peat soil in Hatantiring Estate is 0.35 cm.

From the results of the visit to Hatantiring Estate it was discovered that the company had carried out selective spraying. Weed control is only done at the circle and path and does not spray Nephrolepis to maintain soil moisture.

7.7.5

The company has shown the HTE area statement documents, based on these documents it is known that the oil palm planting areas were in the areas planted in 2006 and 2007. The company has also conducted an annual evaluation to see the target achievement of its work plan, including the replanting work plan. The annual evaluation activity will be held on December 28, 2022, and will be carried out online.

Based on the results of the management review, it was discovered that the company had postponed the schedule for replanting oil palm in the HTE peat areas because the Drainability Assessment had not yet been carried out.

The company has shown an inter-office mail document from the Head of Minamas Research Center dated 13 January 2023 with the number MRC/Head/Mgr-Est/I/2023 to the Hatantiring Estate Manager, regarding the implementation of the Peat Drainability Assessment survey and detailed land survey in the Hatantiring estate. Based on this document, it is known that the implementation of activities will be carried out from 19 January to 2 February 2023.

7.7.6

The company has carried out peat management by managing water. As for the example is the management carried out are by installing water level sticks in collection drain, installing piezometers as a means of monitoring the height of the groundwater level in planting areas and installing subsidence pole to monitor the rate of subsidence of peat lands.

The company also has fire prevention facilities and infrastructure that are in accordance with applicable regulations in Indonesia.

7.7.7

Based on a review of the areal statement documents, Peat Inventory reports and field visits to Hatantiring Estate as well as interviews with company management, it is known that there are no peatland conservation areas. All of the peatlands in the Hatantiring estate are planted areas.

Status: Comply

7.8

Practices maintain the quality and availability of surface and ground water

7.8.1

The company has a management plan to maintain and manage water sources in the SOP. Procedures for the protection Procedures for the protection of river border areas are available in the document:

- SOP for River Buffer Zone Protection in document number RSPO/B.5.3 regarding Buffer Zone Management.
- Buffer zones are defined: 10 meters for river borders, 50 meters for reservoirs, 50 meters around springs, and around the main ditch > 1 meter wide and 3-5 meters wide.
- SOP for Conservation Forest Management in document number RSPO/B.5.4 concerning Conservation Forest Management including river boundaries.

Through the document Technical Recommendations for Permits for Concession and Use of Surface Water from the Public Works and Spatial Planning Office of the Central Kalimantan Provincial Government for Water Resources Concession at Sahabu river with No. 01/RMKT/DPUPR-SDA/III/2022 dated March 8, 2022, to collect water from the Sahabu River. With a water quota that can be utilized of + 55,000 m³/month or equivalent to a debit of 0.021 m³/second. The water is taken from the Sahabu River, which is in the Hanging Pengayuh Village, Seruyan District. The coordinates of the surface water extraction location are 112°17'46.690"E dan 2°46'72.0" S

The company has a river border management procedure - the riparian belt described in the SOP of Management of Buffer Zone (RSPO/B.5.3/TSA) on August 2018 which contains the determination of the location of the buffer zone, maintenance and management. Based on the procedure, described the limits of water resource management that are limitation of river border management by 50 meters and limit of lake/reservoir management is 50 meters. River border protection covers marking the river border area in the form of yellow paint on oil palm trunk, prohibited of spraying and fertilizing applications, planting trees, etc. The company has implemented water management plans and has been verified based on document review that is :

- Perform river water quality testing every six months.
- Testing the quality of clean water for workers every six months.
- Record the debit for water usage for mill process activities.
- Installation of warnings prohibiting cutting down trees which are also displayed in conservation areas (including water sources) and passed by the community.

- The existence of water bodies that function to maintain the availability of water in the plantation both for the use in plantation activities and the activities of daily life in each estate. The company has shown plan data and realization of water bodies in each estate.

The unit of certification also does not limit access to clean water, and workers also have adequate access to clean water. Based on the results of field observations in the Estate housing area as well as interviews with fertilizer workers, spraying workers, and harvest workers, information was obtained that clean water facilities for housing were obtained from drilled wells provided by the company and for factory workers who lived in factory housing, the water source came from reservoirs which has been processed in WTP. The unit of certification has consistently had a water management plan for mills and plantations that is stated in the Environmental Management and Monitoring document as well as riverbank management programs and other water sources. As the company's concern for the health of its employees, PT Teguh Sempurna has consistently measured the quality of clean water used for daily needs. The quality standard for testing refers to the clean water standard of the Minister of Health Regulation No. 416 of 1991, which is reported on environmental monitoring measurements in semester 2 of 2022 by a KAN accredited laboratory.

7.8.2

Based on the SEIA and HCV documents, the watershed including its river boundaries are designated as protected areas Regarding the plan for the management and protection of riparian to avoid negative impacts, it is stated in the document:

- PT TSA's HCV identification and management plan report in January 2010 in the recommendation section explained that the company needs to create a buffer zone area on the riparian and not apply chemicals and fertilization along the riparian. The report also explains the types of HCV identified, for areas that function as HCV 4, for example:

Estate	Block	location
PME	Q 23, 24, 25, 26 27	Sahabu riparian river
KBE	S 43-59, R 48-52, Q52	Silar riparian river
	U 51-54	Beringin riparian river
HTE	S 6 -14	Sahabu riparian river
BGE	R 66-68	Simpang/ Bijuku riparian river
	U 60- 61	Beringin riparian river
	R 60-61	Silar riparian river

- The buffer zone management procedure number RSPO/B.5.3/TSA dated 14 August 2018 describes the determination of buffer zones, as follows:
 - River border (50 meters)
 - The area around the lake / reservoir 50 meters
 - The area around the spring 5 meters
 - The area around the main ditches is 1 meter (3-5 meter buffer zone).

The management that will be carried out is:

- Planting trees in the buffer zone area
 - Maintain area
 - Do not cut trees in the buffer zone area
 - Do not carry out chemical maintenance activities around the buffer zone area
 - Installation of area name signboards and types of prohibited activities in the buffer area.
- The company shows the 2022 HCV MANAGEMENT REALIZATION MATRIC (HIGH CONSERVATION VALUE) document which explains several types of management and monitoring activities, for example:
 - Monitoring HCV areas every month during 2022.
 - Monitoring the buffer zone area every month during 2022.
 - Painting of palm trees in the buffer zone in June and December 2022.
 - Evaluation of management once a year.
 - Monitoring RTE in March, June, September and December 2022.

As the implementation of these procedures during the audit process, evidence of the implementation of the plan can be shown, including:

- The results of the 2022 HCV management and monitoring review explained that there was no threat or disturbance to the HCV area at PT TSA.
- Based on the results of the RSPO Internal audit on 6-31 December 2022 there was a discrepancy in the form of the company not being able to demonstrate watershed and buffer zone protection, namely the signboard and buffer zone boundaries (yellow or red paint) did not yet exist in block 036-37 in PME, and it was declared has closed.
- HCV Monitoring Documents for HTE, PME and BGE 2022 HCV explaining the river bank management program, maintenance of HCV boundary markers is carried out once a month, but proof of realization documents that can be shown are only for September 2022 HTE, PME and BGE while for KBE estates it is not can be shown.
- The RTE Monitoring Document for HTE and BGE 2022 HCV explains the RTE monitoring program once every 3 months, but proof of realization documents that can be shown are only for September 2022 HTE and BGE while for KBE estates cannot be shown.

However, based on the results of field visits in the riparian conservation area, which was the scope of the audit, information was obtained that:

- HCV Sahabu riparian blocks Q 24, Q 25 and Q 27 Pemantang estate obtained information that the buffer zone does not provide chemical application limits, there are no HCV information boards and there are pesticide spray marks in the buffer zone. Based on the results of verification of the foreman's work book (BKM) the application of chemicals in Q 24, Q 25 and Q 27 will be carried out in November 2022.
- HCV Silar riparian block S 48, S53 and R/S 44 Kawan Batu estate, information was obtained that the buffer zone does not provide chemical application limits, there is no HCV information board and there are traces of pesticide spray in the buffer zone.
- HCV Border of the Beringin river block U 52 Kawan Batu estate, information was obtained that the buffer zone does not display chemical application limits, there is no HCV information board and there are traces of pesticide spray in the buffer zone.
- HCV Sahabu riparian block S 11/ S12 Hatantiring estate, information was obtained that the buffer zone only partially marked the limits of chemical application, there was no HCV information board and there were pesticide spray marks in the buffer zone.
- HCV Simpang river riparian blok R67, Beringin river riparian block U 60, Silar riparian R/S 60 Batang Garing estate, obtained information that the buffer zone does not mark the limits of chemical application, there is no HCV information board and there are traces of pesticide spray on the buffer zone.

The company has not been able to show evidence of the implementation of the water resources management plan that has been carried out in accordance with the Management plan and SOPs owned, in order to avoid negative impacts on other users in the water catchment area. **This indicator is become NCR number 2023.03.**

7.8.3

The management of POME from the processing of palm oil from the Pemantang Factory with a capacity of 96.292 is carried out in a WWTP pond located in the company's Business Use Rights (HGB) area. Before being channelled to the Land Application (LA), all POME is put into the WWTP with a single-feeding system which is then processed to reduce pollutant elements so that it is suitable for application to land. The certification unit has 9 WWTP pools. POME is managed according to the applicable national regulations, namely KepmenLH No.28 & 29 of 2003 regarding Technical Guidelines for the Assessment of Wastewater Utilization from Palm Oil.

The company already has a permit for the utilization of POME for Land Application (LA) from the authorized agency in the form of Permit for Utilization of Factory Wastewater at PT TSA in accordance with the Decree of Seruyan Regent No. 188.45/164/2016 dated April 5, 2016 and is valid for as long as the company conducts its business and will be reviewed at least once every 5 years. Based on the permit, the blocks allowed for POME to flow are 386 hectares, namely block T16-21, block U13-21 located in Sahabu Village, Seruyan District. Currently, the POME Permit for Land Application (LA) integration process is still progressing as described in indicator 2.1.1.

Monitoring of BOD has carried out every month regularly and reported to Environment Agency every three month. Evaluation and water sampling in WWTP outlet were carried out by accredited laboratory. Based laboratory testing, it

could be concluded that testing results period January to December 2022 were accordance with regulation of the environment minister Number. 28/2003. Based on observation to WWTP, it was found that flow meter was well functioned and there were no spills to the land. Furthermore, the certification also has had land application permit and there is no issues from stakeholders related to land application.

Base on field visit in land application area on block T19 Pemantang estate shows the area were well maintained. There was no leakage that flows outside the area. Based on public consultation with village representation, there was no issues regarding to river pollution especially into the river that across the village.

7.8.4

The company has shown proof of payment of surface water tax for the January - December 2021 period, which was paid on March 20, 2022, at the Regional Revenue Agency, the 2022 tax period will be paid in 2023 and now company are still waiting for a tax bill. The company already has water usage documents for palm oil processing units. For example, the company has shown the recording of POM water usage in the Water Usage in Mill document for the January-December 2022 with an average water usage of 2.10 m3/ton FFB, this range is still in accordance with the water quotas that can be utilized, that is + 55.000 m3/month.

7.8.2	Status: Non-conformity No.2023.03 with Major Category
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7.9 Efficiency of fossil fuel use and the use of renewable energy is optimized.

7.9.1

The unit certification already maximizing the use of renewable energy (fiber & shell) as boiler fuel. For example, use of shells and fiber period January to December 2022 POM has produces 1,136,760 kWh of electricity from turbine. Renewable energy use per ton of palm product in the mill is 11.42 kwh / ton CPO. Result Direct fossil fuel used is 0.12 kWh/ ton CPO.

The company also has made efforts to improve the efficiency of the use of fossil fuels in the transportation area (use of vehicles), including by periodic maintenance to reduce incomplete combustion and analyse fuel usage by selection of efficient transportation routes.

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

7.10.1

Certification Unit has carried out a GHG inventory contained in the Greenhouse Gas Emissions Mitigation Program document for the period 2022, based on document analysis it can be concluded that the company has identified the source of GHG produced by the POM 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 in POM 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 – December 2022 which show that all POME 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 was found that accurate data has been entered into the RSPO GHG Calculator version 4.0. The summary of GHG emissions for the period January – December 2022 is as follows:

Emissions per product	tCO₂e/tProduct
CPO	1.58
PK	1.58

Production	t/yr
FFB processed	288,823.27
CPO produced	59758
PK produced	11746

Extraction	%
OER	20.69
KER	4.07

Land use	Ha
Planted area on mineral	13901.98
Planted on peat	160.99
Total area planted	14062.97
Conservation Area (Forested)	991.68
Conservation Area (Non-Forested)	0
FFB Production per hectare	20.56

Summary of field emission and Sinks

Description	Own crop	3rd		Total
Emissions Sources	tCO₂e	tCO₂e/tFFB	tCO₂e	
Land conversion	188488.17	0.65	0	188488.17
CO ₂ emissions from fertilizer	15070.01	0.05	0	15070.01
NO ₂ emissions from peat	1205.13	0	0	1205.13
N ₂ O from Fertilizer	12709.92	0.04	0	12709.92
Fuel consumption	2489.06	0.01	0	2489.06
Peat oxidation	8790.05	0.03	0	8790.05
Sinks				
Crop sequestration	-108012.44	-0.37	0	-108012.44
Sequestration in Conservation area	-9087.17	-0.03	0	-9087.17
Total	111652.74	0.39	0	111652.74

Summary Oil Mill Emissions and Credits

Remarks	tCO₂e	tCO₂e/t FFB
Emissions sources		
POME	2378.79	0.01
Fuel consumption	304.72	0
Grid electricity	0	0
Credits		
Export of grid electricity	-1082.21	0

Sales of PKS	0	0		
Sales of EFB	0	0		
Total	1601.3	0.01		
Palm Oil Mill Effluent (POME) Treatment				
Divert to compost (%)	0			
Divert to anaerobic digestion (%)	100			
POME Divert to Anaerobic Digestion				
Divert to anaerobic pond (%)	0			
Divert to methane capture (flaring) (%)	0			
Divert to methane capture (electricity generation) (%)	100			
<hr/>				
No	Supplier Name	FFB Production by Estate/Plantation (t)	FFB Supplied by Estate/Plantation (t)	Percentage of FFB supplied by Estate/Plantation (%)
1	Batang Garing Estate	71222.7	71197.15	99.96
2	Hatan Tiring Estate	80526.13	80526.13	100
3	Kawan Batu Estate	83928.91	83874.2	99.93
4	Pemantang Estate	53420.36	53225.79	99.64
<p>Based on the data above, it can be seen that the company has a GHG emission increase value of 1.48 tCO₂e/t Product for the period January to December 2021. There was an increase in GHG emission from the previous period, namely the period January – December 2022 of 1.58 tCO₂e/t Product. This is due to the high use of chemical pesticides and fertilizers in that period. Based on this, it can be concluded that the company already has GHG calculation results that are in accordance with the supporting data (land conversion data, fertilizer data, pesticide data, fuel use data and others).</p>				
7.10.2				
Based on the results of the document review, it was found that there were no new plantings at PT Teguh Sempurna and that only replanting activities had been carried out since 2015.				
7.10.3				
The company has identified pollutions and emissions sources of Pemantang POM for the period 2022, such as CO ₂ (boiler, generator, transportation), CH ₄ (POME), hazardous waste (WTP, chemical storage), noise (machinery). The sources of pollution and emissions for the estate are listed on the identification documents and management plans for pollution sources for the period 2021 and 2022, such as emissions (CO ₂ , CO), noise, chemical waste, organic and inorganic waste, and infectious waste. The plans to reduce or minimize have been implemented and monitored as explained in RKL-RPL semester I until II the year 2022. Fossil fuel reduction on Pemantang POM have been implemented by fiber/shell usage for the boiler.				
Status: Comply				
7.11				
Fire is not used for preparing land and is prevented in the managed area.				
7.11.1; 7.11.2				
The company shows the memorandum of Head Plantation Upstream Indonesia dated August 7, 2014 No. M-077/HPUI/VIII/2014 has explained that the company does not burn in any form, and must implement zero burning in all Minamas plantation activities.				

The company has SOPs related to oil palm cultivation which are contained in the "Reference Procedures for the Agronomy of Oil Palm Planting Manual", or Agricultural Reference Manual (ARM) No. Policy 110/EST-ARM/13 signed by the Head of Plantation Upstream Indonesia on September 16, 2013. The SOPs related to land clearing activities are in Section 4 on Land Preparation which explains that land clearing activities are carried out mechanically without burning.

The results of observations in the replanting area revealed that there was no indication of the use of fire in replanting activities. Replanting activities are carried out by falling, chopping and crushing.

The company already has fire prevention and control measures, for example:

- Have procedures for prevention and management of land fires No. 7302/PSQM-ESH/14 dated 7 August 2014.
- Monitoring fire facilities and infrastructure owned every month. For example, for the period of December 2022 it is known that all fire facilities are in good condition and based on Land Fires Report, there are no fire case in the company's work area.
- Has an emergency response team structure that has been trained to deal with fires.
- Conduct training simulations on a regular basis. For example, company showed minutes of Socialization emergency response of forest and land fires which were carried out on July 17, 2022, which involved local stakeholders such as Kawan Batu village, Sukamandang Village etc.
- Monitoring and control of land fires for semester 2 2022 which was submitted to Agriculture Agency on January 26, 2023

The company can show a list of emergency response preparedness equipment along with a recording of its condition monitoring, which is carried out every month, as for the list of emergency preparedness equipment owned by the company as of January 2023 such as :

- Water tank
- Water pump
- Hose
- Nozzle
- Fire suit
- Light fire extinguisher
- Hydrants
- Portable pump
- First Aid
- etc

The results of an interview with the communities around known that there is no history of fires or the appearance of hotspots in the company area within the last 2 years.

7.11.3

The company can show recordings of periodic training, for example the Minutes of Socialization emergency response of forest and land fires which were carried out which were carried out on July 17, 2022, which involved local stakeholders such as Kawan Batu village, Sukamandang Village etc.

Based on the results of field observations in the operational activities, it shows that there are no operational activities that use fire. Based on interviews with management and external stakeholder, it was stated that all land clearing activities were done mechanically. Based on an interview with communities around, it was also stated that the company has shown a commitment not to burn for land clearing through fire simulation activities involving various stakeholders.

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

No new clearing since 15 November 2018. PT TSA cleared land after November 2005 without prior identification of HCV. Sime Darby Plantation Berhad as the parent of PT TSA has made a disclosure of liability according to a letter from the Head of PSQM Department dated 15 July 2015. Certificate Holder shows the RSPO compliance advisory note dated 6 April 2021 and inform LUCA status still in review with raw liability 239.63 Ha.

7.12.2

The company has identified existence of habitat with high conservation value as well as rare and protected flora and fauna contained in document of HCV Assessment. The identification was carried out in August 2009 through cooperation with competent third party "Aksenta". The HCV assessment used standard, and method refers to RSPO endorsed HCV Assessment Toolkit of 2008.

The identification of HCV has been carried out through participatory ways. The community was involved as responder and resources in the social survey. Public consultation was done on August 12, 2009, involving the stakeholder from surrounding village such as youth organization, village head, religious leader, local scholar, etc. HCV Assessment covers identification of conservation value in individual biodiversity, population biodiversity, ecosystem biodiversity, environmental service, and socio-cultural value.

The scope of HCV Assessment was HGU (land title) of PT TSA and its surrounding ecosystem. The assessment identified protected areas, flora and fauna and its protection status, and identification of habitat with HCV area. Total identified potential HCV area covers 1,045.69 ha, distributed into four Estates as follows: KBE – 88.13 ha; BGE – 391.58 ha; SME - 60.30 ha; HTE – 80.5 ha and PME – 88.08 ha. Based on the results of the 2022 re-delineation, the company determined the area of HCV that was included in the scope of the authorized by the company certification covers **991.68 ha**.

No new clearing since 15 November 2018, so HCS is not applicable.

7.12.3

Based on the results of the document review, it was found that there were no new plantings at PT TSA and that only replanting activities had been carried out since 2015. Based on the areal statement, the oldest plant in the concession area of PT TSA is the plant in 1996, for planting 2020 is replanting activities.

7.12.4

The company established HCV management plan to maintain the HCV areas in operation area of PT TSA, listed on Management plan HCV 2022 documents. The HCV management activities that taken by the management unit are maintain HCV attributes (HCV boundary, sign board), HCV socialization (community and worker), maintain HCV area, regular patrols for maintain HCV security, species monitoring, enrichment in riparian. The company has HCV management plan in 2022, such as:

- Flora and fauna identification carried out every 3 months
- HCV socialization once a year
- Monitoring of HCV area conditions every 3 months
- Tree planting once a year
- Reservoir water quality analysis and river every 6 months
- Monitoring the condition of the buffer zone every 3 months
- Painting trees (as buffer zone marker) every 3 months and evaluating the program every 6 months.

Regarding the plan for the management and protection of riparian to avoid negative impacts, it is stated in the document:

- PT TSA's HCV identification and management plan report in January 2010 in the recommendation section explained that the company needs to create a buffer zone area on the riparian and not apply chemicals and fertilization along the riparian. The report also explains the types of HCV identified, for areas that function as HCV 4, for example:

Estate	Block	location
PME	Q 23, 24, 25, 26 27	Sahabu riparian river
KBE	S 43-59, R 48-52, Q52	Silar riparian river
	U 51-54	Beringin riparian river

HTE	S 6 -14	Sahabu riparian river
BGE	R 66-68	Simpang/ Bijuku riparian river
	U 60- 61	Beringin riparian river
	R 60-61	Silar riparian river

- The buffer zone management procedure number RSPO/B.5.3/TSA dated 14 August 2018 describes the determination of buffer zones, as follows:
 - River border (50 meters)
 - The area around the lake / reservoir 50 meters
 - The area around the spring 5 meters
 - The area around the main ditches is 1 meter (3-5 meter buffer zone).
 The management that will be carried out is:
 - Planting trees in the buffer zone area
 - Maintain area
 - Do not cut trees in the buffer zone area
 - Do not carry out chemical maintenance activities around the buffer zone area
 - Installation of area name signboards and types of prohibited activities in the buffer area.
- The company shows the 2022 HCV MANAGEMENT REALIZATION MATRIC (HIGH CONSERVATION VALUE) document which explains several types of management and monitoring activities, for example:
 - Monitoring HCV areas every month during 2022.
 - Monitoring the buffer zone area every month during 2022.
 - Painting of palm trees in the buffer zone in June and December 2022.
 - Evaluation of management once a year.
 - Monitoring RTE in March, June, September and December 2022.

As the implementation of these procedures during the audit process, evidence of the implementation of the plan can be shown, including:

- The results of the 2022 HCV management and monitoring review explained that there was no threat or disturbance to the HCV area at PT TSA.
- Based on the results of the RSPO Internal audit on 6-31 December 2022 there was a discrepancy in the form of the company not being able to demonstrate watershed and buffer zone protection, namely the signboard and buffer zone boundaries (yellow or red paint) did not yet exist in block 036-37 in PME, and it was declared has closed.
- HCV Monitoring Documents for HTE, PME and BGE 2022 HCV explaining the river bank management program, maintenance of HCV boundary markers is carried out once a month, but proof of realization documents that can be shown are only for September 2022 HTE, PME and BGE while for KBE estates it is not can be shown.
- The RTE Monitoring Document for HTE and BGE 2022 HCV explains the RTE monitoring program once every 3 months, but proof of realization documents that can be shown are only for September 2022 HTE and BGE while for KBE estates cannot be shown.

However, based on the results of field visits in the riparian conservation area, which was the scope of the audit, information was obtained that:

- HCV Sahabu riparian blocks Q 24, Q 25 and Q 27 Pemantang estate obtained information that the buffer zone does not provide chemical application limits, there are no HCV information boards and there are pesticide spray marks in the buffer zone. Based on the results of verification of the foreman's work book (BKM) the application of chemicals in Q 24, Q 25 and Q 27 will be carried out in November 2022.
- HCV Silar riparian block S 48, S53 and R/S 44 Kawan Batu estate, information was obtained that the buffer zone does not provide chemical application limits, there is no HCV information board and there are traces of pesticide spray in the buffer zone.
- HCV Border of the Beringin river block U 52 Kawan Batu estate, information was obtained that the buffer zone does not display chemical application limits, there is no HCV information board and there are traces of pesticide spray in the buffer zone.

- HCV Sahabu riparian block S 11/ S12 Hatantiring estate, information was obtained that the buffer zone only partially marked the limits of chemical application, there was no HCV information board and there were pesticide spray marks in the buffer zone.
- HCV Simpang river riparian blok R67, Beringin river riparian block U 60, Silar riparian R/S 60 Batang Garing estate, obtained information that the buffer zone does not mark the limits of chemical application, there is no HCV information board and there are traces of pesticide spray on the buffer zone.

The company has not been able to show evidence of the implementation of the HCV management plan for water resources and erosion control that has been carried out in accordance with the HCV Management plan and SOP they have. Therefore, this indicator become **NCR number 2023.02**.

7.12.5

Based on interviews with management, it was found that there were HGU areas that were still controlled by the people in the Tabion area. The area has been compensated but is controlled by the community. The results of the HCV identification carried out in 2009, the Tabion area was identified as having potential HCV 1.2, 4.2, 4.4 5 and 6 but could not be managed directly by the company.

The company has a Decree of Appointment as the HCV coordinator for the Tabion community who is also a PT TSA harvest employee with No. 001 / BGE / SKP-SKU-H / III / 2017 dated February 1, 2017. The company also involved evaluating and consulting the HCV program with the community, especially the Tabion area community. During the recertification audit, information was obtained that the area (Tabion area community) had been removed from the HCV area and declared an enclave area.

7.12.6

The company showed evidence of the socialization of the HCV program to the community and employees on June 13, 2021, in Rantau Pulut village, Pemantang village, Sahabu village, Gantung Pengayuh village, Batu Menangis village, RT Alas Empeng, Kapuk village, Kawan Batu village and Durian Kait village.

The employees around the company have conducted socialization on every morning circle activity related to wildlife protection and the installation of HCV signs that are installed in the plantation area as a means of outreach to the community and employees. The company also has SOPs for the protection of RTE species that have explained the penalties for those who carry out activities that harm, capture or kill species that are included in the RTE category. In accordance with Law No. 5 of 1990 concerning Biodiversity and PP. 7 of 1999, which is now changed to Environmental Ministry Decree No.106 years 2018. There is also an RTE signboard regarding the prohibition of hunting in HCV areas. The company also has Internal Mail no. 130 / bge-kry / I / 2017 / M regarding the Prohibition of Hunting Wildlife on January 10, 2017.

The document has been described about the landscape situation around PT TSA and not identified the existence of protected forest / conservation area set by the government. However, there is still a secondary forest vegetation and riparian in the area of PT TSA.

The Identified flora and fauna among others:

- Flora: The plants identified from herbaceae, shrubs, lianas and trees. Of the 300 identified species, no plant species are protected in accordance with PP. 7 of 1999 and Environmental Ministry Decree No.106 years 2018.
- Fauna; Identified 26 Mammalian species and there are 9 protected species according to Government Regulation No. 7 of 1999 / Environmental Ministry Decree No.106 years 2018 for example Kubung Malaya (*Cynocephalus variegatus*), Trenggiling (*Manis javanica*), Hedgehog (*Hystrix brachyura*), Sigung (*Mydaus javanensis*) Sero Ambang (*Aonyx cinerea*), Macan Akar (*Felix bengalensis*), Pelanduk (*Tragulus javanensis*) and Kijang (*Muntiacus muntjak*); 76 species of birds and there are 5 species protected by the Government Regulation No. 7 of 1999 / Environmental Ministry Decree No.106 years 201 such as Pekaka Emas (*Pelargopsis capensis*), Kipasan Belang (*Rhipidura javanica*), Burung Madu Raja (*Aethopyga siparaja*) and Pijantung Kecil (*Arachnothera longirostra*); 8 types of reptiles, no protected by government regulation.

Monitoring of RTE species has been conducted routinely (every semester), the monitoring result will be the input in the

next monitoring plan.

Based on interview with workers known that they are understood about protected species and HCV area with no collect, illegal hunting, and consume RTE species.

7.12.7

The company has HCV implementation management and monitoring plan period of 2021, the program consists of:

- Riparian area management (HCV boundaries marking and maintaining, marking of chemicals application borders, HCV socialization to surrounded community and workers, planting of erosion control plants and HCV area patrols)
- Management and monitoring of RTE species.
- To conduct species identified protection.
- Implementation of company procedure related to HCV management, such as prohibition policy on all employees to hunt, maintain animals protected by the law set forth in SOP's for Wildlife Handling and Protected Flora Preservation, including sanctions provided by the company to the offending employee.
- HCV monitoring (monitoring of HCV attribute, monitoring of HCV in three monthly basis and monitoring of HCV rehabilitation).

The company established HCV management plan to maintain the HCV areas in operation area of PT TSA, listed on Management plan HCV 2022 documents. HCV management activities that taken by the management unit are maintain HCV attributes (HCV boundary, sign board), HCV socialization (community and worker), maintain HCV area, regular patrols for maintain HCV security, species monitoring, enrichment in riparian.

All evaluation results will be reviewed and will be adjusted to the HCV management program in 2023. The evaluation results also indicate an increase in species encounters. In addition, management and monitoring of HCVs has been carried out in a participatory manner by involving communities around the plantations, one of which is an agreement with the community to jointly protect the HCV area.

7.12.8

Based on document verification of area statement, there is new planting activities after November 2005, not preceded by an HCV assessment (HCV conducted on 2009).

The company has reported LUCA on May 12, 2017, were based on the LUCA SDP REPORT REVIEW STATUS data as of July 3, 2020, it is known that the status for PT Teguh Sempurna is Pending LUCA checklist from RSPO. During the Surveillance 1.4 activity, there was an email from the RSPO on 25 September 2020 which explained that "Following your email dated 21 September and after reviewing the current LUCA progress, we agreed to allow the NC to remain open until the next Surveillance audit". In this regard, the unit of certification may be granted concessions until the next surveillance.

The company shows the progress of the RaCP / LUCA approval process from the RSPO according to an email from the RSPO secretariat dated 18 February 2022 which explained that the RSPO secretariat gave conditional approval "Conditional Approval" to Sime Darby Plantation (SDP) for certified management units including PT Teguh Sempurna for continue recertification assessment. There is no evidence that the RaCP has been approved by the RSPO.

There is an email from RSPO January 23, 2023, regarding conditional approval. It was explained in the email "PT Teguh Sempurna - Proceed with continuation of audits however, the NC will remain open until the next ASA and management unit must provide the update to the pending action / clarification to the RSPO Secretariat within the next 6 months".

7.12.4	Status: Non-conformity No.2023.04 with Major Category
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3.2 Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client	X or√
ASA-2.1	PT TSA do not use RSPO Trademark and CB Logo, However PT TSA has had a trademark license under Sime Darby Plantation Berhad Group number RSPO – 1106024.	√
	Status: Comply	
2.	Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-2.1	PT TSA do not use RSPO Trademark and CB Logo, However PT TSA has had a trademark license under Sime Darby Plantation Berhad Group number RSPO – 1106024.	√
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product	X or√
ASA-2.1	PT TSA do not use RSPO Trademark and CB Logo, However PT TSA has had a trademark license under Sime Darby Plantation Berhad Group number RSPO – 1106024.	√
	Status: Comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate logo.	X or√
ASA-2.1	PT TSA do not use RSPO Trademark and CB Logo, However PT TSA has had a trademark license under Sime Darby Plantation Berhad Group number RSPO – 1106024.	√
	Status: Comply	

3.3 Summary of RSPO Partial Certification.

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

Sime Darby Plantation Berhad Time Bound Plan is explained in table section 1.10. Sime Darby has achieved 34 management units in Malaysia and 24 Management Units in Indonesia that RSPO certified. Total management unit in Sime Darby Plantation Berhad are 34 in Malaysia, 25 in Indonesia and 1 in Liberia. Sime Darby Plantation Berhad has informed the Time Bound Plan progress through representative's office in Indonesia. MUTU has considered that Sime Darby Plantation Berhad is comply with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by the Sime Darby Plantation Berhad Indonesian representative in January 2022 by the Head of Sustainability & Quality Management.

MUTU has verified partial certification for un-certified unit's subsidiary of Sime Darby Plantation Berhad based on their Time Bound Plan. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from other sources.

MUTU Auditor has verified company partial certification and concludes that:

- PT Budidaya Agro Lestari waiting for land title process to some of its operational area.
- PT Guthrie Pecconina Indonesia – Sungai Jernih Estate currently is in HGU process.
- The company has followed RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There is no labor disputes that are not being resolved through an agreed process.
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above.

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p><i>Company Group/Holding Statement:</i> The sustainability unit has conducted the internal audit for 9 units and updated in the compliance status of uncertified management unit. There is no replacement of primary forest or HCV area and no new planting after January 1st 2010. Other than that, land conflicts and land disputes also being audited and approved by Head of Sustainability-Indonesia.</p> <p><i>Auditor Verification:</i> Internal Audit report available for uncertified management unit.</p>
2.1.2	No replacement after dates defined in NIs Criterion 7.3 of: <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<p><i>Company Group/Holding Statement:</i> No replacement of primary forest or HCV or no new planting after Jan 1st 2010 for all uncertified units except for PT Sime Indo Agro, Bukit Ajong Mill East* Estate /Sei Mawang Estate which is currently under RaCP. LUCA submitted and currently under review process by appointed reviewer by RSPO.</p> <p><i>Auditor Verification:</i> Sime Darby Plantation Berhad sent disclosure of liability</p>

		including LUCA analysis to RSPO Secretariat on 2 December 2014 and 2 nd revision on 24 June 2016. Current status of LUCA report of SDP Berhad is having been sent the 19 report of LUCA to RSPO on Aug 2018, responded by RSPO with need clarification. The companies ensuring reporting of disclosure of liability progress to RSPO and according to the CB's correspondence with RSPO Remediation and Compensation.
2.1.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>Company Group/Holding Statement: No new plantings. As at 16 Jan 2020, Sime Darby Plantation under its unit Sime Darby Plantation Investment (Liberia) Pte Ltd has completed its disposal of its entire interest in Sime Darby Plantation (Liberia) Inc (SDP Liberia) to Mano Palm Oil Industries Ltd (MPOI).</p> <p>Auditor Verification: Karya Palma Estate (PT Sandika Natapalma) and Beturus Estate (PT Budidaya Agro Lestari) any new planting after January 1st 2010 and due to not conduct NPP it will be object of sanction.</p>
2.1.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>Company Group/Holding Statement: The group has land conflict procedure in place. No Land conflict registered with RSPO Complaints System. No outstanding complaints with the RSPO.</p> <p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement and there is no conflict in uncertified area.</p>
2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>Company Group/Holding Statement: No stakeholder comments or complaints received.</p> <p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There are no labour dispute in company unit.</p>
2.1.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>Company Group/Holding Statement: None noted. No stakeholder comments or complaints received.</p> <p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There is any legal non-compliance for company under SDP waiting for land title process, i.e.:</p> <ul style="list-style-type: none"> • PT Sime Indo Agro 5,815 Ha • PT Bina Sains Cemerlang 308.25 Ha • PT Bahari Gembira Ria 1,639 Ha • PT Guthrie Pecconina Indonesia 890 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 ASA 4 & Recertification

NCR No.	: 2020.01	Issued by	: Yohanes Hardian/ Radytio Puspanjana
Date Issued	: 12 August 2020	Time Limit	: 18 September 2022
NC Grade	: Major	Date of Closing	:
Standard Ref. & Requirement	: 7.12.8 Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV- HCSA assessment since 15 November 2018, the Remediation and Compensation Procedure (RaCP) applies.		
Evidence observed (filled by auditor): The company has reported LUCA on May 12, 2017, until the audit activity took place there was no concept note approved by RSPO. Based on data from the LUCA SDP REPORT REVIEW STATUS as of July 3 2020, it is known that the status for PT Teguh Sempurna is Pending LUCA checklist from RSPO and until the audit activities take place, the concept note not approved by RSPO yet.			
Non-Conformance Description (filled by auditor): The company has not been able to present the evidence of the RACP concept note has been approved by RSPO or has received conditional approval from RSPO.			
Root Cause Analysis (filled by organization audited): PT TSA has not received information from Management Sime Darby after August 9, 2019.			
Correction (filled by organization audited): GSQM coordinated with Sime Darby for the reporting process and LUCA status of PT TSA and obtained progress status until September 25, 2020.			
Corrective Action (filled by organization audited): GSQM will continue to coordinate with Sime Darby to update the LUCA report to the RSPO			
Assessor Evaluation and Conclusion (filled by auditor): Verification 28 September 2020 The unit of certification can present an email from RSPO dated 25 September 2020, who described "Following your email dated 21 September and after reviewing the current LUCA progress, we agreed to allow the NC to remain open until the next Surveillance audit". Based on the explanation above the time limit of this non-conformity are changed being next surveillance audit. Verification 26 March 2022 (Onsite ASA-1.4 & RC-2) The company shows the progress of the RaCP / LUCA approval process from the RSPO according to an email from the RSPO secretariat dated 18 February 2022 which explained that the RSPO secretariat gave conditional approval "Conditional Approval" to Sime Darby Plantation (SDP) for certified management units including PT Teguh Sempurna for continue recertification assessment. Email on 18 February 2022 from Aryo Gustomo < aryo.gustomo@rspo.org > to Alagendran Maniam < alagendran.maniam@sime-darbyplantation.com > which stated, "Dear Pak Alagendran, first of all, thank you for being patient with us. After reviewing your request and doing some internal checking within our team, herewith our response to you. <i>We take consideration to provide a Conditional Approval as referring to the previous Advisory Note that we had provided to you before. This considering that the Advisory Note was given for the first case that came to us, and when the</i>			

continuation of the previous approval for the similar case, we only give you through the conditional approval.

Now, this Conditional Approval would only be given for those Management Units that **have been certified before** to allow the Company to complete the RaCP process and continue the Annual Surveillance Assessment (ASA) and/or Recertification. And this will only be **valid until the next 6 months** from the date of this email. From time to time, we will review all the progress and status of the Certification and RaCP process for the particular certified management units, and we may revoke this conditional approval if any issues happen that may heavily threaten the integrity of RSPO standard requirements.

While for the **uncertified management units**, The Initial Certification audit may be conducted, but the **Certificates can only be issued when the completion of the RaCP Process (i.e approval of Compensation and Remediation Plans) is approved by the Compensation Panel.**

The following, extracted from our Sales Force database (as per last week), is the list of all Management Units under your Sime Darby Operation in Indonesia with detailed status of Certification and RaCP process. (PT Teguh Sempurna)

Based on explaining above, the **NCR No. 2020.01** remains open **until the next 6 months** from 18 February 2022 for PT Teguh Sempurna (18 September 2022).

Follow up on next audit (filled by auditor):

Auditor verification ASA 2.1

There is an email from RSPO January 23, 2023, regarding conditional approval. It was explained in the email "PT Teguh Sempurna - Proceed with continuation of audits however, the NC will remain open until the next ASA and management unit must provide the update to the pending action / clarification to the RSPO Secretariat within the next 6 months".

Verified by : **Radytio Puspanjana**

NCR No.	: 2022.01	Issued by	: Afiffuddin
Date Issued	: 26 March 2022	Time Limit	: ASA 2.1
NC Grade	: Minor	Date of Closing	: 16 December 2022
Standard Ref. & Requirement	: 2.2.2 All contracts, including contracts with FFB suppliers, have separate clauses regarding the fulfillment of relevant legal obligations, and can be proven by the relevant third party.		
Evidence observed (filled by auditor):			
<p>The company shows contract documents that have separate clauses regarding the fulfillment of relevant legal obligations, including but not limited to the application of minimum wages, provision of PPE, and involving workers in the BPJS Health and Employment program, which are listed in:</p> <ul style="list-style-type: none"> • Transportation Service Agreement Letter, number 004/Jasa Transport/TSA/IV/2021, dated April 10, 2021, with CV Gelora Seruyan, article 5 related to the implementation of special regulations regarding health, security, environment, and employment. • Transport Service Agreement Letter number 003/Jasa Pengangkutan/TSA/IV/2021, dated April 10, 2021, with CV Ayawan Jaya, article 5 related to the implementation of special regulations regarding health, security, environment, and employment. <p>Based on the results of interviews with representatives of contractors, including the contractor PT Central Pratama Property, it is known that the work agreement has its own clause regarding the fulfillment of relevant legal obligations</p>			

<p>and this has been known by the contractors. However, regarding the fulfillment of the relevant legal obligations, it has not been proven either by the third party concerned or by the company.</p> <p>Non-Conformance Description (filled by auditor): Based on the explanation above, it is known that the company has not been able to show proof that the fulfillment of the relevant legal obligations by third parties/ contractors has been fulfilled in accordance with the agreement.</p>	
<p>Root Cause Analysis (filled by organization audited): The lack of communication between the estate head and the contractor at the time of the RSPO audit caused the data to be sent late so that it had not been fulfilled</p>	
<p>Correction (filled by organization audited):</p> <ul style="list-style-type: none"> - The Head of the Estate Section coordinates to collect evidence of compliance with contractor regulations during internal audits - PT CPP's cooperation agreement letter contains a contract addendum in 2021 	
<p>Corrective Action (filled by organization audited): The company, through the head of the administration section, communicates with the contractor to send proof documents of compliance with regulations: proof of payment for BPJS health, BPJS for employment, and salary slips.</p>	
<p>Assessor Evaluation and Conclusion (filled by auditor): Verification December 16, 2022, Evidence of improvement can be shown in the form of:</p> <ul style="list-style-type: none"> - Addendum I of Agreement Letter No 018/Replanting/TSA/VI/2018 dated February 8 2022 in the agreement has explained the obligation to comply with regulations such as Security, Safety, Occupational Health and Environment; Prohibition of Child Labor and others - Proof of Employment and Health BPJS E-Paymen Payment for the month of May 2022 contributions. - Sample proof of payment of employee salaries, where the wages paid have exceeded the minimum wage set by the government. <p>Regarding the proof of improvement submitted, the discrepancies in this indicator are stated to have been fulfilled and will be re-verified at the time of the next assessment</p>	
<p>Follow up on next audit (filled by auditor): The company has shown the Work Agreement document with the contractor. In addition, the company has also been able to show proof of fulfillment of relevant legal obligations such as BPJS, wages that have referred to the provisions of the minimum wage and <i>SPK</i> (Agreement Letter) with contractor workers.</p>	
Verified by	Moh Arif Yusni

NCR No.	2022.02	Issued by	Moh Arif Yusni
Date Issued	25 Maret 2022	Time Limit	ASA 2.1
NC Grade	Minor	Date of Closing	30 January 2023
Standard Ref. & Requirement	<p>3.4.2 For the unit of certification, a social and environmental impact assessment document is available and a management and monitoring plan has been developed with the participation of affected stakeholders.</p>		
Evidence observed (filled by auditor):			

The company has conducted periodic reviews every 2 years related to its Social Impact Management and Monitoring Plan. The review process was carried out by involving the participation of the affected parties through a questionnaire. However, based on the results of the 2021 review, it is known that:

- The participatory method carried out has not fully covered all the factors that can cause social impacts (both positive and negative) such as use and access rights, traditional rights or customary rights owned by indigenous peoples, to the latest issues developing in the community. around the company's operational area.
- Sample representation is not fully representative of all affected parties (including representatives of women, migrants, new villages/new communities (PDR), workers (local, migrants, *KHT or KHL*) to identify sources of impact and potential social impacts, and determine management recommendations and social impact monitoring.
- There is not enough evidence that the results of the management and monitoring of social impacts carried out by the company in the previous period have become a benchmark in the identification of the latest monitoring and management of social impacts.

Thus, with the limited number of parties involved in the preparation of the management plan and social monitoring, there are several issues which have not been monitored and managed in a comprehensive and integrated manner, for example:

- Pay special attention to the indirect impacts caused by the company, for example, the dynamics of the social development of new community settlements around the company's area which has an impact on operational activities and company image.
- Attention to the impact of the company's operational activities and efforts to minimize it, for example for oil palm replanting activities
- The existence of an occupation area / enclave in the company area
- Employee status and relationship with the company (*SKU, PKWT, Contractor*)
- Dissatisfaction with the CSR program run by the company

Non-Conformance Description (filled by auditor):

The review process method does not involve the participation of all affected parties, so there are several issues which have not been monitored and managed in a comprehensive and integrated manner.

Root Cause Analysis (filled by organization audited):

The person in charge of social responsibility, namely the HR staff, does not yet understand the implementation of the social and environmental impact monitoring evaluation that is implemented.

Correction (filled by organization audited):

SQM staff carried out additional aspects of monitoring the social and environmental impacts of PT TSA's operations.

Corrective Action (filled by organization audited):

SQM staff attended RSPO PnC training so that they understand social and environmental impact monitoring must involve affected stakeholders at PT TSA

Assessor Evaluation and Conclusion (filled by auditor):

Auditor verification January 30, 2023

Evidence of improvement can be shown in the form of:

- Plans and Realization of participatory management and monitoring of plantation social impacts - PT TSA for the 2021-2022 period, where aspects of activities include aspects of employment, aspects of public services, aspects of economic development of surrounding communities, aspects of FPIC and conflict resolution and environmental aspects. The plan includes impacts that occur (direct and derivative) as well as activity plans and their realization.
- Evidence of stakeholder participation in the form of a social and environmental impact analysis study questionnaire. From the results of the verification, it is known that the participant has represented the participant from various aspects.
- Report on the Management and Monitoring of Social Impacts at PT Teguh Sampurna for the 2022 period. Regarding the proof of improvement submitted, the discrepancies in this indicator are declared to have been fulfilled and will be verified again at the time of the next assessment

Follow up on next audit (filled by auditor):

The results of the verification of the 2022 SIA management plan document obtained information that the preparation of the SIA management and monitoring plan has been carried out participatively involving external and internal parties. The SIA program development activity was carried out on January 20 2021 involving representatives of women, migrants, new settlements, new communities, workers (local, migrants, KHT or KHL). All significant social impacts have been fully identified, for example:

- Oil palm replanting
- The existence of an occupational area / enclave (including illegal mining areas) in the company's area.
- Employee status and relationship with the company (SKU, PKWT and Contractors)
- Evaluation of the implementation of the CSR program by involving the surrounding community.

Verified by : **Moh Arif Yusni**

NCR No.	: 2022.03	Issued by	: Moh Arif Yusni
Date Issued	: 25 Maret 2022	Time Limit	: ASA 2.1
NC Grade	: Minor	Date of Closing	: 15 June 2022
Standard Ref. & Requirement	7.3.2 There is evidence of waste disposal according to procedures that are fully understood by workers and manager		
Evidence observed (filled by auditor): As a guide in waste disposal, the company has developed procedures for managing hazardous waste and non-hazardous waste waste (RA 012 dated April 01, 2010). The procedure explains that the procedures for managing hazardous waste include hazardous Waste Storage and Ways to Reduce and Non-hazardous Waste. During the audit process, procedures and understanding of B3 waste management can be explained, but based on the results of field visits it is known that there is B3 waste management that is not in accordance with existing procedures, for example: <ul style="list-style-type: none"> - The workshop at Batang Garing Estate has an empty oil storage drum that is not stored in a licensed storage - There is use of chemical packaging, for example used water purification chemicals for storage of diesel fuel at Pentangan Factory and the use of pesticide jerry cans as water containers / slurry for poison in each estate, but monitoring of hazardous waste that is reused has not been shown. 			
Non-Conformance Description (filled by auditor): the company has not been able to show evidence that the disposal / treatment of waste is in accordance with the procedures it has			
Root Cause Analysis (filled by organization audited): The plantation management and the hazardous waste responsible unit do not fully understand the management of hazardous waste.			
Correction (filled by organization audited): The collection and administration of hazardous waste was carried out by the hazardous waste warehouse staff. Attached documentary evidence and photos: <ol style="list-style-type: none"> 1. Collection of hazardous waste from warehouse, traction and division 2. Minutes of handover of hazardous waste to hazardous waste warehouse 3. Updated balance sheet hazardous waste 			
Corrective Action (filled by organization audited): Training and socialization of hazardous waste management to PIC warehouse hazardous waste. Attached is proof of compliance, namely: <ol style="list-style-type: none"> 1. Evidence of socialization and training in hazardous waste management 			

2. Socialized hazardous waste Management SOP
3. Attendance list of outreach and training
4. Minutes of handover of PPE
5. Memo of inspection of the warehouse area and hazardous waste
6. Monitoring the warehouse area inspection checklist and hazardous waste.

Evaluasi Penilai dan Kesimpulan *(dilengkapi oleh auditor):*

Verify 15 June 2022

The certificate holder can show proof of improvement in the form of:

1. Corrective action in the form of handing over to hazardous waste storage or for reuse, for example:
 - Minutes of the handover of the utilization of hazardous waste from PT TSA.
 - Minutes of handing over the utilization of hazardous waste waste from PT TSA - BGE to hazardous waste officers totaling 23 drums of ex oil on March 25, 2022.
 - Minutes of handing over the utilization of hazardous waste from PT TSA.
 - Minutes of handover of hazardous waste for the use of fillers for diesel fuel, oil and lubricants / grease in the amount of 3 pcs on March 25, 2022.
 - Minutes of delivery of hazardous waste in the form of 3 jerry cans from the engine room and workshop to hazardous waste officers
2. Checklist of Occupational Health and Safety, for the warehouse area and hazardous waste which explains compliance with the completeness at the warehouse location, at one of the inspection points it requires the completeness of the hazardous waste handover report, Loog Book in and out of hazardous waste and hazardous waste Balance.
3. Memorandum from the West Kalimantan Area Controller No 021/STB-KTB/IV/2022 dated 17 April 2022 regarding PT TSA's Warehousing OHS Inspection Policy which explains to all business units to always inspect, evaluate and control work safety in the warehouse area and hazardous waste warehouse and held every 2 months
4. Training on hazardous waste Management, PPE and Chemical Officers and Emergency Response on March 30, 2022 with a total of 55 participants.

Regarding the proof of improvement submitted, the discrepancies in this indicator are declared to have been fulfilled and will be verified again at the time of the next assessment.

Follow up on next audit (filled by auditor):

Verification during surveillance Assessment 2.1

As a result of the field visit, it was found that hazardous waste management was not in accordance with the existing procedures. Therefore, this discrepancy is increased in status to Major **(Raised to Major)**.

Verified by : **Moh Arif Yusni**

3.4.2. Identification of Findings, Corrective Actions and Observations at ASA 2.1

NCR No.	: 2023.01	Issued by	: Johannes Pandiangan/Rizliani Aprianita Hsb
Date Issued	: 10 February 2023	Time Limit	: 11 Mei 2023
NC Grade	: Major	Date of Closing	: 17 Maret 2023
Standard Ref. & Requirement	<p>6.7.3 Workers use appropriate Personal Protective Equipment (PPE), which is provided free of charge to all workers at the workplace, as protection in all potentially hazardous operations, such as pesticide application, machine operation, land preparation and harvesting. Sanitation facilities are available for workers who use pesticides so that workers can remove PPE, clean themselves and put on their personal clothes.</p>		
<p>Evidence observed (filled by auditor):</p> <ul style="list-style-type: none"> - Procedure for Block Spraying System and Use of BSS Station which was ratified on December 12, 2021. In 5.14 Tools used after work, clothes, boots and other work equipment should be washed with clean water at the BSS House, and not allowed to bring tools and equipment work at home. - The results of the field visit at KBE found that the spraying activities were carried out by 10 workers. - The results of interviews with the KBE spray foreman revealed that there were 14 employees working as pesticide applicators. - The results of the field visit at the BSS KBE house found that there was no remaining PPE stored in the BSS house according to the number of workers who were absent, namely 4 workers - Based on the results of interviews with company representatives, it is known that the number of work tools and PPE for spray workers is 14 units. - KBE Annual Work Plan documents for the 2022 and 2023 periods. Based on these documents, it is known that there is information regarding the actual amount of labor used for each job, for example in the disc spray job in December 2022 amounting to 633 HKD with an average daily spray workforce usage of 23 workers, while in January 2023 the number of workers used was 676 HK, with daily spray workers using 26 HK. 			
<p>Non-Conformance Description (filled by auditor): The company has not been able to show enough evidence that all spray workers have received PPE and all spray work tools including PPE have been stored at the BSS house in accordance with the procedures they have.</p>			
<p>Root Cause Analysis (filled by organization audited):</p> <ul style="list-style-type: none"> - The thing that causes this discrepancy is that the Estate assistant in charge of BSS, supervision and spray employees do not understand the duties and responsibilities that must be carried out at the BSS house according to the SOP and there is no periodic inspection at the BSS house by the Estate assistant. - BSS house supervision is an assistant in charge of BSS and spray supervision who is in charge of managing and being responsible for BSS houses. This finding occurred because assistants and supervisors did not run the BSS house according to the SOP. - Workers don't understand because they haven't been given a simulation and understanding of obligations at the BSS house. - The actual workforce owned is 24 spray workers and 2 spray supervisors, so a total of 26 people. - Estate assistants, supervisors and spray employees do not understand the duties and responsibilities that must be carried out at the BSS house according to the SOP and there is no periodic inspection at the BSS house by the Estate assistant. 			
<p>Correction (filled by organization audited): Provision of PPE to all spray workers has been carried out (attached the minutes of handover of PPE). Spray work tools including PPE have been stored at the BSS house according to the procedure (attached to the minutes of inspection sheets for work tools and PPE at the BSS house).</p>			

Attached documentary evidence and photos:

- Minutes of handover for replacement of spray PPE
- Work tools have been kept at the BSS house: Check sheet for work tools at the BSS house
- Socialization and consultation to Estate assistants, managers, supervisors and spray workers about the functions and SOP of BSS houses.
- Evaluation of the understanding of the Estate assistant in charge of BSS to ensure BSS functions and SOPs are running well.
- Decree on the appointment of the assistant in charge of BSS KB
- Provided understanding to Estate assistants, supervision and spray employees so they understand the duties and ensure the responsibilities of the BSS house.

Corrective Action (filled by organization audited):

Socialization and consultation on SOP for BSS housing and its management (attached to the minutes of socialization of SOP for BSS housing, consultation on understanding BSS to several sample employees).

Examination of the implementation of the BSS house SOP is carried out once a month by the Estate management team (attached the minutes of inspection of the implementation of the BSS house).

Memo from the Area Controller inspecting the implementation of the BSS house every month.

Attached documentary evidence and photos:

1. News Socialization of BSS House workflow and SOP
2. Minutes of consultation with employees about understanding BSS houses
3. BSS house implementation check sheet by estate management
4. Memo on the implementation of BSS, LB3 and Bufferzone PT TSA house inspections

Spray supervision ensures that spray workers are absent in the morning before entering the BSS house

The assistant in charge of the BSS checks the implementation of the BSS and reports it to the manager for improvement. In addition, an evaluation of the results of the BSS inspection was also carried out, matters needed to be corrected and proof of completion was submitted to the plantation manager. SQM and SSWO staff cross-check BSS implementation checks to ensure BSS is being used correctly. The estate manager, SQM and SSWO staff carried out an inspection of the employee's housing to ensure that no spray packs were brought home.

Assessor Evaluation and Conclusion (filled by auditor):

Verification, March 7, 2023

Observed evidence:

1. Minutes of handover of goods number BST/KBE/2023/II/003 dated 14 February 2023. Based on these documents it is known that PPE has been provided to spray workers at Kawan Batu Estate in the form of uniforms, boots, aprons, rubber gloves, helmet visor and carbon mask. PPE was given to 24 workers. The minutes are accompanied by the recipient's signature and photo documentation of PPE delivery.
2. Minutes of the checklist for the completeness of PPE for spray employees dated February 14, 2023. The minutes explained that inspection of PPE and work tools at BSS homes had been carried out by the spray foreman and PIC assistant for BSS work on 24 spray workers at Kawan Batu Estate. In the report informing the inspection of PPE and work tools. However, the monitoring shown was only PPE and there was no information on spray work equipment.
3. List of attendees for BSS Homework SOP socialization on 14 February 2023 (no minutes of implementation and activity minutes available). Based on the attendance list, it is known that the socialization activity was attended by 29 participants. The attendance list is also accompanied by documentation in the form of activity photos.
4. Minutes of consultation regarding BSS SOP:
 - February 16, 2023 for workers with the initials TK (spray foreman) and Safety Officer
 - February 20, 2023 for workers with the initials SR, Ng, and Su (spray workers)
 Based on these documents it is known that workers have understood the BSS procedure
5. Inter-Office Mail from the West Kalimantan Area Controller number 071/STB-KTB/II/2023 dated 14 February 2023 to the Senior Manager, Estate/Mill KTB Manager regarding the inspection schedule for the implementation of the BSS BMS, LB3 and PT TSA Buffer Zone houses. Based on the memo it was explained that all business units are required to inspect:
 - Implementation of the BSS BMS house every month
 - B3 cleaning every month
 - HCV and Buffer Zone internal inspection.

The letter also explained that if this was not carried out in accordance with the procedure, the operational unit would receive an activity termination order from the SQM Department for spray and fertilizer work until the business unit could prove and implement work according to the SOP.

6. Monitoring the inspection of BSS BMS SOP Implementation for the February 2023 period which was carried out on February 23, 2023. Based on the monitoring document it is known that all workers (24 workers) have stored all PPE and work tools at the BSS house.

Verification, 08 March 2023 :

1. Minutes of the socialization of the BSS team regarding the BSS Homework SOP which was carried out on February 14, 2023. The minutes of this event were signed and recognized by the Estate Manager. The minutes of the event have been equipped with minutes of activities and a list of attendees. Based on the attendance list, it is known that this socialization activity was attended by 29 participants with details of 3 company management representatives, 2 foremen and 24 spray workers. In this socialization activity there were 17 materials presented. For example :
 - The sprayer used is in good condition, clean and does not leak. Spray equipment used for herbicides must be special and may not be used for other types of pesticides (fungicides or insecticides).
 - Spray workers are required to take a shower at the BSS house before returning to their respective homes.
 - Work tools used after work clothes, boots and other work equipment to be washed with clean water at the BSS house, and not allowed to bring work tools and equipment to the house.
 - Washing of knapsack is carried out in a special place in a special place, namely a washing place for kep's and the remaining poison in the kep's that has been stored in the BSS water trap is put into the tank of the spray truck.
2. Monitoring the inspection of the implementation of the BSS BMS SOP for the February 2023 period which was carried out on February 23, 2023. Based on the monitoring document, it is known that all workers (24 workers) have stored all PPE and work tools at the BSS house. The document has been supplemented with documentation in the form of photos including photos of work equipment (Knapsack), PPE and a place for drying work clothes.

Verification, March 17, 2023**Observed evidence:**

1. Minutes of BSS, BMS, HIRAC SOP socialization/Training activities and SOP for the management of LB 3 which was held on March 14. This activity was attended by 17 participants consisting of Estate Managers, senior assistants, chiefs, assistants, SQM staff, SSWO staff, foremen, safety officers and generator operators. This document is also accompanied by a photo of the activity and a list of attendees.
2. Inter-Office Mail number KBE-Internal/XI/2022/225/5 dated November 3, 2022 regarding assignments from the KBE Estate Manager to MK (assistant division I).
3. Minutes of consultation regarding BSS and BMS SOP to MK (assistant of division I KBE) dated March 14, 2023. Based on this document it is known that MK understands and understands the management of BSS and BMS in accordance with applicable procedures.
4. The minutes of the BSS house management evaluation meeting on March 14, 2023 are located in the KBE meeting room. The activity was attended by 17 participants. The evaluation meeting discussed the procedures for managing BSS and BMS houses.
5. Monitoring the inspection of the implementation of the BSS SOP on March 13, 2023 at the BSS Kawan Batu Estate. Based on these documents, it is known that all workers have stored work tools and PPE at the BSS house. Monitoring is carried out by the assistant in charge of the BSS house and the results are known by the Estate Manager.
6. Minutes of BSS house inspection cross checks on March 14, 2023 carried out by SSWO staff. Based on the monitoring document, it is known that the results of the cross check are in accordance with the report of the assistant responsible for the BSS house.
7. Minutes of inspection of employee housing inspection carried out on March 14, 2023. The inspection was carried out at the KBE Division 1 – 4 employee housing location. Based on the document, it is known that no PPE or spray work tools were found that were brought home by the workers to their homes.

Conclusion

Based on the study of the root cause analysis, corrections and corrective actions as well as verification of the submitted evidence of improvement, the non-conformity is declared fulfilled. Related to the consistency of improvements and corrective actions submitted by the company will be observed in the next assessment.

Follow up on next audit (filled by auditor):

Verified by : **Johannes Pandiangan**

NCR No.	: 2023.02	Issued by	: Radityo Puspanjana
Date Issued	: 10 February 2023	Time Limit	: 11 May 2023
NC Grade	: Minor raised to Major	Date of Closing	: 06 April 2023
Standard Ref. & Requirement	: 7.3.2 There is evidence of waste disposal according to procedures that are fully understood by workers and manager		
Evidence observed (filled by auditor):			
<p>The company has SOP documents for the management of hazardous waste & non- hazardous waste waste dated 2 February 2020 revision 01: Management and monitoring of hazardous waste explaining the hazardous waste produced by unit operations:</p> <ul style="list-style-type: none"> - Used lubricating oil, used fuel oil. - Materials contaminated with lubricants and chemical liquids (filters, rags, oil/diesel filters, packaging of used lubricants, pesticides, grease, aprons, sacks, plastics, drums, jerry cans and cans). - Used battery - Facilities and infrastructure for work tools related to chemicals and considered no longer used (damaged) such as chemical work equipment, light bulbs etc. - Other hazardous and toxic materials that have expired and can no longer be used according to their designation, such as laboratory chemical fluids, sulfur, thinner, lime paint, etc. - Hazardous waste such as corrosive, flammable/flammable, infectious, reactive and irritating materials or based on the characteristic test results which declare it as hazardous waste. <p>The SOP explains that several types of hazardous waste that have been identified in the SOP are stored at TPS for hazardous waste and then transported by licensed carriers from the government.</p> <p>Based on the results of field visits in several locations, for example:</p> <ul style="list-style-type: none"> - Used pesticide packaging and spray equipment were damaged in the back of a used truck behind the pesticide warehouse in Pemantang Estate. - Used oil filters and hoses contaminated with hazardous waste oil were stored in the back of a used truck in front of the traction at Pemantang Estate. - Several used paint cans were dumped behind the CE room at Pemantang Estate. - POM chemicals expire in POM chemical warehouses. - Used lamps are disposed of in the trash and in the WWTP pond operator's room. - Hazardous waste used for hazardous waste packaging is used as flower pots in the employee housing divisions 2 and 3 in Pemantang Estate. - Expired hazardous waste pesticides and damaged hazardous waste packaging in the pesticide warehouse at Kawan Batu Estate. - Spill kit / hazardous waste spill handling material from the oil warehouse was dumped in front of the oil warehouse at Kawan Batu Estate. 			

- Hazardous waste used for hazardous waste packaging (used pesticide packaging and used oil packaging) belonging to the contractor is placed in a warehouse near division 3 housing in Kawan Batu Estate.
- Hazardous waste used for pesticide spray equipment and broken pesticide applicator aprons stored at the BSS house in Kawan Batu Estate.
- Hazardous waste used for broken pesticide spray equipment is stored at the BSS house in Hatantiring Estate

The results of the previous NCR verification (RC-2), it is known that there has been a NC related to hazardous waste management. The corrective actions taken include:

- Memo of inspection of warehouse area and hazardous waste.
- OHS inspection checklist for the warehouse area and hazardous waste.

When an ASA 2.1 audit is carried out, documents that are part of Corrective Action cannot be shown.

Non-Conformance Description (filled by auditor):

The company has not been able to show sufficient evidence that the management of hazardous waste is in accordance with procedures and is fully understood by all workers and managers

Root Cause Analysis (filled by organization audited):

This discrepancy occurs because the management and employees of the estate and mill do not understand and do not understand the procedures and procedures for managing hazardous waste. If management and employees understand and understand the hazardous waste SOP then all hazardous waste will be stored in the hazardous waste storage.

Correction (filled by organization audited):

Understanding is given to Estate assistants, supervisors and spray employees so that they understand their duties and ensure responsibility for delivering hazardous waste to the hazardous waste warehouse. Attached are the minutes of outreach to Estate assistants, managers, senior assistants, fertilizer spray foremen and operators. Attached are the minutes of consultation on understanding the management of hazardous waste. Also attached are the minutes of the collection of hazardous waste H T E, PME, BGE and PMF.

All hazardous waste is transported and put into hazardous waste warehouse. Supervision is given an understanding to manage LB3 and if it fails to manage hazardous waste then a stop work order can be carried out in accordance with the KBR AC memo. Improvements have been made in the form of providing understanding to the manager, assistant, foreman 1, housing foreman, spray foreman, fertilizer foreman, and operators to properly manage hazardous waste.

The documents sent:

- Minutes of handover of used pesticide sprayer, filters, used PME hoses.
- Minutes of delivery of hazardous waste expired PMF chemicals
- Minutes of hazardous waste used lamps and PMF logbooks
- Minutes of unloading and delivery of flower pots from PME pesticide packaging
- Minutes of handover of used KBE pesticide sprayer, and used aprons
- Minutes of handing over of the former KBE spillkit
- Minutes of submission of hazardous waste contractor KBE
- Minutes of the handover to the former H T E
- Minutes of handover of used H T E Apron
- Minutes of cleaning hazardous waste in housing
- Checklist for hazardous waste inspection
- Minutes of Socialization of hazardous waste SOP
- hazardous waste logbook
- Minutes of hazardous waste understanding consultation
- Minutes of cleaning hazardous waste

Corrective Action (filled by organization audited):

PT TSA checks once a month according to AC KBR memo number 071/STB-KTB/II/2023 dated 14 February 2023 to check for hazardous waste that are not managed properly in residential areas, traction, factory stations, waste ponds

and final disposal sites.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor response March 8, 2023.

The company shows evidence of improvement:

- Minutes of hazardous waste transporting dated 8 February 2023 at PME to PME hazardous waste storage. (update hazardous waste log book)
- Minutes of submission of hazardous waste expired chemicals by PME on 8 February 2023 to TPS for hazardous waste waste. (update hazardous waste log book)
- Minutes of hazardous waste used lamps in the panel room of the WWTP pond and PMF logbook dated 7 February 2023. (hazardous waste log book update)
- Minutes of dismantling and handing over flower pots from PME pesticide packaging on 14 February 2023. (hazardous waste log book update)
- Minutes of handover of used KBE pesticide sprayer and used apron on January 7, 2023 at KBE.
- Minutes of handing over of the former KBE spilkit on January 8, 2023 at KBE
- Minutes of handing over of hazardous waste contractors at KBE on 8 January 2023.
- Minutes of handover of used spray equipment at HTE on 8 February 2023.
- Minutes of handover of used KBE pesticide sprayer and used aprons on 8 February 2023 and 14 February 2023.
- Minutes of transporting hazardous waste to housing on 15 February 2023.
- Minutes of the hazardous waste inspection check list and hazardous waste warehouse dated 3 February 2023 which explains the inspection of the condition of the hazardous waste warehouse and hazardous waste warehouse.
- Evidence of socialization on understanding hazardous waste at BGE on 15 February 2023.
- Central warehouse card
- Recap of consultation minutes related to SOP for hazardous waste management 20 February 2023 at HTE.
- Hazardous waste management activity sheet in HTE
- Minutes of cleaning up hazardous waste in the division 1 housing area on 14 February 2023 at KBE.
- Check list for hazardous waste inspection and hazardous waste warehouse at KBE on 22 February 2023
- Hazardous waste balance January – February 2023 at KBE.
- Hazardous waste cleaning program at KBE at inspection locations in traction, warehouses, kindergarten, elementary and junior high schools, employee housing divisions 1 – 4. hazardous waste monitoring inspections are carried out every week in 1 month (January – December). The program was prepared by the estate manager on 15 February 2023.
- Internal memo from the Kalimantan Barat area controller dated 14 February 2023 regarding the inspection schedule for the implementation of BSS BMS houses, Hazardous waste warehouses and PT TSA buffer zones.
- Recapitulation of minutes of Hazardous waste management consultation on 16 February 2023 at Pematang estate.
- Hazardous waste management log book at PME January – March 2023.
- Check list for Hazardous waste inspection and Hazardous waste warehouse at PME.

Auditor response March 18, 2023.

The company shows evidence of improvement:

- Dissemination of BSS, BMS, HIRAC SOPs and Hazardous waste waste management on March 14, 2023 to managers, senior assistant estate assistants, foremen and operators. Attached are photos of the activities and list of attendees. (KBE)
- Decree of the assistant in charge of BSS from the estate manager KBE dated 3 November 2022 to Mr. Munawir Khasbi (assistant KBE).
- Minutes of the consultation at Kawan Batu Estate on March 14 2023, the consultation conducted regarding the BSS and BMS SOP at point 17 explained regarding empty ex-pesticide packaging being collected and stored in the Hazardous waste warehouse. (KBE)
- Minutes of the evaluation meeting on the results of the BSS home inspection on March 14, 2023, 17 participants attended the evaluation meeting. Attached is the list of attendees and minutes of evaluation meeting activities. (KBE)

- BSS inspection report by the assistant in charge on March 13, 2023, an inspection was carried out for the PPE of spray workers. (KBE)
- Minutes of cross checks for BSS house inspections on March 14, 2023, inspections were carried out on the PPE of spray workers, the condition of buildings and infrastructure for BSS houses. (KBE)
- Minutes of inspection of employees' housing inspection dated March 14, 2023 at KBE division 1,2,3,4 housing. Existence of Hazardous waste checked for pesticide spray equipment, used pesticide jerry cans, oil drums, aprons, used lamps, used filters, oil containers, used grease and paint cans.

Auditor response April 06, 2023.

The company shows evidence of improvement:

- Minutes of Hazardous waste cleaning activities dated March 15 2023 at HTE located in workshops, offices, warehouses, schools, BSS, BMS and employee housing divisions 1, 2, 3 4 and CHC at HTE.
- The 2023 Hazardous Waste Clean up Program is located in the BSS house, BMS, division 1 cottage, traction, warehouse, large office, kindergarten school environment, bufferzone, waste warehouse, generator house, water pump house. Cleaning is carried out every month in the 2nd week. The program was prepared by the estate manager on February 13, 2023.
- Minutes of Hazardous waste cleaning activities dated March 20 2023 at PME located in workshops, offices, warehouses, schools, BSS, BMS and employee housing divisions 1, 2, 3 4 and CHC at PME.
- The 2023 Hazardous Waste Clean up Program is located in the BSS house, BMS, division 1 cottage, traction, warehouse, large office, kindergarten school environment, bufferzone, waste warehouse, generator house, water pump house. Cleaning is carried out every month in the 2nd week. The program was prepared by the estate manager on February 14, 2023.
- Minutes of Hazardous waste cleaning activities dated 21 March 2023 at PMF located in workshops, offices, warehouses, all mill stations, reservoirs and residential huts.
- The 2023 Hazardous Waste cleanup program is located in offices, warehouses, workshops, used material areas, all mill stations, waste ponds and reservoirs. Cleaning is carried out every month in the 2nd week. The program was prepared by the mill manager on February 13, 2023.

Based on the proof of improvement, this discrepancy is declared fulfilled and the consistency of each Hazardous Waste monitoring plan which is planned every month in the second week will be the focus of the auditor's attention in the next activity.

Follow up on next audit (filled by auditor):

Verified by : **Radityo Puspanjana**

NCR No.	: 2023.03	Issued by	: Radityo Puspanjana
Date Issued	: 21 October 2022	Time Limit	: 11 May 2023
NC Grade	: Major	Date of Closing	: 8 March 2023
Standard Ref. & Requirement	: 7.8.2 Water courses and wetlands are protected, including the maintenance and restoration of riparian zones and other buffer zones during or before replanting, in accordance with the "RSPO Manual on BMPs for the management and rehabilitation of riparian reserves" (April 2017) and Simplified Guide Management and Rehabilitation of Riparian Reserves (2018).		
Evidence observed (filled by auditor): Regarding the plan for the management and protection of riparian to avoid negative impacts, it is stated in the document:			

- PT TSA's HCV identification and management plan report in January 2010 in the recommendation section explained that the company needs to create a buffer zone area on the riparian and not apply chemicals and fertilization along the riparian. The report also explains the types of HCV identified, for areas that function as HCV 4, for example:

Estate	Block	location
PME	Q 23, 24, 25, 26 27	Sahabu riparian river
KBE	S 43-59, R 48-52, Q52	Silar riparian river
	U 51-54	Beringin riparian river
HTE	S 6 -14	Sahabu riparian river
BGE	R 66-68	Simpang/ Bijuku riparian river
	U 60- 61	Beringin riparian river
	R 60-61	Silar riparian river

- The buffer zone management procedure number RSPO/B.5.3/TSA dated 14 August 2018 describes the determination of buffer zones, as follows:
 - River border (50 meters)
 - The area around the lake / reservoir 50 meters
 - The area around the spring 5 meters
 - The area around the main ditches is 1 meter (3-5 meter buffer zone).
 The management that will be carried out is:
 - Planting trees in the buffer zone area
 - Maintain area
 - Do not cut trees in the buffer zone area
 - Do not carry out chemical maintenance activities around the buffer zone area
 - Installation of area name signboards and types of prohibited activities in the buffer area.
- The company shows the 2022 HCV MANAGEMENT REALIZATION MATRIC (HIGH CONSERVATION VALUE) document which explains several types of management and monitoring activities, for example:
 - Monitoring HCV areas every month during 2022.
 - Monitoring the buffer zone area every month during 2022.
 - Painting of palm trees in the buffer zone in June and December 2022.
 - Evaluation of management once a year.
 - Monitoring RTE in March, June, September and December 2022.

As the implementation of these procedures during the audit process, evidence of the implementation of the plan can be shown, including:

- The results of the 2022 HCV management and monitoring review explained that there was no threat or disturbance to the HCV area at PT TSA.
- Based on the results of the RSPO Internal audit on 6-31 December 2022 there was a discrepancy in the form of the company not being able to demonstrate watershed and buffer zone protection, namely the signboard and buffer zone boundaries (yellow or red paint) did not yet exist in block 036-37 in PME, and it was declared has closed.
- HCV Monitoring Documents for HTE, PME and BGE 2022 HCV explaining the river bank management program, maintenance of HCV boundary markers is carried out once a month, but proof of realization documents that can be shown are only for September 2022 HTE, PME and BGE while for KBE estates it is not can be shown.
- The RTE Monitoring Document for HTE and BGE 2022 HCV explains the RTE monitoring program once every 3 months, but proof of realization documents that can be shown are only for September 2022 HTE and BGE while for KBE estates cannot be shown.

However, based on the results of field visits in the riparian conservation area which was the scope of the audit, information was obtained that:

- HCV Sahabu riparian blocks Q 24, Q 25 and Q 27 Pemantang estate obtained information that the buffer zone does not provide chemical application limits, there are no HCV information boards and there are pesticide spray

marks in the buffer zone. Based on the results of verification of the foreman's work book (BKM) the application of chemicals in Q 24, Q 25 and Q 27 will be carried out in November 2022.

- HCV Silar riparian block S 48, S53 and R/S 44 Kawan Batu estate, information was obtained that the buffer zone does not provide chemical application limits, there is no HCV information board and there are traces of pesticide spray in the buffer zone.
- HCV Border of the Beringin river block U 52 Kawan Batu estate, information was obtained that the buffer zone does not display chemical application limits, there is no HCV information board and there are traces of pesticide spray in the buffer zone.
- HCV Sahabu riparian block S 11/ S12 Hatantiring estate, information was obtained that the buffer zone only partially marked the limits of chemical application, there was no HCV information board and there were pesticide spray marks in the buffer zone.
- HCV Simpang river riparian blok R67, Beringin river riparian block U 60, Silar riparian R/S 60 Batang Garing estate, obtained information that the buffer zone does not mark the limits of chemical application, there is no HCV information board and there are traces of pesticide spray on the buffer zone.

Non-Conformance Description (filled by auditor):

The company has not been able to show evidence of the implementation of the water resources management plan that has been carried out in accordance with the Management plan and SOPs owned, in order to avoid negative impacts on other users in the water catchment area.

Root Cause Analysis (filled by organization audited):

Employees and supervisors do not yet understand that this area is a bufferzone. Buffer zone boundary markings have disappeared and are not clear so that spray workers cannot distinguish the main application limits.

Correction (filled by organization audited):

PT TSA provided bufferzone boundary markings, installed HCV and buffer zone signboards, socialized spray and fertilizer workers about buffer zones and planted fast-growing timber trees in the buffer zone area according to HCV data from an independent consultant. Submitted attached documents:

- Minutes of painting the buffer zone boundaries
- Minutes of HCV signboard and buffer zone installation
- Minutes of tree planting in the buffer zone
- Minutes of HCV Buffer zone training and outreach to employees and managers
- Minutes of consultation on understanding the HCV buffer zone
- Minutes of HCV and buffer zone inspections
- Memo from AC KBR number 071/STB-KTB/II/2023 dated 14 February 2023 to examine HCV and buffer zones
- Dissemination of SOP buffer zone to the spray team and fertilizer team.

Corrective Action (filled by organization audited):

PT TSA through a plantation assistant conducts an inspection once a month according to AC KBR memo number 071/STB-KTB/II/2023 dated 14 February 2023 to check HCV and buffer zones to evaluate tree growth and ensure there is no disturbance to the HCV buffer zone. PT TSA conducts training and socialization of HCV and buffers to employees and HCV monitoring officers not to carry out chemical applications in the area.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor response March 8, 2023.

The company shows evidence of improvement:

- Minutes of consultation on HCV boundaries and buffer zones dated 23 February 2023 to spray, fertilizer and foreman workers at BGE.
- Minutes of consultation on HCV boundaries and buffer zones dated 17 February 2023 to spray workers, fertilizers and foremen at HTE.
- Minutes of HCV sign board installation dated 23 February 2023 at BGE.
- Minutes of tree planting at BGE on 23 February 2023 at BGE.
- Monitoring flora and fauna at BGE on 15 February 2023.

- Minutes of consultation on HCV boundaries and buffer zones dated 17 February 2023 to spray workers, fertilizers and foremen at HTE.
- Minutes of the bufferzone signboard installation dated February 20, 2023.
- Minutes of tree planting at HTE dated 15 February 2023 at HTE.
- Minutes of principal painting in the buffer zone area at HTE dated February 2023.
- Monitoring flora and fauna at HTE on 13 February 2023.
- Monitoring of flora and flora in HTE on 23 February 2023.
- HCV monitoring form in HTE in 2023 which is carried out once a month.
- Monitoring of painting on HTE on February 2023.
- Monitoring the HCV sign board and buffer zone January – June 2023.
- Minutes of replacing the HCV signboard at HTE on 14 February 2023.
- Minutes of consultation on HCV boundaries and buffer zones dated 15 February 2023 to spray, fertilizer and foreman workers at KBE.
- Minutes of tree planting at KBE dated 23 February 2023 at KBE.
- Minutes of principal painting in the buffer zone area at KBE dated 23 February 2023.
- Minutes of socialization of the buffer zone area at KBE on 15 February 2023.
- Monitoring of flora and flora in HTE on 21 February 2023.
- HCV monitoring form at KBE in 2023 which is conducted once a month.
- Minutes of replacing the HCV signboard at PME on 14 February 2023.
- Minutes of principal painting in the buffer zone area at PME dated 14 February 2023.
- Minutes of consultation on HCV boundaries and buffer zones dated 16 February 2023 to spray workers, fertilizers and foremen at PME.
- Minutes of the socialization of the buffer zone area at PME on 14 February 2023.

Based on the evidence of this improvement, this discrepancy is stated to have been fulfilled and will be observed again in the next assessment

Follow up on next audit (filled by auditor):

Verified by : **Radityo Puspanjana**

NCR No.	: 2023.04	Issued by	: Radityo Puspanjana
Date Issued	: 10 February 2023	Time Limit	: 11 May 2023
NC Grade	: Major	Date of Closing	: 8 March 2023
Standard Ref. & Requirement	: 7.12.4 HCV and HCS forests after November 15, 2018, peatland and other conservation areas that have been identified, protected and/or enhanced. Integrated management plans to protect and/or enhance HCV and HCS forests, peatland and other conservation areas are developed, implemented and adapted if needed, and are complemented by monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan was developed in consultation with relevant stakeholders and covers the area that is directly managed and considers the broader level of the relevant landscape (if the landscape has been identified).		

Evidence observed (filled by auditor):

Regarding the plan for the management and protection of riparian to avoid negative impacts, it is stated in the document:

- PT TSA's HCV identification and management plan report in January 2010 in the recommendation section explained that the company needs to create a buffer zone area on the riparian and not apply chemicals and fertilization along the riparian. The report also explains the types of HCV identified, for areas that function as HCV 4, for example:

Estate	Block	location
PME	Q 23, 24, 25, 26 27	Sahabu riparian river
KBE	S 43-59, R 48-52, Q52	Silar riparian river
	U 51-54	Beringin riparian river
HTE	S 6 -14	Sahabu riparian river
BGE	R 66-68	Simpang/ Bijuku riparian river
	U 60- 61	Beringin riparian river
	R 60-61	Silar riparian river

- The buffer zone management procedure number RSPO/B.5.3/TSA dated 14 August 2018 describes the determination of buffer zones, as follows:
 - River border (50 meters)
 - The area around the lake / reservoir 50 meters
 - The area around the spring 5 meters
 - The area around the main ditches is 1 meter (3-5 meter buffer zone).
 The management that will be carried out is:
 - Planting trees in the buffer zone area
 - Maintain area
 - Do not cut trees in the buffer zone area
 - Do not carry out chemical maintenance activities around the buffer zone area
 - Installation of area name signboards and types of prohibited activities in the buffer area.
- The company shows the 2022 HCV MANAGEMENT REALIZATION MATRIC (HIGH CONSERVATION VALUE) document which explains several types of management and monitoring activities, for example:
 - Monitoring HCV areas every month during 2022.
 - Monitoring the buffer zone area every month during 2022.
 - Painting of palm trees in the buffer zone in June and December 2022.
 - Evaluation of management once a year.
 - Monitoring RTE in March, June, September and December 2022.

As the implementation of these procedures during the audit process, evidence of the implementation of the plan can be shown, including:

- The results of the 2022 HCV management and monitoring review explained that there was no threat or disturbance to the HCV area at PT TSA.
- Based on the results of the RSPO Internal audit on 6-31 December 2022 there was a discrepancy in the form of the company not being able to demonstrate watershed and buffer zone protection, namely the signboard and buffer zone boundaries (yellow or red paint) did not yet exist in block 036-37 in PME, and it was declared has closed.
- HCV Monitoring Documents for HTE, PME and BGE 2022 HCV explaining the river bank management program, maintenance of HCV boundary markers is carried out once a month, but proof of realization documents that can be shown are only for September 2022 HTE, PME and BGE while for KBE estates it is not can be shown.
- The RTE Monitoring Document for HTE and BGE 2022 HCV explains the RTE monitoring program once every 3 months, but proof of realization documents that can be shown are only for September 2022 HTE and BGE while for KBE estates cannot be shown.

However, based on the results of field visits in the riparian conservation area which was the scope of the audit,

information was obtained that:

- HCV Sahabu riparian blocks Q 24, Q 25 and Q 27 Pematang estate obtained information that the buffer zone does not provide chemical application limits, there are no HCV information boards and there are pesticide spray marks in the buffer zone. Based on the results of verification of the foreman's work book (BKM) the application of chemicals in Q 24, Q 25 and Q 27 will be carried out in November 2022.
- HCV Silar riparian block S 48, S53 and R/S 44 Kawan Batu estate, information was obtained that the buffer zone does not provide chemical application limits, there is no HCV information board and there are traces of pesticide spray in the buffer zone.
- HCV Border of the Beringin river block U 52 Kawan Batu estate, information was obtained that the buffer zone does not display chemical application limits, there is no HCV information board and there are traces of pesticide spray in the buffer zone.
- HCV Sahabu riparian block S 11/ S12 Hatantiring estate, information was obtained that the buffer zone only partially marked the limits of chemical application, there was no HCV information board and there were pesticide spray marks in the buffer zone.
- HCV Simpang river riparian blok R67, Beringin river riparian block U 60, Silar riparian R/S 60 Batang Garing estate, obtained information that the buffer zone does not mark the limits of chemical application, there is no HCV information board and there are traces of pesticide spray on the buffer zone.

Non-Conformance Description (filled by auditor):

The company has not been able to show evidence of the implementation of the HCV management plan for water resources and erosion control that has been carried out in accordance with the HCV Management plan and SOP they have.

Root Cause Analysis (filled by organization audited):

Employees and supervisors do not yet understand that this area is a bufferzone. Buffer zone boundary markings have disappeared and are not clear so that spray workers cannot distinguish the main application limits.

Correction (filled by organization audited):

PT TSA provided bufferzone boundary markings, installed HCV and buffer zone signboards, socialized spray and fertilizer workers about buffer zones and planted fast-growing timber trees in the buffer zone area according to HCV data from an independent consultant. Submitted attached documents:

- Minutes of painting the buffer zone boundaries
- Minutes of HCV signboard and buffer zone installation
- Minutes of tree planting in the buffer zone
- Minutes of HCV Buffer zone training and outreach to employees and managers
- Minutes of consultation on understanding the HCV buffer zone
- Minutes of HCV and buffer zone inspections
- Memo from AC KBR number 071/STB-KTB/II/2023 dated 14 February 2023 to examine HCV and buffer zones
- Dissemination of SOP buffer zone to the spray team and fertilizer team.

Corrective Action (filled by organization audited):

PT TSA through a plantation assistant conducts an inspection once a month according to AC KBR memo number 071/STB-KTB/II/2023 dated 14 February 2023 to check HCV and buffer zones to evaluate tree growth and ensure there is no disturbance to the HCV buffer zone. PT TSA conducts training and socialization of HCV and buffers to employees and HCV monitoring officers not to carry out chemical applications in the area.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor response March 8, 2023.

The company shows evidence of improvement:

- Minutes of consultation on HCV boundaries and buffer zones dated 23 February 2023 to spray, fertilizer and foreman workers at BGE.

- Minutes of consultation on HCV boundaries and buffer zones dated 17 February 2023 to spray workers, fertilizers and foremen at HTE.
- Minutes of HCV sign board installation dated 23 February 2023 at BGE.
- Minutes of tree planting at BGE on 23 February 2023 at BGE.
- Monitoring flora and fauna at BGE on 15 February 2023.
- Minutes of consultation on HCV boundaries and buffer zones dated 17 February 2023 to spray workers, fertilizers and foremen at HTE.
- Minutes of the bufferzone signboard installation dated February 20, 2023.
- Minutes of tree planting at HTE dated 15 February 2023 at HTE.
- Minutes of principal painting in the buffer zone area at HTE dated February 2023.
- Monitoring flora and fauna at HTE on 13 February 2023.
- Monitoring of flora and flora in HTE on 23 February 2023.
- HCV monitoring form in HTE in 2023 which is carried out once a month.
- Monitoring of painting on HTE on February 2023.
- Monitoring the HCV sign board and buffer zone January – June 2023.
- Minutes of replacing the HCV signboard at HTE on 14 February 2023.
- Minutes of consultation on HCV boundaries and buffer zones dated 15 February 2023 to spray, fertilizer and foreman workers at KBE.
- Minutes of tree planting at KBE dated 23 February 2023 at KBE.
- Minutes of principal painting in the buffer zone area at KBE dated 23 February 2023.
- Minutes of socialization of the buffer zone area at KBE on 15 February 2023.
- Monitoring of flora and flora in HTE on 21 February 2023.
- HCV monitoring form at KBE in 2023 which is conducted once a month.
- Minutes of replacing the HCV signboard at PME on 14 February 2023.
- Minutes of principal painting in the buffer zone area at PME dated 14 February 2023.
- Minutes of consultation on HCV boundaries and buffer zones dated 16 February 2023 to spray workers, fertilizers and foremen at PME.
- Minutes of the socialization of the buffer zone area at PME on 14 February 2023.

Based on the evidence of this improvement, this discrepancy is stated to have been fulfilled and will be observed again in the next assessment

Follow up on next audit (filled by auditor):

Verified by	:	Radityo Puspanjana
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3.4.3. Opportunity for Improvement

No	Ref. Std.	Description
1	6.2.2	Ensure that a copy of the agreement of temporary worker has been given to workers
2	6.2.7	Ensuring that the main jobs are carried out by permanent workers (appointment of PKWT/temporary worker)
3	6.3.1	Ensuring socialization of freedom of association / Bipartite cooperation

3.4.4. Noteworthy Positive Components

No	Description
1	The company's commitment to implementing the principles of sustainable palm oil management.
2	Good teamwork and providing data during the audit.
3	Has obtained an ISPO certificate



3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues	Auditor Verification
<p>Workers Cooperative</p> <ul style="list-style-type: none"> • The worker’s cooperative is engaged in the provision of basic commodities. • The last annual member meeting was conducted in February 2023. • The company supports the existence of employee cooperatives. For example, by helping to provide buildings for cooperatives. • No complaints to the company. 	<p>There are no negative issues that need further verification</p>
<p>Contractor of pruning (Koperasi Mentaya Maju Bersama) dan Replanting Contractor.</p> <ul style="list-style-type: none"> • The company has provided socialization regarding company policies, company procedures and others including the RSPO • Contractor workers have been included in the BPJS program • Wages for contractor workers are in accordance with the applicable minimum wage • There are no late payments • There are no complaints to the company <p>All work implementation is in accordance with the work agreement</p>	<p>There are no negative issues that need further verification</p>
<p>Bipartite Cooperation</p> <ul style="list-style-type: none"> • There are no serious or fatal work accidents • Employment implementation has been going well • Wages using Minimum Wage 2023 • There are no unresolved labor issues. • No intervention in the bipartite forum • PPE is provided free of charge. If any PPE is damaged, it will be replaced with a note that the damaged item/PPE is brought/shown. • Housing facilities are quite good • Periodic inspections have been carried out every year. 	<p>There are no negative issues that need further verification</p>
<p>FFB transport Contractor</p> <ul style="list-style-type: none"> • There is a cooperation agreement that is valid for 1 year • The contractor has received socialization regarding the prohibition of child labor, PPE obligations, code of ethics and so on • The contractor has fulfilled the work accident insurance obligations for his workers 	<p>There are no negative issues that need further verification. The company has contributed in empowering local communities by collaborating with local contractors.</p>
<p>Gender Committee</p> <ul style="list-style-type: none"> • Committee programs include outreach to employees, posyandu, mutual cooperation, and recitation. • There are no complaints from employees who enter the gender committee. 	<p>There was no negative issue that need further verification</p>

Public Issues	Auditor Verification
<ul style="list-style-type: none"> The company has provided <i>H1</i> and <i>H2</i> leave for female workers. Pregnant and lactating women workers are not allowed to work with chemicals. The company provides special breastfeeding hours for female workers who are breastfeeding. 	
<p>Tabion Hamlet (7 February 2023)</p> <ul style="list-style-type: none"> Tabion Hamlet is in the Kapuk Village area. Regarding the request for plasma, a meeting has been held between the village and the company in December 2022. There is no customary land in the area of Dusun Tabion and Desa Kapuk. The company occasionally participates in musrenbang. There are no complaints related to land disputes or environmental pollution. As for some residents who live in the company's HGU but do not interfere with each other or come into conflict. The hamlet hopes that the company can increase the recruitment of employees from the local community. 	<p>There was no negative issue that need further verification</p>
<p>Sahabu Village (7 February 2023)</p> <ul style="list-style-type: none"> Relationships and communication between villages and companies well established. The company provides assistance to villages submitted through proposals. There are no land dispute issues or environmental pollution. The village feels a positive impact of the company's existence. Compensation or handover of land with the company is established based on negotiations from both parties. There is no claim again by Previous Land owner 	<p>There was no negative issue that need further verification</p>
<p>Pantap Village (7 February 2023)</p> <ul style="list-style-type: none"> Pantap Village is bordered by Pemantang and Batang Garing Estate. The company provides assistance to villages submitted through proposals. There are no land dispute issues or environmental pollution. The village feels the positive impact of the company's existence 	<p>There was no negative issue that need further verification</p>
<p>Previous Land Owner of Desa Kapuk (3 person) (7 February 2023)</p> <ul style="list-style-type: none"> There are around 3.5 hectares of land for villagers that have not been compensated, located in the Batang Garing 	<p>Related pointer 1, the area is in conservation area and has include in occupation area.</p>

Public Issues	Auditor Verification
<p>Estate near the Silar River. In 2008 measurements and compensation price negotiations were carried out, but until now there has been no progress.</p> <ul style="list-style-type: none"> In addition, there were no complaints from residents about the company's operational activities. The land compensation process is carried out by making advance appeals, measurements and others. The land compensation process was also witnessed by Muspika (sub-district leadership deliberations) and there was no coercion from the company. all compensation is also carried out based on the agreement No pollution issues There is no certainty regarding 20% plasma. the company has responded but there is no definite certainty. There are issues with the community related to land problem. However, Empeng's brother stated that his brother did not have as much land as he had been told and had never farmed. 	<p>Related pointer 6, company has provide clarification, described below:</p> <p>There is a letter from the Plantation Office of Kalimantan Tengah Province No. 525/1102/PUPKP3/Disbun/2020 dated 6 October 2020 concerning Guidelines and Directions for the Smallholder Development Program. The letter explains that currently there is no specific land available around the PT TSA permit, so:</p> <ul style="list-style-type: none"> PT TSA to carry out productive business activities for the surrounding community according to local conditions based on an agreement between the company and the surrounding community. Do community empowerment around the plantation Maximizing CSR programs PT TSA continues to carry out an inventory of the land around the plantation At the time of proposing the extension of the HGU, there is still an obligation to prepare land of at least 20% of the HGU area for the development of smallholder <p>The company has conducted a field survey on 24 – 25 November 2022. There are 5 villages that are candidates for plasma, namely Tusuk Belawan Village, Tumbang Kalam Village, Tumbang Suei Village, Maradang Village and Tumbang Manjul Village.</p> <p>A meeting between Kapuk Village, Tabion Hamlet, Tajur Beras Hamlet, DPRD Kotim, and the company on 26 October 2022 which was attended by 49 participants. The meeting explained that the company would provide partnership assistance for villagers such as fertilizer, seeds, and CSR.</p>
<p>CPO transport contractor CV Unggul Sejahtera Mandiri</p> <ul style="list-style-type: none"> The company has provided socialization regarding the obligation to comply with regulations by contractors to contractor workers Wages for contractor workers refer to the applicable minimum wage Contractor workers have been included in the BPJS program. There are no complaints to the company. All work and payments are in accordance with the agreement of both parties. The company has provided outreach regarding work procedures, OHS, RSPO and others. The contractor is also willing to be audited by an auditing agency if necessary. 	<p>There was no negative issue that need further verification</p>

Public Issues	Auditor Verification
<p>Environment Agency of Kotawaringin Timur Regency</p> <ul style="list-style-type: none"> • The company has sent a report on the management of liquid waste and management of hazardous waste for the fourth quarter of 2022. Based on the results of the liquid waste test, there is no liquid waste that exceeds the quality standard. • The temporary storage of hazardous waste permit and liquid waste management permit are currently in the process of being integrated into the environmental permit. • There are no public complaints regarding environmental pollution. • No land fires for the last 12 months. • The company has also sent a report on the implementation of the environment management and monitoring plan for the second half of 2022. 	<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>

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 style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Teguh Sempurna Head of Sustainability & Quality Management</p>  <p><u>Alagendran Maniam</u> Thursday, 06 April 2023</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Rizliani Aprianita Hasibuan</u> Thursday, 06 April 2023</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	Tabion Hamlet from Kapuk Village	Kotawaringin Timur District	-	Interview via telephone	7 February 2023	✓	
2	Sahabu Village	Seruyan District	-	Interview via telephone	7 February 2023	✓	
3	Pantap Village	Kotawaringin Timur District	-	Interview via telephone	7 February 2023	✓	
4	Previous Land Owner of Desa Kapuk (3 person) (7 February 2023)	Seruyan District	-	Interview via telephone	7 February 2023	✓	
5	CPO transport contractor (CV Unggul Sejahtera Mandiri)	Seruyan District	-	Interview via telephone	7 February 2023	✓	
6	Bipartite Cooperation	Seruyan District and Kotawaringin Timur District	-	Direct Interview	7 February 2023	✓	
7	Gender Committee	Kotawaringin Timur District	-	Direct Interview	7 February 2023	✓	
8	FFB transport contractor	Seruyan District	-	Interview via telephone	7 February 2023	✓	
9	Contractor of pruning (Koperasi Mentaya Maju Bersama) dan Replanting Contractor.	Seruyan District	-	Interview via telephone	7 February 2023	✓	
10	Workers Cooperative	Seruyan District and Kotawaringin Timur District	-	Direct Interview	7 February 2023	✓	
11	Environmental Agency of Kotawaringin Timur District	Kotawaringin Timur District	-	Interview via telephone	7 February 2023	✓	
12	Labor Agency of Kotawaringin Timur Regency	Kotawaringin Timur District	-	Interview via telephone	7-8 February 2023		✓
13	National Land Agency	Kotawaringin Timur District	-	Interview via telephone	7-8 February 2023		✓
14	Environmental Agency of Seruyan District	Seruyan District	-	Interview via telephone	7-8 February 2023		✓
15	Plantation Agency of Kotawaringin Timur District	Kotawaringin Timur District	-	Interview via telephone	7-8 February 2023		✓
16	Plantation Agency of Seruyan District	Seruyan District	-	Interview via telephone	7-8 February 2023		✓
17	Environmental Agency	Seruyan District	-	Interview via	7-8		✓

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
	of Seruyan			telephone	February 2023		
18	Labor Agency of Seruyan Timur Regency	Seruyan District	-	Interview via telephone	7-8 February 2023		✓
19	Pematang Factory <ul style="list-style-type: none"> • 1 warehouse officer • 1 hazardous waste warehouse officer • 1 Methane capture officer • 1 WWTP operators • 3 securities • 4 grading workers • 1 workshop foreman • 1 mechanic • 1 WTP operator • 1 EFB operator • 1 despatch operator • 1 Engine room operator • 1 boiler operator • 1 sterilizer operator • 1 Press Station operator • 1 Loading ram operator 	PT Teguh Sempurna	-	Field observation and direct interview	7 February 2023	✓	
20	Hatantiring Estate <ul style="list-style-type: none"> • 6 manuring workers • 1 manuring foreman • 2 spraying workers • 1 daycare worker • 3 harvester and 1 foreman • 2 FFB transport worker 	PT Teguh Sempurna	-	Field observation and direct interview	7 February 2023	✓	
21	Kawan Batu Estate <ul style="list-style-type: none"> • 2 harvesters 	PT Teguh Sempurna	-	Field observation and direct interview	8 February 2023	✓	

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
	<ul style="list-style-type: none"> • 1 BMS and BSS officer • 2 warehouse officer • 3 manuring workers • 1 manuring foreman • 10 spraying workers • 1 spraying foreman • 1 Loose fruit picker • 7 harvester • 1 foreman • 						
22	Pematang Estate <ul style="list-style-type: none"> • 3 harvesters • 1 Harvesting Foreman • 1 BMS and BSS officer • 2 warehouse officer • 2 Mechanic • 3 manuring workers • 1 manuring foreman • 3 spraying workers • 1 spraying foreman • 1 Loose fruit picker • 10 P&D worker • 1 P7D Foreman 	PT Teguh Sempurna	-	Field observation and direct interview	7 February 2023	✓	
23	Batang Garing Estate <ul style="list-style-type: none"> • 1 HCV and HGU pole monitoring officer • 10 Spraying worker and 1 foreman • 3 manuring worker And 1 Foreman 	PT Teguh Sempurna	-	Field observation and direct interview	9 February 2023	✓	

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
	<ul style="list-style-type: none"> • 2 EFB worker • 1 EFB transport worker 						
24	Sawit Watch	Jakarta	info@sawitwatch.or.id	Questionnaire via email	31 January 2023		✓
25	WALHI	Jakarta	info@walhi.or.id	Questionnaire via email	31 January 2023		✓
26	AMAN	Jakarta	rumahaman@cbn.net.id	Questionnaire via email	31 January 2023		✓
27	WWF Indonesia	Jakarta	wwf-indonesia@wwf.or.id	Questionnaire via email	31 January 2023		✓

Appendix 2. Assessment Program

DATE	6 – 11 February 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 6 February 2023		
05.45 – 07.00	JAKARTA (CGK) → PANGKALAN BUN (PKN) – IN 190	All Auditor
08.00 – 12.00	PANGKALAN BUN (PKN) → SITE (PT TSA)	
14.00 – 15.00	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) 	RAH
15.00 – 17.00	Public Consultation <ul style="list-style-type: none"> Public consultation with Local Contractor & Supplier Direct interview with internal stakeholders (ex. Bipartite or Labour Union, Gender Committee and Cooperative committee members) Stakeholder consultation to affected communities surrounding the plantations and previous land owner 	All Auditor
Tuesday, 7 February 2023		
08.00 – 12.00	Public Consultation <ul style="list-style-type: none"> Continue Stakeholder consultation to affected communities surrounding the plantations and previous land owner. public consultation with stakeholder to relevant agency in Seruyan and Kotim Regency by Phone Field Observation to Pematang Estate Aspect to be verified: <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries); Implementation of Environmental and Conservation/HCV management. Implementation of Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Clinic and Waste Management). Observation of Workers Facilities (Housing, School, Worship Place). Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) Implementation of Occupational Health & Safety Aspect 	AAS TIO RAH JON
12.00 – 14.00	Break	All Auditor
14.00 – 16.30	Field observation to Pematang POM: <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Despatch CPO) Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond) Best practice, Implementation of Employment Procedure and Mechanism Aspect 	AAS TIO JON/RAH

16.30 – 17.00	Presentation of Daily Progress	All Auditor
Wednesday, 8 February 2023		
08.00 – 12.00	<p>Field Observation to Hatantiring Estate Aspect to be verified:</p> <ul style="list-style-type: none"> • Implementation of Legal Aspect (Land Ownership, Legal Boundaries); • Implementation of Environmental and Conservation/HCV management. • Implementation of Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Clinic and Waste Management). • Observation of Workers Facilities (Housing, School, Worship Place). • Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) • Implementation of Occupational Health & Safety Aspect <p>Field Observation to Kawan Batu Estate Aspect to be verified:</p> <ul style="list-style-type: none"> • Implementation of Legal Aspect (Land Ownership, Legal Boundaries); • Implementation of Environmental and Conservation/HCV management. • Implementation of Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Clinic and Waste Management). • Observation of Workers Facilities (Housing, School, Worship Place). • Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) • Implementation of Occupational Health & Safety Aspect 	<p>AAS</p> <p>JON</p> <p>TIO</p> <p>RAH</p>
12.00 – 14.00	Break	
14.00 – 16.30	Document review and completing audit checklist.	All Auditor
16.30 – 17.00	Presentation of Daily Progress	All Auditor
Thursday, 9 February 2023		
08.00 – 12.00	<p>Field Observation to Batang Garing Estate Aspect to be verified:</p> <ul style="list-style-type: none"> • Implementation of Legal Aspect (Land Ownership, Legal Boundaries); • Implementation of Environmental and Conservation/HCV management. • Implementation of Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Clinic and Waste Management). • Observation of Workers Facilities (Housing, School, Worship Place). • Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) • Implementation of Occupational Health & Safety Aspect 	<p>AAS</p> <p>TIO</p> <p>RAH/JON</p>
12.00 – 14.00	Break	All Auditor
14.00 – 16.30	• Document review and completing audit checklist.	All Auditor
16.30 – 17.00	• Presentation of Daily Progress	All Auditor
Friday, 10 February 2023		

08.00 – 12.00	<ul style="list-style-type: none"> Review and completing audit checklist. Presentation of daily progress 	All Auditor
12.00 – 14.00	Break	All Auditor
14.00 – 15.00	Internal Discussion	All Auditor
15.00 – 17.00	Closing Meeting: <ul style="list-style-type: none"> Presentation of audit findings (Noteworthy Positive Component, Non-Conformities, OFI, Timelie of CAR's, Conclusion)/ Comments, Responses and Questions 	All Auditor
Saturday, 11 February 2023		
07.45 – 09.00	PANGKALANBUN (PKN) → JAKARTA (CGK)	All Auditor